

AGENCY FOR INTERNATIONAL DEVELOPMENT



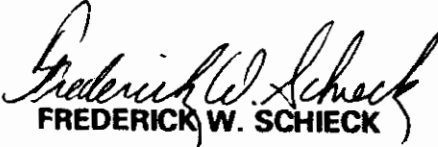
**Congressional Presentation  
Fiscal Year 1991**

**ANNEX III**

**Latin America and the Caribbean**

**LATIN AMERICA AND THE CARIBBEAN**



**Responsible Officer:**

  
**FREDERICK W. SCHIECK**

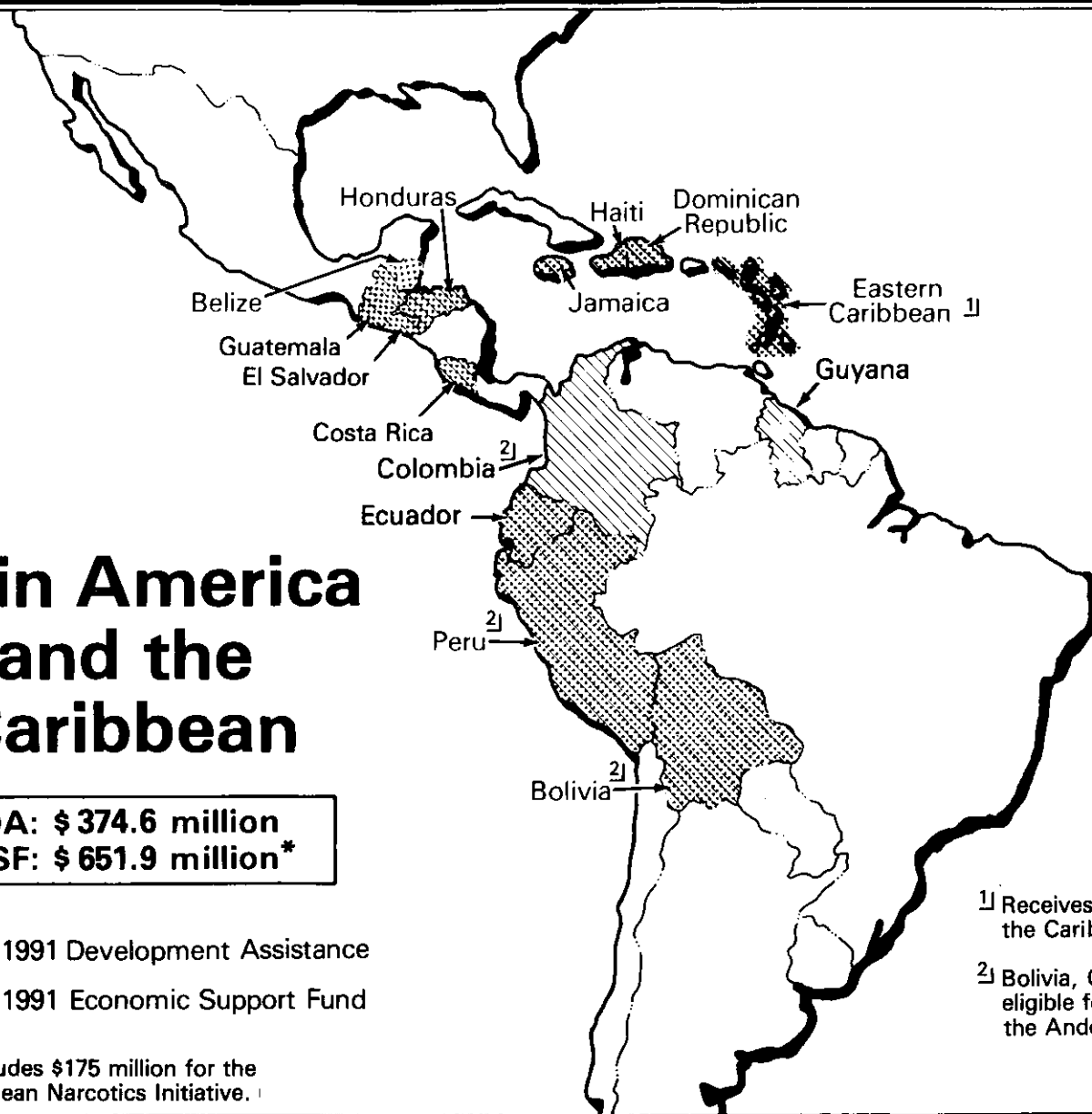
**Assistant Administrator (Acting)**  
**Bureau for Latin America and the Caribbean**

# Latin America and the Caribbean

DA: \$ 374.6 million  
ESF: \$ 651.9 million\*

-  FY 1991 Development Assistance
-  FY 1991 Economic Support Fund

\*Includes \$175 million for the Andean Narcotics Initiative.



### Annex III

Annex III presents to the Congress all Development Assistance (DA), Economic Support funds (ESF) and P.L. 480 food aid programs in Latin America and the Caribbean (LAC) for which A.I.D. is requesting funds for FY 1991.

The Presentation begins with a region-wide summary table which provides a breakout by country and appropriation account of the funding requirements for the Latin American and Caribbean countries from FY 1988 to FY 1991. Programs are grouped by subregion (Central America, the Caribbean, and South America), and subtotals are shown for each subregion. There is also a table of economic and social data for countries that receive A.I.D. assistance.

The Overview of Latin America and Caribbean which follows provides a regional summary of the Agency's programs in Latin America and the Caribbean. Country and regional narratives describe the total A.I.D. program, including FY 1991. Each narrative is followed by planned project summary sheets which present in detail the proposed new projects for FY 1991. A summary of active and proposed projects is also presented for each country in the region. Note that the regional projects presented in this annex are different from the centrally funded programs described in the Main Volume.

Annex III concludes with tables on terminating programs.

LATIN AMERICA AND THE CARIBBEAN

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SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

CP-91

REGION: BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	CHILD SURVIVAL	AIDS	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	PRIVATE SECTOR, ENVIRONMENT, ENERGY	ECONOMIC SUPPORT FUNDS	OTHER PROGRAMS
CENTRAL AMERICA										
BELIZE										
1988	7,400	3,400	20	1,000	530	100	850	1,500	---	---
1989	7,600	2,895	20	940	702	100	1,743	1,200	---	---
1990	6,457	3,602	---	737	856	---	407	855	---	---
1991	7,320	3,490	---	930	160	---	1,395	1,345	---	---
COSTA RICA										
1988	101,750	7,662	3,750	---	---	---	---	138	90,000	---
1989	100,082	7,300	1,250	---	---	---	---	1,234	90,100	198
1990	75,394	9,900	1,000	500	---	---	---	450	63,544	---
1991	49,705	5,705	---	---	---	---	---	4,000	40,000	---
EL SALVADOR										
1988	265,721	29,287	1,016	17,359	1,625	---	7,023	14,405	195,006	---
1989	253,176	25,970	2,173	16,907	---	---	4,745	12,493	190,887	1
1990	203,173	27,066	4,400	11,483	---	---	7,977	7,892	144,355	---
1991	244,118	17,118	7,300	11,950	3,000	---	13,700	11,050	180,000	---
GUATEMALA										
1988	109,807	16,180	5,625	268	2,787	---	590	4,575	79,782	---
1989	113,803	14,590	3,799	292	1,969	---	5,482	7,197	80,524	---
1990	86,553	15,105	3,587	276	2,282	---	5,535	3,285	56,483	---
1991	94,295	13,673	4,100	2,100	2,100	---	6,300	6,022	60,000	---
HONDURAS										
1988	129,939	23,478	3,045	3,847	4,022	---	5,816	4,731	85,000	---
1989	52,716	16,922	2,950	1,553	4,465	---	5,500	6,326	15,000	---
1990	164,387	16,749	4,700	3,064	2,300	---	5,128	2,429	130,017	---
1991	116,933	20,708	3,230	2,620	3,355	---	20	7,000	80,000	---
PANAMA										
1988	1,103	---	---	---	---	---	1,000	103	---	---
1989	---	---	---	---	---	---	---	---	---	---
1990	530,125	---	---	---	---	---	---	---	530,125	---
1991	---	---	---	---	---	---	---	---	---	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

CP-91

REGION: BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	CHILD SURVIVAL	AIDS	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	PRIVATE SECTOR, ENVIRONMENT, ENERGY	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
ROCAP										
1988	24,785	16,219	---	538	400	---	925	6,803	---	---
1989	33,178	19,441	---	100	220	---	1,685	11,728	---	---
1990	21,354	13,119	---	632	18	---	407	7,178	---	---
1991	20,430	7,180	---	4,570	30	---	2,975	5,675	---	---
CENTRAL AMERICA REGIONAL										
1988	25,034	2,008	788	1,781	450	---	14,787	1,394	3,826	---
1989	28,362	1,157	30	560	115	---	17,263	612	8,625	---
1990 <sup>1/</sup>	75	---	---	---	---	---	---	---	75	---
1991 <sup>1/</sup>	---	---	---	---	---	---	---	---	---	---
NICARAGUA (NED)										
1988	---	---	---	---	---	---	---	---	---	---
1989	5,000	---	---	---	---	---	---	---	5,000	---
1990	---	---	---	---	---	---	---	---	---	---
1991	---	---	---	---	---	---	---	---	---	---
SUBTOTAL CENTRAL AMERICA										
1988	655,539	92,434	14,244	24,793	9,814	100	30,891	33,649	453,614	---
1989	593,967	88,275	10,222	20,352	7,471	100	36,422	40,790	390,136	199
1990	1,037,518	85,541	13,687	16,692	5,456	---	19,454	22,029	924,599	---
1991	532,801	67,374	14,630	22,170	8,645	---	24,390	35,092	360,000	---

<sup>1/</sup> Central America Regional programs are funded under the LAC Regional program starting in FY 1990. See LAC Regional.



SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

CP-91

REGION: BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	CHILD SURVIVAL	AIDS	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	PRIVATE SECTOR, ENVIRONMENT, ENERGY	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
CARIBBEAN										
DOMINICAN REPUBLIC										
1988	32,447	7,467	1,476	1,883	500	300	2,496	4,490	13,835	---
1989	20,128	9,261	25	2,444	642	600	3,359	3,797	---	---
1990	14,512	4,975	500	1,183	---	600	2,930	4,324	---	---
1991	23,335	2,235	30	500	---	500	3,250	4,800	12,000	---
GUYANA										
1988	---	---	---	---	---	---	---	---	---	---
1989	---	---	---	---	---	---	---	---	---	---
1990	996	---	---	---	---	---	---	---	996	---
1991	2,000	---	---	---	---	---	---	---	2,000	---
HAITI										
1988	30,872	11,006	2,021	7,150	1,000	200	6,133	3,020	342	---
1989	27,980	10,755	2,614	3,055	3,165	150	5,197	3,044	---	---
1990	27,301	7,033	3,350	4,905	3,899	700	1,954	5,460	---	---
1991	37,471	10,271	2,000	3,400	4,100	1,000	2,700	6,000	10,000	---
JAMAICA										
1988	19,128	9,739	950	410	---	250	3,633	4,146	---	---
1989	76,620	27,315	3,648	5,029	1,254	250	4,638	4,486	25,000	---
1990	18,989	7,106	700	645	---	300	2,035	3,225	4,978	---
1991	32,642	5,942	1,500	900	---	500	3,000	3,800	17,000	---
CARIBBEAN REGIONAL										
1988	32,734	2,261	1,050	1,400	---	300	6,810	13,870	1,043	---
1989	25,253	7,454	1,350	1,000	---	700	5,435	2,974	10,225	115
1990	13,602	6,920	1,126	1,161	---	800	5,409	3,186	---	---
1991	27,654	6,514	900	600	---	1,100	4,450	4,100	10,000	---
SUBTOTAL CARIBBEAN										
1988	115,131	36,473	5,497	10,843	1,500	1,050	19,072	25,526	15,220	---
1989	155,981	54,735	12,637	11,528	5,061	1,700	18,629	14,301	35,225	115
1990	80,400	26,034	5,676	7,894	3,899	2,400	12,328	16,195	5,974	---
1991	125,112	24,962	4,450	5,400	4,100	3,100	13,400	18,700	51,000	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

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REGION: BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	CHILD SURVIVAL	AIDS	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	PRIVATE SECTOR, ENVIRONMENT, ENERGY	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
SOUTH AMERICA										
BOLIVIA										
1988	37,422	16,562	77	480	4,540	100	1,918	5,805	7,820	---
1989	36,361	10,974	140	402	4,238	100	2,392	6,365	11,750	---
1990	54,513	9,031	1,500	1,355	4,036	---	1,954	3,224	33,413	---
1991	54,341	8,916	1,150	407	5,150	---	2,770	5,148	30,800	---
ECUADOR										
1988	14,142	6,082	1,300	623	46	---	3,073	3,018	---	---
1989	26,201	5,491	2,402	1,300	1,808	---	3,126	3,014	9,000	---
1990	14,091	3,768	1,600	1,809	3,138	---	2,300	1,476	---	---
1991	23,752	4,318	1,875	593	3,050	---	1,150	2,866	9,000	---
PERU										
1988	27,914	15,410	1,600	701	5,331	100	2,600	1,507	500	167
1989	19,366	6,645	2,340	695	3,313	100	3,106	1,526	2,000	141
1990	15,289	2,162	2,300	279	4,280	100	2,208	674	3,286	---
1991	14,975	2,427	2,600	162	3,932	200	1,586	968	3,100	---
COLOMBIA										
1988	---	---	---	---	---	---	---	---	---	---
1989	2,367	---	---	---	---	---	---	---	2,867	---
1990	2,133	---	---	---	---	---	---	---	2,133	---
1991	---	---	---	---	---	---	---	---	---	---
CARIBBEAN NARCOTICS INITIATIVE										
1988	---	---	---	---	---	---	---	---	---	---
1989	---	---	---	---	---	---	---	---	---	---
1990	---	---	---	---	---	---	---	---	---	---
1991	175,000	---	---	---	---	---	---	---	175,000	---
SUBTOTAL SOUTH AMERICA										
1988	77,430	38,174	2,977	1,804	9,917	200	7,591	10,330	8,320	167
1989	85,295	23,110	4,882	2,397	9,359	200	8,684	10,905	25,617	141
1990	86,024	14,951	5,400	3,443	11,454	100	6,462	5,374	38,832	---
1991	268,036	16,161	5,625	1,562	12,132	200	5,506	8,982	217,900	---

SUMMARY OF PROGRAMS BY COUNTRY AND APPROPRIATION  
(IN THOUSANDS OF DOLLARS)

CP-91

REGION: BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY	TOTAL	AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION	POPULATION PLANNING	HEALTH	CHILD SURVIVAL	AIDS	EDUCATION AND HUMAN RESOURCES DEVELOPMENT	PRIVATE SECTOR, ENVIRONMENT, ENERGY	ECONOMIC SUPPORT FUND	OTHER PROGRAMS
-----										
OTHER										
LAC REGIONAL										
1988	40,645	2,545	1,374	1,921	4,000	650	15,946	6,608	7,605	---
1989	43,608	3,368	1,413	2,449	2,880	700	15,275	6,847	10,676	---
1990 <sup>2/</sup>	75,716	10,328	2,506	3,532	3,405	726	31,510	12,785	10,924	---
1991 <sup>2/</sup>	75,436	9,495	1,100	1,862	1,110	800	32,218	6,901	23,000	---
DEVELOPMENT POLICY REFORM PROGRAM										
1988	---	---	---	---	---	---	---	---	---	---
1989	---	---	---	---	---	---	---	---	---	---
1990	---	---	---	---	---	---	---	---	---	---
1991	25,000	10,000	---	5,000	---	---	---	10,000	---	---
SUBTOTAL OTHER										
1988	40,645	2,545	1,374	1,921	4,000	650	15,946	6,608	7,605	---
1989	43,608	3,368	1,413	2,449	2,880	700	15,275	6,847	10,676	---
1990	75,716	10,328	2,506	3,532	3,405	726	31,510	12,785	10,924	---
1991	100,436	19,495	1,100	6,862	1,110	800	32,218	16,901	23,000	---
GRAND TOTAL										
1988	900,845 <sup>3/</sup>	175,626	24,092	39,361	25,231	2,000	73,500	76,113	484,759	167
1989	876,351 <sup>4/</sup>	169,538	29,154	36,726	24,771	2,700	79,010	72,843	461,654	455
1990	1,329,660 <sup>5/</sup>	136,664	27,269	31,561	24,214	3,226	69,754	56,443	980,329	---
1991	1,026,467	127,492	25,305	35,994	25,987	4,100	75,514	79,675	651,900	---

<sup>2/</sup> Includes 32,100 in FY 1990 and 30,500 in FY 1991 for programs in Central America.

<sup>3/</sup> Includes 48,171 in reobligations of prior year DA funds and 2,692 in reobligation of prior year ESF funds.

<sup>4/</sup> Includes 30,080 in reobligations of prior year DA funds, 1,125 reobligations of prior year ESF funds, and 26,143 in FY 1988 ESF carryover.

<sup>5/</sup> Includes 578 in no year DA funds and 100,564 in FY 1989 ESF carryover.



SELECTED SOCIAL INDICATORS  
REGIONAL SUMMARY, FY91  
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA  
PRESENTATION COUNTRIES

	POPULATION			HEALTH			EDUCATION		--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	MALE LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND
BELIZE	212 (89)	3.8% (90)	69 (89)	.	68% (84)	36 (89)	.	.	162 (84)	7 (85)
	145 (79)	1.6% (79)	.	.	.	.	.	.	158 (79)	6 (79)
BOLIVIA	6,405 (88)	2.2% (88)	53 (89)	2,002 (81)	43% (83)	102 (88)	65% (85)	48% (85)	20 (84)	6 (85)
	5,273 (79)	2.2% (79)	50 (79)	.	.	143 (79)	.	.	18 (79)	5 (79)
COSTA RICA	2,954 (89)	2.6% (90)	76 (89)	.	88% (83)	16 (89)	93% (85)	54% (85)	87 (84)	49 (85)
	2,266 (79)	3.9% (79)	.	1,438 (79)	.	.	.	.	86 (79)	43 (79)
DOMINICAN REPUBLIC	7,097 (89)	2.0% (90)	66 (89)	1,401 (81)	62% (83)	64 (89)	77% (85)	51% (85)	176 (84)	132 (85)
	5,613 (79)	2.5% (79)	58 (79)	.	.	86 (79)	.	.	160 (79)	114 (79)
ECUADOR	10,263 (89)	2.3% (90)	66 (89)	.	59% (83)	63 (89)	80% (85)	49% (85)	126 (84)	33 (85)
	7,893 (79)	2.9% (79)	.	.	.	76 (79)	.	.	128 (79)	28 (79)
EL SALVADOR	5,203 (89)	2.0% (90)	65 (89)	2,555 (81)	51% (87)	51 (89)	62% (85)	49% (85)	353 (84)	228 (85)
	4,593 (79)	2.6% (79)	56 (79)	.	.	86 (79)	.	.	332 (79)	212 (79)
GUATEMALA	8,857 (89)	2.8% (88)	62 (89)	.	51% (83)	79 (88)	47% (85)	48% (85)	246 (84)	73 (85)
	6,901 (79)	3.2% (79)	.	8,221 (79)	.	.	.	.	237 (79)	62 (79)
GUYANA	765 (89)	-0.1% (90)	67 (89)	.	80% (83)	41 (89)	95% (85)	53% (85)	45 (84)	4 (85)
	757 (79)	0.2% (79)	.	.	.	.	.	.	44 (79)	4 (79)
HAITI	5,900 (89)	1.4% (90)	56 (89)	9,195 (81)	33% (83)	101 (88)	35% (85)	50% (85)	416 (84)	213 (85)
	5,398 (79)	1.7% (79)	52 (79)	.	.	109 (79)	.	.	381 (79)	192 (79)
HONDURAS	5,103 (89)	3.0% (90)	65 (89)	3,098 (81)	70% (88)	64 (89)	51% (86)	49% (85)	82 (84)	39 (85)
	3,640 (79)	3.4% (79)	58 (79)	3,099 (79)	.	90 (79)	.	.	69 (79)	32 (79)
JAMAICA	2,485 (89)	1.1% (90)	76 (89)	2,831 (81)	73% (83)	17 (89)	78% (81)	51% (85)	487 (84)	212 (85)
	2,207 (79)	1.3% (79)	.	2,833 (79)	.	.	.	.	448 (79)	195 (79)
PANAMA	2,373 (89)	2.1% (90)	73 (89)	1,009 (81)	62% (83)	23 (89)	88% (85)	50% (85)	123 (84)	28 (85)
	1,915 (79)	2.4% (79)	.	.	.	.	.	.	112 (79)	25 (79)
PERU	21,449 (89)	2.1% (90)	63 (89)	.	63% (84)	69 (89)	78% (85)	47% (85)	62 (84)	15 (85)
	16,849 (79)	2.6% (79)	.	1,444 (79)	.	.	.	.	55 (79)	13 (79)
SURINAME	401 (89)	1.6% (90)	68 (89)	.	89% (83)	40 (89)	.	45% (85)	479 (84)	2 (85)
	364 (79)	-0.7% (79)	.	.	.	.	.	.	521 (79)	2 (79)
URUGUAY	2,989 (89)	0.4% (90)	71 (89)	501 (81)	83% (83)	35 (89)	.	55% (85)	20 (84)	17 (85)
	2,880 (79)	0.3% (79)	70 (79)	.	.	42 (79)	.	.	19 (79)	16 (79)
SUMMARY	(MRY)									
	(1979)									
	82,458 *	2.1% #	64 #	3,117 #	59% #	66 #	69% #	49% #	192 #	71 #
	66,694 *	2.5% #	56 #	3,196 #	#	93 #	#	#	184 #	63 #

\* = SUM, # = ARITHMETIC MEAN, # = WEIGHTED MEAN (BY POPULATION), . = MISSING DATA  
REFER TO "EXPLANATION OF ECONOMIC AND SOCIAL DATA" FOR INDICATOR AND SUMMARY DEFINITIONS

REGION: LATIN AMERICA  
SELECTED OTHER COUNTRIES

SELECTED SOCIAL INDICATORS  
REGIONAL SUMMARY, FY91  
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

	POPULATION			HEALTH			EDUCATION			--POPULATION DENSITY-- (PERSONS PER SQUARE KM)	
	TOTAL POPULATION (THOUSANDS)	ANNUAL GROWTH RATE	LIFE EXPECT- ANCY (YEARS)	PEOPLE PER DOCTOR	% POP. WITH ACCESS TO SAFE WATER	INFANT DEATHS PER 1000 BIRTHS	FEMALE LITERACY RATE	MALE LABOR FORCE PARTICI- PATION	POP/AGRICUL- TURAL LAND	POP/TOTAL LAND	
ARGENTINA	31,914 (89)	1.2% (90)	71 (89)		67% (83)	33 (89)	95% (85)	52% (85)	17 (84)	11 (85)	
BARBADOS	27,785 (79)	1.6% (79)							16 (79)	10 (79)	
	261 (89)	0.5% (90)	75 (89)		52% (83)	17 (89)		56% (85)		634 (85)	
	248 (79)	0.3% (79)				25 (79)				616 (79)	
BRAZIL	149,640 (89)	1.9% (90)	65 (89)	1,300 (81)	75% (83)	70 (89)	76% (85)	53% (85)	55 (84)	16 (85)	
	119,872 (79)	2.5% (79)	62 (79)			81 (79)			52 (79)	14 (79)	
CHILE	12,827 (89)	1.5% (90)	72 (89)		85% (83)	18 (89)		52% (85)	68 (84)	16 (85)	
	10,923 (79)	1.5% (79)		1,925 (79)	82% (79)	40 (79)			63 (79)	14 (79)	
COLOMBIA	32,379 (89)	2.1% (90)	70 (89)		91% (83)	39 (89)	87% (85)	50% (85)	78 (84)	25 (85)	
	26,029 (79)	1.9% (79)	64 (79)			60 (79)			71 (79)	22 (79)	
GRENADA	84 (89)	-0.4% (90)	71 (89)		85% (83)	31 (89)			471 (84)	320 (85)	
	91 (79)	-1.3% (79)				15 (79)					
MEXICO	85,925 (89)	2.2% (90)	71 (89)	1,215 (81)	74% (83)	35 (89)	88% (85)	48% (85)	77 (84)	40 (85)	
	67,935 (79)	2.5% (79)							70 (79)	35 (79)	
NICARAGUA	3,503 (89)	2.9% (90)	62 (89)	2,227 (81)	56% (83)	65 (89)		47% (85)	49 (84)	25 (85)	
	2,679 (79)	2.9% (79)	57 (79)			89 (79)			45 (79)	21 (79)	
PARAGUAY	4,522 (89)	3.0% (90)	69 (89)	1,752 (81)	25% (83)	49 (89)	85% (85)	53% (85)	20 (84)	9 (85)	
	3,266 (79)	3.4% (79)	67 (79)	1,792 (79)		58 (79)			18 (79)	7 (79)	
VENEZUELA	19,209 (89)	2.5% (90)	73 (89)	1,002 (81)	83% (83)	28 (89)	85% (85)	49% (85)	80 (84)	19 (85)	
	14,552 (79)	3.4% (79)							70 (79)	16 (79)	
SUMMARY	(MRY)	340,266 *	2.0% #	68 #	1,271 #	75% #	50 #	83% #	51% #	102 e	111 e
	(1979)	273,380 *	2.4% #	62 #	1,895 #	82% #	74 #	#	#	50 e	84 e
REGION SUMMARY	(MRY)	422,724 *	2.0% #	67 #	1,502 #	72% #	53 #	80% #	51% #	158 e	87 e
	(1979)	340,074 *	2.4% #	61 #	2,795 #	82% #	77 #	#	#	138 e	71 e

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REGIONAL SUMMARY, FY91  
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA  
PRESENTATION COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE				
		GOVERNMENT DEBT OUTSTANDING			TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP		
		AS % OF GNP	AS % OF EXPORTS	DEBT SERVICE RATIO	US AID \$ MILLION	US AID AS % GNP	TOTAL US	ALL SOURCES	
BELIZE	1,200 (86) 1,090 (79)	.	.	9.1% (87)	10.7 (88) 0.7 (79)	7.49% (87)	.	.	
BOLIVIA	570 (87) 460 (79)	.	.	22.1% (87) 31.1% (79)	92.1 (88) 57.8 (79)	1.91% (87)	1.86% (87)	7.1% (87)	
COSTA RICA	1,550 (87) 1,790 (79)	.	.	12.1% (87) 23.0% (79)	120.6 (88) 17.9 (79)	4.26% (87)	3.91% (87)	5.3% (87)	
DOMINICAN REPUBLIC	730 (87) 890 (79)	.	.	27.9% (86) 21.1% (79)	59.9 (88) 49.4 (79)	0.83% (87)	1.27% (87)	2.6% (87)	
ECUADOR	1,040 (87) 1,080 (79)	.	.	20.7% (87) 38.3% (79)	21.6 (88) 6.7 (79)	0.48% (87)	0.44% (87)	1.9% (87)	
EL SALVADOR	850 (87) 760 (79)	.	.	19.0% (87) 2.5% (79)	395.6 (88) 11.4 (79)	13.61% (87)	7.70% (87)	9.0% (87)	
GUATEMALA	950 (87) 1,030 (79)	.	.	24.9% (87) 2.4% (79)	141.6 (88) 24.7 (79)	2.83% (87)	2.26% (87)	3.4% (87)	
GUYANA	380 (87) 650 (79)	258.0% (80) 151.0% (79)	370.4% (80) 253.5% (79)	9.4% (85) 29.0% (79)	7.0 (88) 8.6 (79)	2.10% (87)	3.23% (87)	.	
HAITI	360 (87) 220 (79)	65.4% (87)	573.3% (87)	7.1% (87) 5.7% (79)	40.3 (88) 25.1 (79)	4.61% (87)	4.17% (87)	9.7% (87)	
HONDURAS	810 (61) 600 (79)	.	.	30.8% (88) 12.3% (79)	198.1 (88) 31.4 (79)	7.14% (87)	4.03% (87)	6.4% (87)	
JAMAICA	960 (87) 1,280 (79)	103.3% (82)	445.6% (82)	26.6% (87) 16.8% (79)	81.0 (88) 18.1 (79)	4.13% (87)	3.52% (87)	5.9% (87)	
PANAMA	2,240 (87) 1,420 (79)	57.6% (79)	513.2% (79)	6.5% (87) 15.0% (79)	1.2 (88) 22.6 (79)	0.31% (87)	0.27% (87)	0.7% (87)	
PERU	1,430 (87) 850 (79)	.	.	12.5% (87) 22.4% (79)	71.2 (88) 76.2 (79)	0.21% (87)	0.14% (87)	0.6% (87)	
SURINAME	2,360 (87) 2,210 (79)	48.7% (84)	396.8% (86)	.	0.0 (88)	.	.	.	
URUGUAY	2,160 (87) 2,120 (79)	29.6% (86) 12.6% (79)	.	23.6% (86) 10.1% (79)	0.1 (88) 0.2 (79)	0.20% (87)	-0.04% (87)	0.2% (87)	
SUMMARY	(MRY) (1979)	1,085 # 921 #	62.5% & 45.1% &	454.1% & 253.5% &	17.3% & 17.5% &	1240.9 * 350.9 *	3.00% & % &	1.95% & % &	3.2% & % &

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SELECTED ECONOMIC INDICATORS, PART 1  
REGIONAL SUMMARY, FY91  
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA  
SELECTED OTHER COUNTRIES

	GNP PER CAPITA \$US	DEBT			FOREIGN ASSISTANCE				
		GOVERNMENT DEBT OUTSTANDING		DEBT SERVICE RATIO	TOTAL US OBLIGATIONS		NET ECON. DISBURSEMENTS-ODA AS A % OF GNP		
		AS % OF GNP	AS % OF EXPORTS		US AID \$ MILLION	US AID AS % GNP	TOTAL US	ALL SOURCES	
ARGENTINA	2,360 (87) 1,790 (79)	.	.	45.3% (87) 14.8% (79)	0.0 (88) 0.1 (79)	0.00% (87)	.	0.1% (87)	
BARBADOS	5,350 (87) 2,670 (79)	35.3% (85) 31.1% (79)	198.4% (86) 136.8% (79)	7.4% (86) 2.8% (79)	0.0 (88) 0.3 (79)	.	.	.	
BRAZIL	2,020 (87) 1,890 (79)	17685.1% (86)	.	26.7% (87) 36.3% (79)	2.9 (88) 2.0 (79)	0.00% (87)	-0.01% (87)	0.1% (87)	
CHILE	1,310 (87) 1,690 (79)	127.7% (82)	.	21.1% (87) 26.5% (79)	1.4 (88) 13.4 (79)	0.01% (87)	-0.20% (87)	0.1% (87)	
COLOMBIA	1,230 (87) 1,050 (79)	.	.	33.4% (87) 13.1% (79)	14.3 (88) 21.8 (79)	0.05% (87)	-0.05% (87)	0.2% (87)	
GRENADA	1,340 (87)	.	.	6.7% (86) 1.6% (79)	0.1 (88)	.	.	.	
MEXICO	1,820 (87) 1,820 (79)	81.6% (86) 24.4% (79)	380.3% (85) 355.5% (79)	30.1% (87) 62.7% (79)	18.5 (88) 13.6 (79)	0.01% (87)	0.04% (87)	0.1% (87)	
NICARAGUA	830 (87) 580 (79)	.	.	11.0% (86) 7.7% (79)	0.4 (88) 18.5 (79)	.	.	4.4% (87)	
PARAGUAY	1,000 (87) 1,030 (79)	.	.	21.3% (87) 8.9% (79)	4.2 (88) 10.3 (79)	0.08% (87)	0.02% (87)	1.8% (87)	
VENEZUELA	3,230 (87) 3,730 (79)	54.1% (86) 15.5% (79)	330.8% (86) 52.0% (79)	22.4% (87) 9.4% (79)	0.2 (88) 0.0 (79)	0.00% (87)	.	0.0% (87)	
SUMMARY	(MRY) (1979)	1,944 # 1,850 #	2651.4% & 22.5% &	271.3% & 146.8% &	21.3% & 19.9% &	42.0 * 80.0 *	0.01% & % &	-0.03% & % &	0.5% & % &
REGION SUMMARY	(MRY) (1979)	1,777 # 1,668 #	1664.3% & 28.2% &	340.3% & 154.6% &	19.6% & 18.9% &	1282.9 * 430.9 *	1.63% & % &	1.34% & % &	1.8% & % &

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SELECTED ECONOMIC INDICATORS, PART 2  
REGIONAL SUMMARY, FY91  
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA  
PRESENTATION COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 1965-19( )	AVERAGE ANNUAL GROWTH IN GDP 1980-19( )	AVERAGE ANNUAL RATE OF INFLATION 1980-19( )	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION	
BELIZE	1.9% (87)	.	1.1% (87)	.	-15 (86) -24 (79)	6.5% (80) 6.5% (79)	1.6% (85) 0.9% (79)	-60 (87)	
BOLIVIA	-0.5% (87)	-2.1% (87)	601.8% (87)	40.3% (84) 16.7% (79)	89 (85)	88.5% (84) 28.8% (79)	1.7% (84) 2.2% (79)	-197 (88) -397 (79)	
COSTA RICA	1.5% (87)	1.8% (87)	28.6% (87)	.	-56 (88) -414 (79)	8.4% (83)	0.6% (86) 0.7% (79)	-378 (87) -559 (79)	
DOMINICAN REPUBLIC	2.3% (87)	1.6% (87)	16.3% (87)	.	-215 (88) -349 (79)	13.2% (85) 29.9% (79)	1.1% (86) 1.8% (79)	-270 (87) -331 (79)	
ECUADOR	3.2% (87)	1.5% (87)	29.5% (87)	.	-694 (87) 52 (79)	.	.	-597 (88) -630 (79)	
EL SALVADOR	-0.2% (87)	-0.4% (87)	16.5% (87)	14.7% (86) 15.0% (79)	-300 (87) -6 (79)	.	.	117 (86) 21 (79)	
GUATEMALA	1.2% (87)	-0.7% (87)	12.7% (87)	.	129 (86) -310 (79)	26.7% (83) 18.3% (79)	1.2% (79)	-437 (87) -205 (79)	
GUYANA	.	.	13.6% (87)	72.6% (81) 55.0% (79)	-206 (88) -54 (79)	40.5% (81) 32.6% (79)	7.3% (85) 3.3% (79)	-97 (85) -83 (79)	
HAITI	0.5% (87)	-0.4% (87)	7.9% (87)	21.5% (87) 15.5% (79)	-193 (87) -109 (79)	.	.	-53 (88) -55 (79)	
HONDURAS	0.7% (87)	1.3% (87)	4.9% (87)	20.8% (87) 17.4% (79)	-130 (87) -107 (79)	.	2.2% (79)	-265 (87) -192 (79)	
JAMAICA	-1.5% (87)	0.4% (87)	19.4% (87)	41.4% (86) 42.7% (79)	8 (87) -38 (79)	34.2% (82) 32.1% (79)	.	-91 (87) -139 (79)	
PANAMA	2.4% (87)	2.6% (87)	3.3% (87)	33.8% (86) 39.5% (79)	93 (87) -247 (79)	12.8% (86) 34.8% (79)	.	727 (88) -311 (79)	
PERU	0.2% (87)	1.2% (87)	101.5% (87)	21.1% (85)	986 (85) 1,766 (79)	.	.	-1,129 (88) 726 (79)	
SURINAME	1.8% (87)	.	4.1% (87)	44.6% (84) 36.4% (79)	57 (87) -3 (79)	47.2% (86)	2.3% (86)	76 (87) 44 (79)	
URUGUAY	1.4% (87)	-1.3% (87)	54.5% (87)	.	313 (88) -328 (79)	2.8% (86) 0.0% (79)	2.3% (86) 2.4% (79)	-124 (87) -357 (79)	
SUMMARY	(MRY) (1979)	1.1% e % e	0.5% e % e	61.0% e % e	34.0% & 34.2% &	64 & -67 &	22.9% & 19.8% &	1.9% & 1.7% &	-133 & -208 &

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REGIONAL SUMMARY, FY91  
(DATA FOR MOST RECENT YEAR AND COMPARISON YEAR)

REGION: LATIN AMERICA  
SELECTED OTHER COUNTRIES

	AVERAGE ANNUAL GROWTH GNP PER CAP % 1965-19( )	AVERAGE ANNUAL GROWTH IN GDP 1980-19( )	AVERAGE ANNUAL RATE OF INFLATION 1980-19( )	GOVERNMENT EXPENDI- TURES AS % GNP	TRADE BALANCE \$US MILLION	GOVT. DEBT FINANCING AS % GOVT EXPENSES	GOVERNMENT DEFENSE SPENDING AS % GDP	CURRENT ACCOUNT BALANCE \$US MILLION
ARGENTINA	0.1% (87)	-0.3% (87)	298.7% (87)	.	3,169 (83)	11.5% (86)	1.3% (86)	-1,220 (88)
					330 (79)	13.7% (79)	2.4% (79)	-500 (79)
BARBADOS	2.4% (87)	.	6.1% (87)	.	84 (86)	9.3% (86)	0.7% (86)	-53 (87)
					-72 (79)	.	0.4% (79)	-34 (79)
BRAZIL	4.1% (87)	3.3% (87)	166.3% (87)	28.8% (86)	9,607 (87)	29.6% (85)	885.4% (86)	-1,499 (87)
				17.9% (79)	-6,667 (79)	.	698.4% (79)	-10,468 (79)
CHILE	0.2% (87)	1.0% (87)	20.6% (87)	.	642 (86)	-0.4% (87)	3.2% (86)	-811 (87)
					-587 (79)	-16.5% (79)	3.5% (79)	-1,189 (79)
COLOMBIA	2.7% (87)	2.9% (87)	23.7% (87)	.	1,531 (87)	.	1.0% (84)	336 (87)
					495 (79)	.	.	438 (79)
GRENADA	.	.	4.9% (87)	.	-32 (87)	.	.	-26 (87)
					-13 (79)	.	.	-1 (79)
MEXICO	2.5% (87)	0.5% (87)	68.9% (87)	.	10,049 (87)	45.1% (86)	0.6% (86)	-2,967 (88)
					-1,697 (79)	18.8% (79)	0.5% (79)	-5,452 (79)
NICARAGUA	-2.5% (87)	-0.3% (87)	86.6% (87)	69.1% (83)	2,189 (87)	28.1% (86)	3.3% (80)	-693 (86)
				21.9% (79)	217 (79)	30.4% (79)	3.1% (79)	180 (79)
PARAGUAY	3.4% (87)	1.3% (87)	21.0% (87)	.	-489 (88)	-18.3% (86)	1.0% (86)	-125 (88)
					-188 (79)	-9.2% (79)	1.2% (79)	-206 (79)
VENEZUELA	-0.9% (87)	0.2% (87)	11.4% (87)	.	-3,559 (88)	13.1% (82)	1.2% (86)	-4,692 (88)
					932 (79)	-8.4% (79)	1.4% (79)	350 (79)
SUMMARY	(MRY)							
	(1979)	1.3% e	1.1% e	70.8% e	40.5% &	14.8% &	94.5% &	-1,373 &
		. % e	. % e	. % e	18.8% &	0.7% &	88.2% &	-1,910 &
REGION SUMMARY	(MRY)							
	(1979)	1.2% e	0.7% e	65.0% e	35.5% &	18.3% &	61.3% &	-800 &
		. % e	. % e	. % e	30.4% &	9.5% &	60.9% &	-1,083 &

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LATIN AMERICA AND THE CARIBBEAN

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	414,742 <u>1/</u>	349,331 <u>3/</u>	374,567
Loan	--	--	--
Grant	414,742	349,331	374,567
Economic Support Fund	461,654 <u>2/</u>	980,329 <u>4/</u>	651,900
Loan	--	--	--
Grant	461,654	980,329	651,900
Other*	455	--	--
<b>TOTALS</b>	876,851	1,329,660	1,026,467
P.L. 480**	266,170	250,019	251,420
Title I	172,700	164,000	184,000
Title II	93,470	86,019	67,420
<b>TOTALS</b>	1,143,021	1,579,679	1,277,887

\*International Disaster Assistance

\*\*See Main Volume P.L. 480 Tables for program breakout and emergency assistance

1/ Includes 30,080 in reobligation of prior year funds

2/ Includes 1,125 in reobligations of prior year funds and 26,143 in fiscal year 1988 carryover

3/ Includes 578 in no year funds

4/ Includes 100,564 in FY 1989 carryover

## LATIN AMERICA AND THE CARIBBEAN

### Regional Highlights

As the Latin American and Caribbean (LAC) countries enter the 1990s, the stage is being set for more rapid, sustained economic growth and a widespread improvement in living standards. Many of the countries have made great strides in overcoming the economic problems of the 1980s. They have adopted economic policy reforms leading to more market-oriented economies, with greater opportunities for private-sector activities and for export growth and diversification. Unfortunately, some countries still face serious difficulties that stem both from policy shortcomings and from unfavorable events in the world economy. The debt problem has been a persistent obstacle, but the Brady initiative, which encourages new foreign investment while calling for commercial banks to negotiate debt reductions, provides hope that a broadly accepted solution has been found. The recent agreements between Mexico and Costa Rica and their commercial-bank creditors are especially encouraging in this regard and offer hope that debt burdens will soon be relieved elsewhere in the region.

Economic growth in the A.I.D.-assisted LAC countries other than Peru averaged 4.8% in 1988 and an estimated 2.4% in 1989, significantly above the entire LAC average of 0.6% and 1.1%, respectively, in these same years. Per capita gross domestic product (GDP) in the A.I.D.-assisted countries rose by 2.2% in 1988 before leveling off in 1989, whereas for the entire LAC region it declined in both years after having increased from 1984 through 1987. The lower GDP growth rates in the entire LAC region are attributable to very low or negative growth in the three largest countries -- Argentina, Brazil, and Mexico (1988 only in the last two cases) -- as well as to very sharp declines in Nicaragua, Panama, Peru, and Trinidad and Tobago.

In Central America, the GDP growth rate in 1989 was 3.0% in the A.I.D.-assisted countries. Positive results are being achieved under the frameworks of the Caribbean Basin Initiative (CBI), a 12-year trade enhancement program, and the Central America Initiative (CAI), a program begun in FY 1984 to provide additional resources to the region to address fundamental economic, social and political problems identified by the National Bipartisan Commission on Central America. Nontraditional manufactured exports to the U.S. market have risen rapidly, from \$258 million in 1983 to an estimated \$950 million in 1989. With the initiation of a major policy reform program by the new government in El Salvador, all A.I.D.-assisted countries except Honduras have made significant economic policy reforms laying the groundwork for broad-based, sustainable development. Although Honduras has made dramatic progress in the social sectors (infant mortality fell from 125 per 1,000 in the 1970s to 60 per 1,000 in 1988, and contraceptive prevalence among women in union rose from 9% to 41%), the capacity of the government to sustain social programs over the long run cannot be sustained unless major economic policy reforms are undertaken.

The Caribbean presents a mixed picture. The new government in Jamaica has continued the major policy reform effort begun by its predecessor, and the economy grew by 4.0% in 1989. Policy reform in the Dominican Republic and

Haiti, however, has been uneven and economic performance in the last two years has been poor. The Eastern Caribbean countries continued their strong economic performance of recent years, although in September Hurricane Hugo dealt a severe blow to St. Kitts-Nevis, Montserrat, Dominica and, to a lesser degree, Antigua.

Trends in the Andean region are also mixed. Bolivia continues to follow the sound economic policies adopted in 1985, which abruptly ended hyperinflation and economic decline. The result has been modest economic growth. Ecuador has implemented significant stabilization and structural adjustment measures over the past year, and the annual inflation rate, which had reached close to 100%, has been reduced by more than half. In Peru, on the other hand, misguided economic policies continue in effect; the economy contracted in 1989 by an estimated 15.0% (following an 8.9% decline in 1988), and consumer prices rose by approximately 2,500% from December 1988 to December 1989.

Progress toward democracy continues to flourish in the LAC region. In the past year, free, open elections were held in Belize, El Salvador, Honduras, Jamaica, Antigua, St. Vincent and the Grenadines, St. Kitts-Nevis, Grenada, Bolivia, Argentina, Paraguay, Brazil, Uruguay, and Chile. In many of these countries the reins of government were transferred peacefully to an opposition political party. In Panama, democracy returned where it had suffered under more than two decades of authoritarian rule, with the winner of the 1989 presidential election in office. However, in Haiti and Nicaragua, where elections are scheduled for 1990, there is still much uncertainty about the democratic process.

#### U.S. Interests and A.I.D.'s Role in Supporting Those Interests

The major interests of the United States in Latin America and the Caribbean range from security to economic to humanitarian. Geographic proximity makes a politically and economically stable environment in the region especially critical to our national security. The flow of cocaine into the United States debilitates our society, international terrorist groups threaten peace, and illegal migration imposes burdens on us.

Economically, the LAC countries constitute a major market for our exports. As a result of the economic problems in the early 1980s, LAC purchases of U.S. goods fell sharply from \$42 billion in 1981 to \$26 billion in 1983. This cost the United States an estimated 400,000 jobs in export industries. As many of the economies began to recover, U.S. exports to the region rose to \$44 billion in 1988, although still below the 1981 peak after adjusting for inflation. More rapid, sustained economic growth in the region will increase opportunities for U.S. exports and facilitate further progress toward reducing the U.S. trade deficit.

The United States has major investments in the region, amounting in 1988 to \$49.3 billion, or 64% of all U.S. direct investment in developing countries. Economic difficulties have lowered returns on this investment. In addition, debt-servicing problems have made U.S. banks reluctant to make new loans anywhere in the hemisphere.

U.S. interests also include seeing poverty and misery reduced in the region. Many people in the LAC countries lack productive employment opportunities and adequate access to health care, education, and other social services.

Our interests in the LAC region will best be protected by promoting broad-based, sustainable economic growth in an environment that encourages both economic and political pluralism. Specific U.S. interests vary among the different parts of Latin America and the Caribbean receiving U.S. economic assistance:

In Central America, the United States has been particularly concerned with the threat posed by the presence in Nicaragua of a government hostile to U.S. interests. That government continues to support armed insurrections aimed at installing similar governments elsewhere in Central America, particularly in El Salvador. The CBI and the CAI have been important components of the overall U.S. Government response to this threat. In addition to strengthening the forces of democracy, U.S. assistance to Central America helps stem the flow of illegal immigrants to the United States. Another major U.S. concern is the security of the Panama Canal, which had been threatened by General Noriega's dictatorial rule in Panama. The transshipment and trafficking of illegal drugs are also of concern, although not of the same magnitude as in the Andean countries.

In the Caribbean, democracy is well-rooted except in Haiti. Threats to democracy and U.S. security have not been as great as in Central America. Events in Grenada not long ago, however, remind us that we must always be alert to the possibility that hostile forces could take advantage of opportunities to threaten the large volume of U.S. trade -- particularly in petroleum -- that passes through Caribbean sea lanes. Adverse economic conditions in the Caribbean in the early 1980s gave rise to considerable illegal migration to the United States. The CBI and the subsequent expansion of U.S. economic assistance to the region have addressed this concern effectively.

In the Andean region, the greatest threat to our security is the production and trafficking of illegal drugs. Bolivia, Peru, and Colombia produce nearly 100% of the world's coca-leaf and cocaine. Not only have the illegal drugs had a devastating effect on U.S. society, but they also have weakened the fabric of the Andean nations themselves. The U.S. response to the problems of the Andes differ from those for Central America and the Caribbean. President Bush's Andean Narcotics Initiative calls for substantial additional military and economic assistance for Bolivia, Peru, and Colombia to help those countries counter the production of cocaine.

#### A.I.D.'s Strategy

A.I.D.'s strategy for addressing development problems in Latin America and the Caribbean, and for making the 1990s a decade of strong economic growth and rising living standards, focuses on the following interrelated objectives: (1) promoting more rapid, broad-based economic growth that is sustainable in both economic and environmental terms; (2) facilitating human capacity development, to increase people's ability to participate in

the development process; and (3) strengthening political and economic pluralism by supporting democratic processes at all levels (electoral, legislative, and judicial), opening markets to increased competition, and expanding opportunities for small and micro-level enterprises operated by both men and women. A broad array of assistance instruments -- including Economic Support Fund (ESF), Development Assistance (DA), food aid, and housing guaranties -- supports these objectives. Host government-owned local currencies associated with ESF and food aid also contribute significantly.

A.I.D.'s development strategy emphasizes productive employment opportunities for all, as well as greater access to health care, education, and other social services. A cross-cutting theme in A.I.D. programming is the need for new job creation in the region. Only when individual incomes rise will poverty and human misery decline. Because jobs can best be provided by the private sector, countries must create the appropriate climates to encourage new investment by adopting the right economic policies and maintaining responsive, democratic governments. Therefore, A.I.D. also seeks, through policy dialogue and significant ESF assistance, to promote economic policy reforms.

A significant portion of A.I.D.'s activities in the LAC region -- approximately 27% of the Development Assistance portfolio -- is carried out through private and voluntary organizations (PVOs), both U.S. and local. During FY 1987-1989 LAC funding for PVO activities averaged \$119 million, and approximately 60% was channeled through local PVOs.

Women are more fully incorporated into A.I.D.'s development assistance programs as beneficiaries and participants through training, technical assistance, research, and evaluation. A high proportion of the beneficiaries of A.I.D.'s microenterprise programs are women. Last year, workshops were held in Guatemala and Peru to train A.I.D. staff, selected contractors and PVO personnel on how to carry out the Agency's women in development mandate. Other in-country seminars are planned in El Salvador, Haiti, the Dominican Republic, and by the Regional Office for Central America. Significant new employment opportunities for women have been created in countries where nontraditional exports are growing rapidly under programs strongly supported by A.I.D. Between 35% and 40% of A.I.D.'s participant trainees in the LAC region are women.

The paragraphs below outline the rationale for A.I.D.'s objectives in the LAC region and summarize the progress made toward achieving them.

1. Promoting Rapid, Broad-Based, and Sustainable Economic Growth. Most Latin Americans undoubtedly are relieved to leave the 1980s behind. They enter the 1990s with a sense of cautious optimism based on lessons learned during the past decade. The LAC debt crisis has made it clear that the kinds of economic policies which produced rapid economic growth during the 1960s and 1970s were incapable of doing so during the fundamentally changed international economic environment of the 1980s. Moreover, the LAC countries have learned that the strategies and policies of economic growth followed during the 1960s and 1970s did not result in growth that was as broad-based as had been desired. Notwithstanding gains in education, health, and family planning, those strategies and policies



often had effects that were precisely the opposite of what had been intended. Middle- and high-income groups received most of the benefits of subsidies and protectionist policies. The emergence of serious environmental problems demonstrated also that some of the economic growth that had occurred was unsustainable from an ecological standpoint.

Although the 1980s has not been a growth decade for most LAC countries, it would be a mistake to assume that the entire experience of the 1980s was negative. A number of A.I.D.-assisted countries, beginning with Costa Rica in 1982, began to implement a series of major reforms to stabilize their economies and introduce structural reforms to adjust to the radically changed international economic environment. In the last few years, aggregate GDP has risen in all A.I.D.-assisted LAC countries except in Peru, Haiti, and St. Vincent and the Grenadines, and in many of those countries per capita GDP has risen as well (see Table 1).

Table 1

Growth of GDP and Per Capita GDP in the A.I.D.-Assisted LAC Countries, 1988 and 1989 (percent)

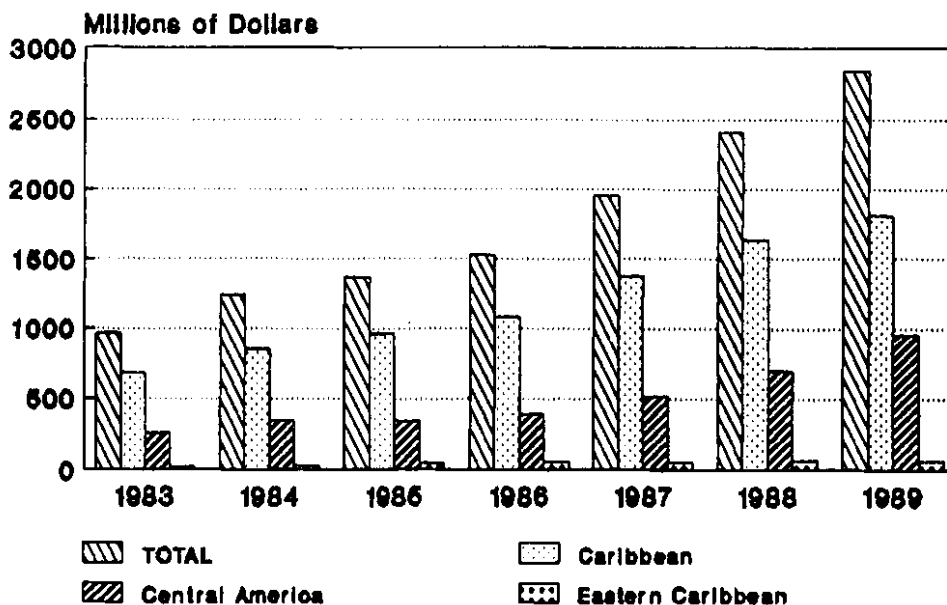
	<u>Aggregate GDP</u>		<u>Per Capita GDP</u>	
	<u>1988</u>	<u>1989</u>	<u>1988</u>	<u>1989</u>
Central America				
Belize	4.4	5.7	2.2	3.0
Costa Rica	3.8	4.3	1.1	1.6
El Salvador	1.6	1.2	-0.3	-0.9
Guatemala	3.5	3.5	0.8	0.8
Honduras	4.0	2.5	2.9	-0.5
Caribbean				
Dominican Republic	0.5	2.3	-2.4	-0.6
Haiti	-1.5	-0.5	-3.2	-2.2
Jamaica	1.5	4.0	0.4	2.9
Antigua and Barbuda	5.5	5.0	4.3	3.8
Dominica	3.7	3.5	2.4	2.2
Grenada	5.0	3.9	3.0	1.9
St. Kitts-Nevis	5.1	5.3	4.1	4.3
St. Lucia	5.9	4.2	3.8	2.1
St. Vincent & the Grenadines	-4.4	1.8	-5.7	0.5
South America				
Bolivia	2.8	3.5	0.0	0.7
Ecuador	12.8	1.0	9.7	-1.7
Peru	-8.9	-15.0	-11.2	-17.2
All A.I.D.-Assisted Countries	-0.6	-4.4	-3.1	-6.8
All A.I.D.-Assisted Countries exc. Peru	4.8	2.4	2.2	-0.1
All LAC Countries	0.6	1.1	-1.7	-2.0

A.I.D., working in cooperation with the international financial institutions, has strongly encouraged policy reforms and facilitated their adoption by providing ESF resources to help cushion their impact. A.I.D. has supported reduction or elimination of price controls, reduction of fiscal deficits, movement toward market-determined exchange rates, lower tariffs and quantitative restrictions on imports, transfer of economic activity from the public to the private sector, and a variety of programs to encourage export expansion and diversification. These market-oriented reforms are central to sustainable, productive employment generation and human capacity development.

The countries of the Caribbean Basin which have adopted these reforms have taken advantage of the opportunities offered by the CBI and, for Central America, the CAI. The graph below shows that, for the A.I.D.-assisted Caribbean Basin countries as a group, nontraditional exports of manufactured goods to the United States have risen from \$963 million in 1983 to \$2,839 million in 1989, an annual rate of growth of 20%. Over the same period, U.S. imports of nontraditional fruits, vegetables, and plants from these countries rose from \$81 million to \$225 million.

U.S. exports to these countries increased as well, rising from \$3.6 billion in 1983 to \$5.1 billion in 1988. As a result of the export growth, the United States moved from a trade deficit with the region during 1983-1986 to a trade surplus in 1987-1988.

**U.S. Imports of Manufactures from  
A.I.D.-Assisted CBI Countries, 1983-1989**



Cooperation with other donors in promoting broad-based, sustainable growth has been institutionalized in the Caribbean since 1978 under the World Bank-led Caribbean Group for Cooperation in Economic Development. In Central America, consultative groups, strongly supported by A.I.D., were formed in 1988 for Costa Rica and Honduras and in 1989 for Guatemala. One for El Salvador is expected to be formed this spring. Japan is becoming a major donor in the region and has entered into several co-financing arrangements with the World Bank. A.I.D. is exploring opportunities for similar types of cooperation with Japan.

2. Human Capacity Development. Widespread malnutrition, illiteracy, deficient educational and training opportunities, poor health conditions, and inadequate housing threaten to erode the foundations of the region's fragile democratic institutions and limit prospects for economic growth over the long term. Stronger economic growth in the short run will facilitate improvements in human and institutional resources, thus strengthening long-run growth prospects.

An effectively implemented export-oriented growth strategy promotes more equitable participation, especially of women, an improved environment, and broad-based income gains by creating jobs, encouraging small businesses, and generating revenues to finance health, education, and other social services. Services also can be extended through greater efficiency and the use of cost-recovery measures. As incomes increase, more social services can be provided by the private sector.

Expanding basic education, particularly for women, is essential for providing the poor the skills they need to participate in development. Training for business managers is also important for helping to prepare a cadre of entrepreneurs to lead a revitalized private sector during the 1990s. Microenterprises, in a growth environment, can also be important for sustainable growth and employment generation.

3. Pluralism. Economic growth will best benefit the citizens of the LAC region and support U.S. interests if it occurs in an environment in which people can participate freely and make informed decisions in local and national political processes; have equal access to economic opportunity; form labor unions, cooperatives, and other voluntary organizations; and have recourse to a fair and speedy judicial system. A key element in U.S. assistance decisions is the degree of each country's commitment and adherence to democratic principles such as periodic, free elections; an independent judiciary and a capable legislature; freedom of information and expression, including a free and responsible press; freedom of association; and respect for individual rights.

A.I.D. is providing direct assistance to LAC countries to develop and strengthen democratic values, practices, and institutions. A.I.D. supports projects which modernize national justice systems, provide training to judges and other professionals working in the justice systems, strengthen electoral processes, develop the institutional capacity of legislatures, professionalize the media, build organizational and managerial skills in community groups and local government, identify development opportunities for Indian communities, and encourage more constructive influence and

participation by political parties and the military in achieving and sustaining democratic government.

Pluralism also is being supported through economic and regulatory liberalization. Removing subsidies and other special benefits to privileged individuals and groups creates possibilities for others who previously lacked equal economic opportunity. The pioneering work of the Institute for Liberty and Democracy (ILD) in Peru, headed by Hernando de Soto, has shown that government regulatory obstacles have imposed high operating costs on legally registered businesses, distorted resource allocation, created other economic inefficiencies, and driven a high percentage of Peru's economic activity underground. The ILD's efforts -- an outstanding example of private-sector creativity which A.I.D. has been proud to support -- have led the Government of Peru to introduce regulatory reforms that encourage economic pluralism. The views of others in the LAC region also are being influenced by the ILD's work.

Finally, A.I.D. is promoting pluralism by encouraging and supporting private-sector activities which complement, supplement, and in some cases replace government programs in many sectors of the economy. These activities bring to bear on development problems the creative energies of the private sector, including numerous local and U.S. PVOs. They also provide a competitive stimulus that should help motivate government agencies to improve the efficiency of their programs.

#### Central America

The January 1984 report of the National Bipartisan Commission on Central America (NBCCA) called for a major increase in U.S. assistance to the region. The NBCCA recommendations were accepted virtually intact by the Administration and legislation was passed by the Congress the following month for a multi-year Central America Initiative (CAI) to implement the program. The Congress has strongly supported the CAI; but the timeframe has had to be extended through FY 1992 because the international economic environment has been less favorable than expected, armed conflicts have persisted, and funding has fallen short of requirements. However, progress to date provides solid evidence that the CAI strategy is sound. If we stay the course with the Central American countries, the CAI goals can be achieved.

1. Broad-Based, Sustainable Growth. The most significant progress toward broad-based, sustainable growth has been in Costa Rica, which was the first country in Central America to begin implementing major economic policy reforms. Those reforms have focused on improved economic efficiency and on the development of nontraditional exports to world markets as the main engine of economic recovery. Table 1 and the graph show that Costa Rica's efforts have been quite successful. Exports of manufactures to the United States have grown five-fold since 1983. GDP grew by an average of 4.0% in 1988 and 1989 (and by an average of 4.3% over the last seven years). Costa Rica's growth had been affected by its heavy debt burden. However, the Government's recent agreement in principle to buy back 60% of its commercial-bank debt at a major discount should significantly ease this burden. Moreover, the need for external financing is diminishing as

progress in export diversification is becoming self-sustaining. Costa Rica has done more than any other country in the region to address environmental constraints to the long-run sustainability of its economic growth.

Elsewhere in Central America, Guatemala began to undertake major economic reforms in mid-1986. Its GDP has grown by an average of 3.4% a year (or 0.7% annually in per capita terms) over the last three years, compared with an average of -0.9% (-3.9% per capita) in the preceding six years. Exchange-rate reform and export-promotion measures, including new measures in 1989, have helped Guatemala's exports of manufactures to the United States grow from \$40 million in 1986 to an estimated \$194 million in 1989.

Progress toward economic policy reforms has been slower in El Salvador and Honduras. In El Salvador, the Duarte administration had to give high priority to defeating the guerrilla insurgency and to strengthening democratic processes. The new Cristiani government has recently announced significant economic policy reforms which should give greater impetus to domestic production, exports, investment, and new job creation.

Honduras has yet to implement a major economic reform program. It has accumulated substantial arrears to the international financial institutions. Its fiscal deficit remains large, and its exchange-rate regime causes significant economic distortions which penalize exports and subsidize imports. A.I.D. did not disburse ESF resources in FY 1989, because the Honduran government was unwilling to address widely recognized policy reform needs. This was unfortunate because it followed three years of modest improvements. A.I.D. is now encouraging the newly elected government to adopt an economic stabilization and structural adjustment program that will lay the basis for sustainable growth, restore the country's creditworthiness, and make Honduras less dependent on external assistance and more reliant on its own resources over the medium term. The FY 1989 ESF assistance plays a major role in this dialogue.

Now that a new, elected government is in place, Panama, with U.S. assistance, is striving to stabilize its economy and rebuild a basis for renewed, sustainable growth.

2. Human Capacity Development. In primary education, the regional gross primary school enrollment ratio has increased from 89% in 1984 to an estimated 92% in 1989. Primary education efficiency also has improved, although not as rapidly as we had expected. Between 1984 and 1989 the regional primary completion rate rose from 57% to 58% and the number of years needed to produce a sixth-grade graduate fell from 9.8 to 9.5.

Under the Central American Peace Scholarships (CAPS) project, 11,200 Peace Scholars were trained in the United States through FY 1989 in response to a recommendation of the NBCCA, exceeding the original target of 8,500. The program is having a highly significant impact on this group, of which 84% are disadvantaged and 39% are women. The scholars will play key roles in the future of their local communities and countries. The Regional Technical Aids Center program (RTAC II) has already provided 770,000

textbooks to university students, exceeding its target by 50%. A mid-term evaluation found the project to be an excellent vehicle for promoting positive views of the United States on Central American campuses.

A.I.D.'s child survival strategy seeks improved health status through oral rehydration therapy, immunization, improved nutrition, water supply and sanitation, and other programs. The infant mortality rate in Central America has fallen from 62 per 1,000 in 1980-85 to 49 per 1,000 in 1985-1990. The 1990 target of 58 per 1,000 (excluding Panama) has been surpassed. A.I.D.'s support for the voluntary family planning programs of Central Americans has been key to raising contraceptive prevalence in Central America from 19% in the 1970s to 46% in 1988.

In El Salvador, displaced persons are assisted through health services, educational opportunities, and productive employment. Thousands of displaced families have voluntarily returned to their home communities, or have settled elsewhere in the country. A.I.D. also is financing activities designed to assist families reintegrate into their previous or new communities by providing agricultural supplies, home and community repair assistance, and vocational training, and by helping to obtain land parcels.

3. Pluralism. The prospects for sustaining democratic government in Central America remain strong despite recent events in El Salvador. Free and fair elections in Belize and El Salvador in 1989 brought about the peaceful transfer of power from one political party to another. In November 1989, Honduras carried out successful national elections for the third time since 1983. Preparations are under way for presidential and legislative elections in Guatemala, scheduled for November 1990. Costa Rica recently celebrated 100 years of democracy in Panama, the democratic process has been restored with the winner of last year's election in office. All of Latin America is observing with great interest the electoral process in Nicaragua, which culminates in February 1990.

Administration of Justice (AOJ) programs throughout the region are being strongly supported by the judiciary and the local bar associations. Career judiciary laws are in draft or in place in Costa Rica, El Salvador, Honduras, and Guatemala. Model courts in Guatemala, designed to improve administrative efficiency, are operational. The operating budget of El Salvador's Supreme Court has been increased by 37%. The U.S.-trained Special Investigation Unit is applying its investigative skill to the resolution of human rights crimes which still plague El Salvador's democratic government. A public defenders program in Honduras, the first of its kind, is getting under way. In Costa Rica, all laws and regulations are being indexed and computerized to improve access by the judiciary. Closely related are efforts to increase the respect for human rights. A project focusing on civil-military relations has created a network of scholars, military officers, and political leaders who together are rethinking their respective roles in a democracy. A June 1989 conference in Guatemala focused on these issues in the Central American context. Work with the legislatures of the region is in the incipient stage but will be a primary focus in the year ahead in El Salvador, Honduras, Guatemala, and Panama as newly elected legislatures are seated.

Economic pluralism has been promoted by price and marketing liberalization measures -- particularly in Costa Rica and Guatemala -- which have stimulated greater competition in the provision of goods and services. The government monopoly on coffee exporting has been ended in El Salvador, and private-sector firms are now actively engaged in coffee marketing.

A.I.D. seeks to improve the access of poor rural families to land and other resources through support for settlement programs, legal reforms to provide secure land titles, and land-purchase finance programs. A.I.D. has provided major financial support for El Salvador's agrarian reform program, which is increasingly stressing stronger beneficiary tenure rights. Nearly 28,000 small farmers have received titles to their land through a land titling project in Honduras, and more than 1,700 families are purchasing farms through a land market project in Guatemala.

To assist microenterprises and small business operators, A.I.D. finances both technical assistance and credit programs. An innovative effort focused on making very small loans has been working for the last two years in El Salvador. Over 1,700 loans averaging between \$100 and \$300 were provided for very low-income individuals through local village banks. For most it was their first formal loan.

### The Caribbean

The A.I.D.-assisted countries in the Caribbean are diverse, with language differences symbolic of broader distinctive traditions in economics, politics, and culture. All of them are small countries, highly dependent on foreign trade and thus very vulnerable to changes in the external economic environment. Significant changes in the world markets for bauxite, sugar, and coffee have emphasized the importance of structural adjustment and export diversification in the region.

1. Broad-Based, Sustainable Growth. The most significant effort in the region to come to grips with a deteriorating economic situation has occurred in Jamaica. The country had been plagued by a long economic decline, induced by inappropriate economic policies, even before the 1980s. The Jamaican economy has been strengthened by an exchange-rate reform, a major tax reform, significant divestitures of state-owned enterprises, and export promotion policies and programs. Its GDP growth rate averaged 3.7% (2.5% in per capita terms) over the last four years. Its exports of manufactures to the United States rose from \$20 million in 1983 to \$229 million in 1988 before falling in 1989 because of damage from Hurricane Gilbert.

Progress in the Dominican Republic has been erratic. The country was slow to respond to the world economic downturn in the early 1980s and in particular to the adverse trends in the world sugar markets. Nevertheless, its GDP performance in the 1980s has exceeded the LAC average. Exports of manufactures to the United States rose from \$374 million in 1983 to an estimated \$1,293 million in 1989. Foreign exchange earnings from tourism have increased significantly. Export development, which A.I.D. has supported, has helped increase employment by at least 68,000 between 1983 and 1989. Still, a firm base for sustainable, broad-based development has not been established.

In Haiti, too, economic reforms have not progressed steadily, a reflection in part of the highly unstable political situation in the country. Per capita GDP in Haiti fell by 19% between 1980 and 1989, and exports of manufactures to the United States have essentially leveled off since 1984. Nevertheless, there have been spurts of significant policy reform. In September 1989 the country concluded a stand-by arrangement with the International Monetary Fund.

2. Human Capacity Development. To partially offset Haiti's 19% decline in per capita income since 1980, A.I.D. has worked through PVOs which implement programs for adult basic literacy and numeracy, employment generation, health and child survival, primary education, and small farmer development. These programs have helped cut infant mortality from 130 per 1,000 in 1985 to 105 in 1988, and raise primary school enrollment rates from 89% to 91% over the same period. However, unemployment has increased significantly and per capita food production has been falling about 1% a year.

In Jamaica, A.I.D. is supporting basic education activities, technical and vocational institutional development, and private and public-sector management education programs. Health programs focus on improving the efficiency of basic health care delivery and encouraging collaboration with private health providers.

In the Dominican Republic, A.I.D. has helped build human capacity with projects in child survival, health management systems, malaria and dengue control, family planning, rural water supply, private primary education, and vocational and technical education. These efforts have contributed to a fall in infant mortality from 75 per 1,000 in 1980-85 to 65 per 1,000 in 1985-90.

Under the Presidential Training Initiative for the Island Caribbean, an estimated 1,167 students -- 72% of them disadvantaged and 51% women -- have received short- and long-term training in the United States, where they have seen first-hand the strengths of our democratic system.

3. Pluralism. Jamaica and the islands of the Eastern Caribbean are model democratic, parliamentary systems of government. The Dominican Republic has had freely elected governments for the better part of 25 years. The Haitian government of General Avril has scheduled presidential elections for November 1990, but their success has been called into question as a result of recent events in Haiti. U.S. Government assistance to help organize and carry out the election calendar will be forthcoming. The Caribbean Justice Improvement project in Jamaica and the Eastern Caribbean focuses on improving the physical infrastructure worn down through neglect or natural disaster, as well as the upgrading of judicial skills, law library development, and law revision.

In the area of microenterprise development, some 9,000 new jobs have been created in the Dominican Republic since 1985 in programs financed by A.I.D. A total of 821 loans have been made to micro and small enterprises. In the Eastern Caribbean, 1,533 microenterprise loans have been made, sustaining 3,924 jobs.



## The Andean Region

The serious economic difficulties faced by the Andean countries in the 1980s have been compounded by the host of problems posed by narcotics production and trafficking, and in the case of Peru by the added factor of a major guerrilla insurgency. Our primary strategic interest in the region is the preservation of democracy, which is threatened by all of these forces. President Bush's new Andean Narcotics Initiative seeks to help the countries of the region win their battle against drug producers and traffickers. A.I.D. has an important role in this effort, as well as a key role in encouraging and assisting the countries of the region to undertake the economic policy reforms needed for a strong economic recovery in the 1990s. Rapid, broad-based, and sustainable economic growth, by providing greater access to income-earning opportunities, will strengthen the ability of the region's governments to combat insurgency and narcotics problems.

1. Broad-Based, Sustainable Growth. Since 1985 Bolivia has tackled its economic problems resolutely through a comprehensive stabilization and adjustment program that has had positive results even in the face of unfavorable prices for its principal licit exports, natural gas and tin. The fiscal deficit has been sharply reduced, hyperinflation brought to a quick halt, and the exchange-rate regime stabilized. The long, steep decline in per capita GDP was halted in 1987, and per capita income rose in 1989. Over half of Bolivia's debt to commercial banks has been retired through an innovative debt buy-back program.

Ecuadorean economic policy has returned to the right track following fiscal overexpansion in the last year of the previous government. The new government has sharply reduced inflation through tight fiscal and monetary policies and has eliminated or reduced subsidies on a number of goods and services. This economic program is being supported by the major international financial institutions. Ecuador is negotiating with its commercial bank creditors to reduce its heavy external debt burden.

Peru presents a very different picture. By boosting internal demand through expansionary fiscal and wage policies, and through the accumulation of arrears on its external debt, Peru experienced rapid economic growth in 1986 and 1987. But this growth spurt exhausted the country's foreign-exchange reserves. Export expansion was discouraged by inappropriate exchange-rate and other policies, as well as by an overall economic and political environment that failed to inspire confidence. As a result, Peru's per capita GDP fell by a total of 26% between 1987 and 1989. Inflation reached 668% in 1988 and probably more than 2,500% between December 1988 and December 1989. Arrears to the international financial institutions alone now exceed \$1 billion. A new government will take office after elections this May and will face a formidable task in trying to halt the severe economic deterioration while coping with guerrilla insurgencies and the coca and cocaine problem.

2. Human Capacity Development. Bolivia, Ecuador, and Peru all still face some problems of poverty and limited human resource development, which

were aggravated by the economic problems of the 1980s. In Bolivia, A.I.D. has been supporting programs to provide oral rehydration therapy, potable water, and other health benefits targeted for poor infants and children. Preliminary data indicate that infant mortality in Bolivia has declined from 124 per 1,000 in 1980-85 to 110 per 1,000 in 1985-90. In FY 1990, A.I.D. plans to assess women's training-for-employment needs and will follow up with appropriate project design activity.

In Ecuador, A.I.D.'s programs have focused on reducing infant and child mortality, lowering the incidence of malaria, improving access to potable water, expanding family planning activities, and providing resources for an adult radio learning project. In Peru, the government's posture regarding debt and its unsustainable economic policies have limited the assistance that A.I.D. can provide. However, A.I.D. has been able to support some activities such as child immunization. As a result, the protection from polio for children under one year of age has risen from 28% in 1984 to 61% in 1989. Measles coverage has increased from 35% in 1984 to 57% in 1989.

Under the Andean Peace Scholarship program, 701 of a projected total of 1,740 students had completed or were in training in the United States as of September 30, 1989. Of these students, 79% were disadvantaged and 57% were women.

3. Pluralism. The ongoing AOJ program in Peru will be evaluated in FY 1990 in order to measure progress in the establishment of the public defenders program, the general upgrading of skills of judicial personnel and the introduction of computers to the justice system. A.I.D. continues to support economic and regulatory reform through de Soto's Institute for Liberty and Democracy. In Ecuador, an agreement was signed between the Supreme Court and the Latin American Institute for Crime Prevention and Treatment of Offenders (ILANUD) to carry out a judicial sector assessment -- an important first step in the development of a bilateral AOJ program. The results of the Bolivian justice sector assessment, now under way, may lead to new project activities. An A.I.D.-supported program of electoral assistance and training facilitated Bolivia's free and fair elections in May 1989. Work with the national election court is continuing. Colombia, facing a breakdown of its justice system because of narcotic terrorism, has implemented a judicial protection program which includes training for judicial personnel in personal security; threat assessment and investigative training for appropriate police and protective units; and procurement of courtroom and building security equipment.

#### A.I.D. Economic Support for Counternarcotics Programs in the Andean Region

This year, the Administration will begin implementing President Bush's Andean Narcotics Initiative, a comprehensive attempt to reduce the production of cocaine in Colombia, Peru, and Bolivia. It combines military assistance to strengthen host-country law enforcement and interdiction capacity, with substantial additional narcotics-related economic assistance to become available starting in FY 1991. The latter, in the amount of \$175 million, will be used to cushion the macroeconomic effect

on Peru, Bolivia, and Colombia of reduced foreign exchange inflows, to finance alternative development activities in rural areas, and to increase jobs, income and foreign exchange earnings throughout the economy. Sustained law enforcement and interdiction programs are key to driving down the price paid to farmers for coca-leaf. Unless this happens, alternative development and income-substitution programs will have little appeal for the small coca-leaf producer. Under the President's Andean initiative, Peru, Bolivia, and Colombia are eligible to receive additional assistance if these countries can demonstrate adequate anti-narcotics performance and have sound economic policies for use of this assistance.

A.I.D.'s anti-narcotics financing will also include support for drug awareness and prevention programs. Narcotics addiction is increasingly a domestic problem in Peru, Colombia, and Bolivia. Working with private and public agencies, A.I.D. has created a greater public awareness of the dimensions of the domestic problem and the harmful effects of drug production, trafficking, and addiction on these countries' own societies. In addition, A.I.D. will support administration of justice improvements. For example, in Colombia, assistance will include court administration, training and commodities which will directly impact on a more rapid process of narcotics cases.

#### Advanced Developing Country Programs

LAC's advanced developing countries (ADCs) program includes Mexico, Brazil, Uruguay, Paraguay, Colombia, Chile, and Argentina -- most of which were once major bilateral aid recipients. Under the ADC program, A.I.D. focuses a limited amount of resources on the challenges which continue to face these countries, such as strengthening democratic values and institutions, privatization, narcotics prevention, environmental and natural resource protection, population, child survival, acquired immune deficiency syndrome (AIDS) awareness, microenterprise promotion, and human resource development. The ADC program promotes mature ties by leveraging complementary private funding, influencing host country program effectiveness, strengthening institutional relationships, and reinforcing a "full partnership" approach to economic, political, and social problems.

#### Management Challenges and Responsibilities

While policy reform has been an integral part of the LAC program for many years, A.I.D. is proposing a new Development Policy Reform Program of \$50 million. Of that amount, \$25 million has been distributed among the top performing countries (Belize, Bolivia, Caribbean Regional, Costa Rica, Ecuador, Guatemala, and Jamaica) as an increase in their funding levels. The remaining \$25 million will be retained under the fund and distributed on the basis of competing proposals. The performance fund provides for a more systematic, quantifiable analysis that measures performance in four policy areas: macroeconomic policy, access to basic social services, sound environmental management, and democracy and human rights.

The LAC programs recognize that economic growth in the region requires sustained indigenous programs rather than short-term, donor-assisted palliatives. Therefore, A.I.D.-assisted activities in the region typically

are designed to institutionalize and insure the continuation of programs. Sustainability, however, is not often easily achieved and requires close attention throughout the assistance cycle, from initial project design through complete implementation. A.I.D. requires that initial design address sustainability and considers measures to provide enhanced likelihood of sustainability at each stage of the project review process.

For example, innovative program design involving private sector resources has helped in underwriting the sustainability of several educational and health programs. In Jamaica, A.I.D. has leveraged its annual contribution to the primary school textbook program by requiring a similar amount donated by the island's vigorous private sector, as well as three other donors. The program provides, for the first time, 10-15 textbooks to all the country's 350,000 primary school students in the first through sixth grades. In Bolivia, sustainable health programs are being achieved through private pre-paid health schemes which have reached 95% self-sufficiency.

A.I.D. also realizes that a sustainable resource base is important to help foster long-term economic growth in the LAC region. A.I.D. has initiated several new activities which address sustaining the natural resource base, including: (1) the design and initial implementation of a strategy for environmental and natural resources management of the Central American region, and a similar, country-specific strategy for Costa Rica; (2) projects to address integrated pest management and coffee-pest control issues in the Central American region; (3) a land-use productivity enhancement project in Honduras; (4) a highlands agricultural development project in Guatemala; (5) forestry and watershed development projects in Costa Rica; (6) a forestry sector development project in Ecuador; and (7) watershed and inland irrigation projects in the Dominican Republic.

Program evaluation also is an important dimension of A.I.D.'s development assistance activities. Nearly 50 evaluations of individual programs were completed in the LAC region during FY 1989. Guatemala carried out a major study of A.I.D.'s extensive program in the highlands of that country, covering almost 40 years of assistance. Several missions in the LAC region -- Bolivia, Guatemala, Honduras -- conducted P.L. 480 food assistance evaluations to assess program effectiveness. Evaluations of several democracy initiatives projects also were completed.

A.I.D. has intensified efforts in the region to safeguard A.I.D. funds and A.I.D.-generated, host government-owned, local currency from loss or misuse by host governments. A regionwide program to improve financial management and accountability has led to the development of financial management guidelines. Booklets have been prepared which outline for host government officials, PVOs, contractors, and others who handle A.I.D.-generated funds exactly what is expected regarding sound financial management, internal control and independent audit. Also, the LAC Regional Financial Management Improvement project was established in June 1989 to help host governments improve their own financial management over all funds, whether in dollars, local currency generated by A.I.D. programs, or local currency counterpart. As a result, resources will be better managed to foster economic growth and development.

Several conferences for key financial officers from throughout the LAC region have already been held to determine needs and to motivate concerns for accountability. Perhaps most important, A.I.D. took the lead in organizing the first Interamerican Conference on the Problems of Fraud and Corruption in Government, cosponsored by more than 15 professional organizations from throughout the Western Hemisphere. In Central America, A.I.D. projects have recently helped establish government auditor training schools in El Salvador, Honduras, and Costa Rica, and technical assistance has been given for reorganizing and improving the public audit function. Approximately 400 Central American government auditors have received training in their own countries through these programs or in the United States through the CAPS program.

### FY 1991 Highlights

A program level of \$1.278 billion in ESF, DA, and P.L. 480 resources is proposed for FY 1991 to support a strategy for achieving sustainable economic, social, and political progress in the LAC region. Of this total, \$628.8 million (49.2%) is for Central America in continuing support of the Central America Initiative, \$214.3 million (16.8%) for the Caribbean, \$334.3 million (26.1%) for South America, of which \$175.0 million is for the President's Andean Narcotics Initiative, and \$75.5 million (5.9%) for LAC Regional programs, of which \$30.5 million is for regional programs in Central America. The balance of \$25.0 million is the unallocated Development Policy Reform Program. These levels reflect the results of performance-based budgeting reviews for DA. They also reflect a gradual shifting of resources from Central America, where other donors are becoming more engaged and some country situations are improving, to improved performers in the Caribbean and Andean regions.

A.I.D. is requesting \$476.9 million in ESF primarily for policy reform to support economic recovery and growth, and \$175 million in ESF for the President's Andean Narcotics Initiative. This level is essential for achieving minimum acceptable progress toward sustainable economic growth. For most of this decade A.I.D. has been using a significant proportion of ESF to reduce balance-of-payments deficits, bring inflation under control, and reverse capital flight in the LAC region. We have shifted from a major focus on stabilization to an emphasis on sustained economic growth. As a result, we have adjusted the emphasis of our policy dialogue associated with ESF cash transfers. For FY 1991, we will be supporting additional measures aimed at reducing price distortions, privatizing the public sector, encouraging export expansion and diversification, and promoting labor-intensive growth. In the Andean countries, ESF will support appropriate actions to improve narcotics control. We also will be programming ESF-generated local currency to support productive credit requirements of private enterprises, to finance key public services and infrastructure projects, and to support efforts of PVOs and other groups to meet basic needs.

ESF also will finance continuing democratic development initiatives in such areas as election assistance, legislative management, journalism and leadership development. Country-specific Administration of Justice programs, including activities being initiated in Argentina and Chile, are planned for nine LAC countries.

The FY 1991 DA budget request for Latin America and the Caribbean is \$374.6 million. Of this amount, \$50 million is for performance based programming within the region. Country-level allocations of \$25 million have already been made, and the remaining \$25 million is requested as a fund to be allocated later on the basis of performance.

These funds will support A.I.D. objectives within the LAC region to diversify exports, to develop policies and adapt technologies for environmentally sustainable agriculture, to emphasize private and commercial mechanisms in expanding family planning programs, to focus on improved health delivery systems, to continue a major emphasis on the peace scholarship program, to expand programs in biodiversity and natural resources management, and to push for greater microenterprise and small business development in the private sector.

For P.L. 480, A.I.D. is requesting \$251.4 million for the LAC region, consisting of \$184.0 million in Title I/III and \$67.4 million in Title II. The levels reflect projected shortages in domestic grain production, anticipated increases in the price of wheat, and foreign exchange limitations.

A.I.D. requests reauthorization of the Trade Credit Insurance Program through FY 1991, with a commitment level in FY 1991 of \$225 million.



BELIZE

Total U.S. Aid \$ 99 Million (1956-88)  
 Ratio of U.S. Aid To Total ODA 60.5% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 79.49 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1986) 1,200  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) 1.9%  
 Government Budgetary Expenditures as a % of GNP...(1985) 33.0%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1985) 61 (1986) 70 (1987) 68  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1985) -12 (1986) -20 (1987) -10

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 8.5 Months of Imports (1988)  
 External Public Debt as % of GNP...(1987) 42.6%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 14  
 As % of Total Export Earnings..... (1987) 9.1%

POPULATION

Total Population...(Thousands, Mid 1989) 212  
 Population Growth Rate...(1970) 2.4% (1978) 1.7% (1990) 3.8%  
 Population (1989) By Age Group:  
 (0-14yrs) 44.6% (15-64yrs) 51.9% (65+ yrs) 3.5%  
 Married Women Aged 15-44 yrs. Using Contraception...(1985) 42.9%  
 Total Fertility Rate...(1970) 6.6 (1989) 4.9

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %  
 % of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %  
 Percentage of Total Adult Population Employed Full Time  
 ( . ) . %  
 Proportion of Labor Force in Agriculture...(1984) 32%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1984) -25(85) -27(86) -15  
 Total Imports(\$ Millions, US) (1984) 134(85) 128(86) 132  
 Of Which % From U.S. ....(1987) 58%  
 Major Imports(1987)FOOD;MACHINERY;MANUFACT. GDS  
 Total Exports(\$ Millions, US) (1984) 109(85) 101(86) 117  
 Of Which % to U.S. ....(1987) 50%

Major Exports(1987)SUGAR;GARMENTS;CITRUS CONCENT.

Trading Partners: UNITED STATES; UNITED KINGDOM; MEXICO

AGRICULTURE

Agricultural Production as % of GDP...(1987) 22%  
 Self-sufficiency Ratio  
 Food: 155% (1980)  
 Agriculture: .% ( )  
 Ag. Exports:(1987)SUGAR; CITRUS CONCENT.; BANANAS  
 Ag. Imports:(1987) DAIRY PRODUCTS; CEREAL PRODUCTS; MEAT PRODUCTS

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2600  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 69.0 Male 66.5 Female 71.8  
 (1970) Total 63.0 Male 60.8 Female 64.9  
 Infant Deaths in First Yr of Life per 1000 Live Births (1989) 36  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 93% (1987) Measles 65% (1987)  
 Diphtheria(DPT3) 72% (1987) Polio(3) 76% (1987)

Population with Reasonable Access to Safe Water Supply

(1984) 68%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1982) Total 125.9 Male 127.9 Female 123.6  
 Secondary (1982) Total 27.2 Male . Female .  
 Post Secondary (1982) Total 3.6 Male . Female .  
 Adult Literacy Rate ( . ) Male .% ( . ) Female .%



BELIZE

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	7,600	6,457 <u>1/</u>	7,320
Loan	-	-	-
Grant	7,600	6,457	7,320
Economic Support Fund	-	-	-
Loan	-	-	-
Grant	-	-	-
Other*	-	-	-
<b>TOTALS</b>	<b>7,600</b>	<b>6,457</b>	<b>7,320</b>
P.L. 480**	-	-	-
Title I	-	-	-
Title II	-	-	-
<b>TOTALS</b>	<b>7,600</b>	<b>6,457</b>	<b>7,320</b>

1/Includes \$3 thousand DA no-year funds.

\*\* See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	6.9	7.0	7.0
Foreign National	2.0	5.0	5.0
<b>TOTALS</b>	<b>8.9</b>	<b>12.0</b>	<b>12.0</b>

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	79	98	177	48	30	78	42	101	143
Regional <sup>e</sup>	10	3	13	5	0	5	0	0	0
Third Country Participants									
Bilateral <sup>d</sup>	0	24	24	1	23	24	2	26	28
Regional <sup>e</sup>	0	1	1	0	0	0	0	0	0
<b>TOTALS</b>	<b>89</b>	<b>126</b>	<b>215</b>	<b>54</b>	<b>53</b>	<b>107</b>	<b>44</b>	<b>127</b>	<b>171</b>

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## Introduction

Belize is a small, democratic country in Central America, with abundant natural resources, the lowest population density in the hemisphere, and one of the highest rates of literacy. Independent since 1981, the Government of Belize (GOB) has implemented major economic and fiscal reforms, and taken significant steps to encourage private investment. The Belizean economy has performed well in recent years, with a particularly vibrant private sector.

The United States and Belize enjoy close and cordial relations. It is in the U.S. national interest to support a stable and democratic Belize, in an otherwise turbulent region, by reinforcing its democratic institutions, strengthening its economy as an instrument for maintenance of political stability, and supporting its effort to suppress narcotics trafficking in and through the country.

Despite Belize's natural advantages and excellent policy performance, the underpinnings which support recent economic gains remain fragile. Sustained economic growth is limited by a small domestic market, a narrow productive base, insufficient budgetary resources, and inadequate infrastructure. Refugee migration from its Central American neighbors has overtaxed Belize's health, education and social services, challenged its cultural balance, and threatened its environment, as slash and burn farmers move into the country's tropical forests. Although the GOB is holding firm in its war against narcotics activities, limited economic opportunities threaten to draw many Belizeans into the drug culture, particularly indigent, undocumented refugees.

## A.I.D. Development Strategy and Accomplishments to Date

Since the inception of U.S. bilateral assistance to Belize in 1983, A.I.D.'s strategy has been based on the goals set forth by the National Bipartisan Commission on Central America (NBCCA) through a program focused on economic stabilization, agricultural diversification, export promotion, infrastructure development, and selected human resources development. The initial objectives of this program have been achieved.

As a direct result of A.I.D.'s bilateral assistance, the GOB has instituted important economic reforms. Many subsidies and controls on prices and trade have been eliminated, and major parastatals have been privatized or restructured. With International Monetary Fund and A.I.D. assistance, annual real gross domestic product (GDP) growth has risen from 2.2% in 1985 to 5.7% in 1989. Surpluses in the balance of payments since 1985 and increased public sector revenues have improved the GOB's external and fiscal accounts.

A.I.D.-assisted efforts continue to produce promising results in agriculture, private enterprise, training, and education. Agriculture has experienced substantial growth, with expansion of non-traditional export crops, such as tropical fruits and cocoa. To improve farmers' access to markets, A.I.D. assisted in developing a long-term maintenance program for rural access roads. A.I.D. also has helped develop significant private capacity to promote exports and investment, including credit for small

enterprises through assistance to local private and voluntary organizations (PVOs). A.I.D.'s institution-building and training projects have strengthened management and technical skills of both the public and private sectors, laying a foundation for sustained growth and organizational efficiency. Finally, the A.I.D. Central America Peace Scholarships (CAPS) program continues to promote democracy by providing U.S. training to disadvantaged Belizeans with leadership potential.

Major sectoral assessments in FY 1989 led to a new assistance strategy for Belize for the 1990s. The program will focus on two sectors, agriculture and tourism, in assisting Belize to achieve sustainable, private sector-led, economic growth. The strategy is designed to help the GOB plan and manage its resources more effectively, while continuing to address the constraints of inadequate infrastructure, lack of managerial and technical skills, and a narrow export product base.

Recognized as the top foreign exchange earners, agriculture and tourism are the areas with greatest growth potential. Without planning and management, however, the development of these sectors poses a threat to the tropical forests, the barrier reef, and an ecosystem which has some of the greatest biological diversity in Central America. Providing sustainable development by protection of the natural environment is emphasized throughout the program.

#### Other Donors

The United States is the leading donor to Belize. Other major donors are the World Bank, the Caribbean Development Bank, the European Economic Community, the United Kingdom, and Canada. The International Fund for Agricultural Development and other United Nations agencies also provide assistance. The United Nations High Commissioner for Refugees has the major role in directly assisting the refugees. Other countries, such as Mexico and China, provide modest additional assistance. Although few donors have permanent representatives in Belize, coordination is improving. The A.I.D.-assisted Ministry of Economic Development has improved its capacity to track donor assistance and bring donors together.

#### FY 1991 Program

A.I.D. proposes \$7.3 million in Development Assistance for Belize in FY 1991, including four new projects. The Natural Resources Management and Protection project will support better management of tropical forests and marine resources, assist in land-use planning, and provide other assistance to ensure that continued growth in agriculture production is sustainable. The Tourism Management project will strengthen Belize's capacity to manage rapid growth in tourism, while ensuring that potential economic benefits are realized without degradation of the natural and cultural environment. The Bridges Support project will directly address Belize's serious transportation constraint by reimbursing part of the cost of constructing needed bridges, while affording an opportunity for policy dialogue, especially in the area of environmental planning. The Vector Control project will support efforts to control malaria and dengue fever, which would otherwise threaten progress in both agriculture and tourism.

A.I.D. Representative: Mosina Jordan

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BELIZE

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEA- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEA- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEA- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEA- DITURES	
505-0000		PROGRAM DEVELOPMENT AND SUPPORT											
	EM G	83	C	---	---	229	178	47	77	40	50	35	40
	FN G	83	C	---	---	616	543	50	112	102	100	75	70
	HE G	83	C	---	---	251	226	50	48	40	60	35	35
	PN G	83	C	---	---	---	---	---	---	---	---	---	---
	SD G	83	C	---	---	904	866	80	56	60	100	75	70
		PROJECT TOTAL:		---	---	2,000	1,813	227	293	242	310	220	215
505-0006		LIVESTOCK PRODUCTION (PC)											
	FN E	83	91	4,450	4,450	1,950	1,337	770	352	975	800	230	780
	FN L	83	91	1,900	2,030	1,900	1,845	---	13	---	25	---	15
		PROJECT TOTAL:		6,350	6,480	3,850	3,182	770	365	975	825	230	795
505-0007		RURAL ACCESS ROADS AND BRIDGES (PC)											
	ES L	83	91	2,141	2,141	2,141	55	---	1,882	---	200	---	---
	FN G	83	91	9,859	9,855	7,450	5,963	775	203	650	1,500	855	1,500
		PROJECT TOTAL:		12,000	11,996	9,591	6,018	775	2,085	650	1,700	855	1,500
505-0008		COMMERCIALIZATION OF ALTERNATIVE CROPS											
	FN G	85	91	6,800	7,860	5,000	3,721	950	1,061	1,400	1,200	510	500
		PROJECT TOTAL:		6,800	7,860	5,000	3,721	950	1,061	1,400	1,200	510	500
505-0010		SPECIAL DEVELOPMENT ACTIVITIES FUND											
	SD G	84	C	---	---	130	70	---	50	---	10	---	---
		PROJECT TOTAL:		---	---	130	70	---	50	---	10	---	---
505-0011		NATIONAL DEVELOPMENT FOUNDATION OPG											
	SD G	83	92	872	1,572	872	392	---	480	325	300	300	300
		PROJECT TOTAL:		872	1,572	872	392	---	480	325	300	300	300
505-0012		COUNTERPART FUND II											
	ES G	85	87	2,579	2,579	2,579	980	---	727	---	500	---	372
	ES L	85	87	15,000	15,000	15,000	13,000	---	---	---	2,000	---	---
		PROJECT TOTAL:		17,579	17,579	17,579	13,980	---	727	---	2,500	---	372
505-0016		TCLEDC AGRICULTURAL MARKETING											
	FN G	87	90	2,500	2,500	1,900	100	200	742	400	1,000	---	658
		PROJECT TOTAL:		2,500	2,500	1,900	100	200	742	400	1,000	---	658



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BELIZE

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT AUTHO	PLANNED	-THROUGH FY 88 OBLIGA-TIONS	EXPEN-DITURES	-ACTUAL FY 89 OBLIGA-TIONS	EXPEN-DITURES	-ESTIMATED FY 90 OBLIGA-TIONS	EXPEN-DITURES	-PROPOSED FY 91 OBLIGA-TIONS	EXPEN-DITURES
	CS G	88	91	2,020	2,020	530	310	630	124	700	700	160	880
	DG G	88	91	200	200	100	---	100	62	---	110	---	24
	PN G	88	91	40	40	20	---	20	---	---	40	---	---
	PROJECT TOTAL:			2,260	2,260	650	310	750	186	700	850	160	904
505-C039	BELIZE PEACE SCHOLARSHIPS												
	EH G	87	93	1,722	1,241	711	66	150	273	20	400	360	100
	ES G	87	93	254	614	254	115	---	34	---	50	---	55
	FN G	87	93	600	288	63	60	150	15	75	65	---	50
	HE G	87	93	600	281	48	14	150	18	83	75	---	65
	PN G	87	93	348	24	---	---	---	---	---	---	---	---
	SD G	87	93	450	472	300	---	150	136	22	230	---	60
	PROJECT TOTAL:			4,574	2,920	1,376	255	600	476	200	820	360	330
505-C040	PRIVATE SECTOR INVESTMENT (IESC) - OPG												
	ES G	87	89	250	250	250	173	---	77	---	---	---	---
	SU G	87	89	400	400	200	---	200	150	---	225	---	25
	PROJECT TOTAL:			650	650	450	173	200	227	---	225	---	25
505-C041	DEVELOPMENT TRAINING												
	SJ G	93	94	---	240	---	---	---	---	50	---	120	100
	PROJECT TOTAL:			---	240	---	---	---	---	50	---	120	100
505-C042	*BRIDGES SUPPORT PROGRAM												
	FN G	91	94	---	4,800	---	---	---	---	---	---	900	---
	PROJECT TOTAL:			---	4,800	---	---	---	---	---	---	900	---
505-C043	*NATURAL RESOURCES MGMT AND PROTECTION												
	FN G	91	94	---	7,600	---	---	---	---	---	---	920	---
	PROJECT TOTAL:			---	7,600	---	---	---	---	---	---	920	---
505-C044	*TOURISM MANAGEMENT												
	SD G	91	94	---	2,000	---	---	---	---	---	---	300	50
	PROJECT TOTAL:			---	2,000	---	---	---	---	---	---	300	50
505-C045	DEV. POLICY PLANNING AND MANAGEMENT												
	HE G	90	95	---	650	---	---	---	---	180	30	150	180
	SD G	90	95	---	1,000	---	---	---	---	100	---	300	55

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BELIZE

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				---	1,650	---	---	---	280	30	450	235	
505-0046	*VECTOR CONTROL HE G	91	95	---	700	---	---	---	---	---	100	---	
PROJECT TOTAL:				---	700	---	---	---	---	---	100	---	
COUNTRY TOTALS:				75,338	93,513	58,983	38,102	7,600	11,167	6,457	14,276	7,320	9,010
GRANTS:				56,297	74,342	35,942	23,202	7,600	9,272	6,457	12,051	7,320	8,995
LOANS:				19,041	19,171	19,041	14,900	---	1,895	---	2,225	---	15

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

PROGRAM: Belize

## PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 1991	Life of Project Funding	
Bridges Support Program		DA	900		900	4,800	
Number 505-0042	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 1991	FY 1994	FY 1995

**Purpose:** To construct needed stream crossings to complement and complete an all-weather rural access road system in Belize.

**Project Description:** The project will make funds available for construction of up to 30 bridges located in the rural roads system. The bridge sets have been previously procured under the Rural Access Roads and Bridges project, in which the Ministry of Works has gained experience in the design, construction and supervision of installing eleven bridges. A bridge plan has also been prepared identifying the location of the bridges still needed. Using Fixed Amount Reimbursable (FAR) procedures, the project will transfer funds to the Government of Belize (GOB) to construct needed stream crossings to complement and complete an all-weather rural access road system.

**Sustainability:** The ongoing Rural Access Roads and Bridges project has provided the GOB with technical assistance and training to build its capacity to manage the rehabilitation and maintenance of the rural roads and bridges system. The Bridges project will complement this capacity by making the financial resources available to the GOB to complete the rural bridge system. The resulting all-weather access will help increase economic activity and revenues from agriculture production and tourism. The planned Development Policy Planning and Management project will help improve the GOB's fiscal planning and management capabilities by improving economic efficiency and directing adequate resources to essential infrastructure. As part of A.I.D.'s overall focus on natural resources planning and management, the new Bridges project will emphasize environmentally sound planning and attention to the environmental impact of construction, and will promote construction techniques that minimize environmental degradation.

**Relationship to A.I.D. Country Strategy:** A.I.D.'s 1991-1995 strategy for Belize focuses on agriculture and tourism as the sectors with the greatest economic growth potential. The strategy emphasizes the rational development of these sectors through sound resource planning, management and protection, including conscious use of roads and bridges to target areas for development. The project will complement both tourist and agriculture development by providing all-weather access to potential areas of economic growth while addressing environmental protection issues.

**Host Country and Other Donors:** The GOB lacks the financial resources to carry out a bridge construction program. A.I.D. has been the only donor providing assistance for improving the rural roads system. Other donors are funding some major highway construction and work on the primary road system. A.I.D. continues to encourage the GOB to seek funds from other donors for bridge construction.

**Beneficiaries:** The project will benefit all users of the rural roads system (an estimated 100,000 people) by reducing the cost of travel. In particular, agriculture producers will be able to move their equipment and produce quickly and efficiently, and restaurants and hotels will expand with greater tourist accessibility.

Major Outputs

- Construction of 30 bridges in the rural road system

<b>A.I.D.-Financed Inputs:</b>	(\$000) LOP
Technical Assistance	200
Construction (FAR)	4,600
	4,800

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				To be determined
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	900	3,900	4,800	



PROGRAM: Belize

PLANNED PROGRAM SUMMARY SHEET

Title Natural Resource Management and Protection		Funding Source DA	AG, RD & N 920	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 505-0043		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1991: 920	Life of Project Funding 7,600
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 1991	Estimated Final Obligation FY 1994
							Estimated Completion Date of Project FY 1995

**Purpose:** To expand the productive capabilities of Belize's rural sector by developing those areas best suited to optimal production based on the human and physical resources present, while protecting the natural resources needed to sustain production.

**Project Description:** The optimal use of natural resources will be achieved by targeting those areas best suited for development based on their physical capabilities. The Land Use, Tropical Forestry Action, Reef Management and Select Resource, plans will provide the criteria for selecting the best development opportunities in sustaining agriculture production. This project will build on crop diversification and market development initiated through the private sector under the Commercialization of Alternative Crops project, and on improved marketing, stabilization of soils, reduction of slash and burn methods, and markets rationalization developed under the Toledo Agriculture Marketing project. Increasing farmer productivity in crops, forestry and and fishery, and strengthening private sector marketing will be major efforts. Expanding the public sector capability to implement conservation policies and compliance in the land and water based sectors will lead to natural resources managed on a renewable basis.

**Sustainability:** Implementation of a policy that promotes conservation and protection of natural resources will be a major focus of this project. The project will address use and management of resources in agriculture, forestry and fisheries. Private sector strengthening will provide for increased employment opportunities in agriculture and related secondary and tertiary enterprises, and increased earnings will result in higher tax revenues.

**Relationship to A.I.D. Country Strategy:** The project addresses the major theme of A.I.D.'s 1991-1995 strategy for Belize, which is

resources planning and management, focused on agriculture and tourism, the major employment and earnings sectors in Belize. Rational planning and management of the agriculture sector, and protection of the resources, will enhance sustainable economic growth in Belize.

**Host Country and Other Donors:** The GOB has prepared a Tropical Forestry Action Plan and management plans for Glovers Reef, a major atoll on the Barrier Reef. The United Nations Development Programs has completed a land use plan for Ambergris Caye. The United Kingdom is financing six district land use plans that will provide the basis for land use planning. The A.I.D. project will help to integrate all these resource use planning efforts.

**Beneficiaries:** The primary beneficiaries will be the small producer involved in crop, fishery and forestry production. Secondary services and tertiary enterprises will also benefit from this project. All the people of Belize will benefit from better protection of their natural resources.

**Major Outputs:**

- Land use plan based on physical and human capabilities
- Strengthened government sector to implement environmental protection policies
- Increased agriculture (crop, forestry, fishery) production on a sustainable basis and minimized environmental degradation
- Strengthened private sector capability to produce and market agriculture products

**A.I.D.-Financed Inputs:**

Technical Assistance	(\$000) LOP
Training	2,000
Equipment/materials	1,000
Other Costs	3,500
	1,100
	7,600

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	920	6,680	7,600	To be determined

Title <b>Tourism Management</b>		Funding Source <b>DA</b>	AG, RD & N	Health	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
Number <b>505-0044</b>		Population	ED. & HR	Sel. Act. <b>300</b>	FY 1991: <b>300</b>	Life of Project Funding <b>2,000</b>	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	<input checked="" type="checkbox"/> NEW				Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 1991	FY 1994	FY 1995

Purpose: The strengthen Belize's capacity to plan and manage tourism growth, enabling potential economic benefits of increased employment and foreign exchange earnings without degradation of the natural and cultural environment.

Project Description: Tourism in Belize has grown dramatically, with potential for continued growth if the country's natural and cultural attractions are preserved. The lack of capacity in Belize to manage and regulate this growth is resulting in increasing environmental degradation. Recognizing the problem the Government of Belize (GOB) created a new Ministry of Tourism and Environment. However, the Belize Tourism Bureau and Department of Archaeology in the new Ministry, the private sector Belize Tourist Industry Association, and the public/private National Tourism Council lack necessary resources. The project will provide technical assistance, training, and equipment to help build the capacity within these entities to ensure that industry growth conforms with appropriate land-use, zoning and environment/resource conservation plans, by upgrading standards for facilities and infrastructure, and encouraging private investment in areas targeted as priorities for tourism development.

Sustainability: The project promotes sustainability of tourism growth through management to protect the resources on which it depends. At the same time, the GOB's ability to finance the costs of management is an issue which affects not just tourism, but management and protection of the country's natural and cultural resources in general. Supported by related A.I.D. efforts, the project will directly address the issue of how to mobilize and allocate resources needed to sustain the management effort. Tax reform, and related earmarking of revenues or user fees, are high on A.I.D.'s policy agenda for resolution of Belize's resource problems.

Relationship to A.I.D. Country Strategy: A.I.D.'s 1991-1995 strategy for Belize stresses resource planning and management. It focuses on agriculture and tourism, top foreign exchange earners that have the greatest economic growth potential. Lack of adequate planning and management in these sectors, pose the greatest threat to Belize's tropical forests, barrier reef and biological diversity.

Host Country and Other Donors: The GOB's lack of financial and human resources make its new Ministry of Tourism and Environment ineffective. The European Economic Community (EEC) provides a Tourism Advisor, funds for promotional activities, and some specific technical assistance. This project will be coordinated with the EEC and other interested donors, and will directly address the issue of increasing GOB resources for tourism management.

Beneficiaries: The project will benefit all Belizeans and foreign tourists who come to enjoy the country's natural attractions. It will also benefit owners and employees of tourist facilities (some 3000 persons, about 6% of Belize's workforce) and investors.

Major Outputs:

- Strengthened institutional capacity in the Ministry of Tourism and Environment, supported by adequate budgets.
- Zoning and building codes in accord with environmentally sound national physical plans established and in force.

A.I.D.-Financed Inputs:

Technical Assistance	600
Training	300
Equipment/Materials	500
Contingency	100
	<u>1,500</u>

(\$000) LOP

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				To be determined.
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	300	1,700	2,000	

PROGRAM: Belize

PLANNED PROGRAM SUMMARY SHEET

Title Vector Control		Funding Source DA	AG, RD & N	Health 100	PROPOSED OBLIGATION (In thousands of dollars)		
Number 505-0046		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1991: 100	Life of Project Funding 700
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 1991	Estimated Final Obligation FY 1995
							Estimated Completion Date of Project FY 1996

Purpose: To maintain and strengthen the Belize Ministry of Health's capacity to control the incidence of malaria and dengue fever.

**Project Description:** Since 1985, A.I.D.'s Increased Productivity through Better Health project has assisted the Government of Belize's (GOB) vector control program to reduce the incidence of malaria and dengue fever. This new Vector Control project will continue selective support to the ministry, assuring that an effective vector control program promotes the general health of the Belizean people while protecting A.I.D.'s investments in agriculture and tourism. The GOB has made major progress in vector control but, for both internal and external reasons, the progress is tenuous. The effectiveness of the program is threatened as land is cleared for agriculture, as refugees from neighboring strife-torn countries stream into Belize, and as the natural population growth rate continues at 3.8%. The project will focus on training, planning, epidemiological data interpretation and evaluation, and research trials in source reduction and natural control methods. Training will emphasize effective communication of preventive measures, the training of trainers, and new control technologies. Short-term technical assistance and training will be provided in prevention and response planning and in collecting, interpreting and evaluating data to enable the GOB to determine trends and respond effectively before situations become critical. Research trials will be undertaken in source reduction (e.g. drainage) and natural control measures (e.g. larvivorous fish). Training materials, data processing/analysis equipment, and research equipment will be provided, but vector control commodities will be procured under this project only in the event of severe shortages and/or disease outbreaks.

**Sustainability:** In FY 90, A.I.D. will initiate a new Development Policy Planning and Management project, aimed at improving economic policies and resource planning and management. A component of that

project will address health care financing through such measures as social financing of basic health care. Cost savings are predicted to be significant, permitting the GOB to allocate additional funds for the vector control program. This project promotes management sustainability through training and short-term technical assistance. With current A.I.D. assistance, the GOB has already initiated organizational changes in its vector control program resulting in a more solid institutional framework.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D.'s FY 91 - 95 strategy focuses on sustainable economic growth in agriculture and tourism. Outbreaks of malaria and dengue fever would be a serious obstacle to increasing and diversifying agriculture production, as well as to tourism growth. This project will safeguard the health of the Belizean people and protect A.I.D.'s investments in those key sectors.

**Host Country/Other Donors:** The Pan-American Health Organization (PAHO) is expected to provide short-term consultancies in vector control. Mexico has provided commodities. The PAHO and A.I.D. programs will be closely coordinated.

**Beneficiaries:** Malaria and dengue fever continue to be endemic in Belize. An effective vector control program will benefit the entire population, approximately 212,000 people.

Major Outputs	A.I.D.-Financed Inputs (\$000 LOP)
- 20 short-term participants - U.S. technical training	140
- 2 long-term U.S. participants (MS)	100
- 20 trainers trained (in-country)	60
- Short-term technical consultancies	250
- Commodities	80
- Research trials	70
	700

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
Proposed Fiscal Year 1991	100	600	700	

To be determined



BOLIVIA

Total U.S. Aid \$ 1,349 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 26.8% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 11.54 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 570  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) -0.5%  
 Government Budgetary Expenditures as a % of GNP...(1984) 40.3%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1982) 869 (1983) 797 (1984) 2,228  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1982) -677 (1983) -480 (1984) -1,973

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 4.7 Months of Imports (1988)  
 External Public Debt as % of GNP...(1987) 111%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 137  
 As % of Total Export Earnings..... (1987) 22.1%

POPULATION

Total Population...(Thousands, Mid 1988) 6,405  
 Population Growth Rate...(1970) 2.4% (1978) 2.3% (1988) 2.2%  
 Population (1989) By Age Group:  
 (0-14yrs) 41.0% (15-64yrs) 55.0% (65+ yrs) 4.0%  
 Married Women Aged 15-44 yrs. Using Contraception...(1989) 30.0%  
 Total Fertility Rate...(1970) 6.5 (1989) 5.1

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( .) . %  
 % of Population Living Below Absolute Poverty Level  
 ( .) Total . % Urban . % Rural . %  
 Percentage of Total Adult Population Employed Full Time  
 ( .) . %  
 Proportion of Labor Force in Agriculture...(1980) 46%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1983) 450(84) 342(85) 89  
 Total Imports(\$ Millions, US) (1983) 1,550(84) 1,242(85) 1,133  
 Of Which % From U.S. ....(1987) 27%  
 Major Imports(1988)CAPITAL GOODS;FOODSTUFFS;CONSUMER GOODS  
 Total Exports(\$ Millions, US) (1983) 2,000(84) 1,584(85) 1,222  
 Of Which % to U.S. ....(1987) 22%  
 Major Exports(1988)NATURAL GAS;METALS;SOYBEANS  
 Trading Partners: ARGENTINA; UNITED STATES; BRAZIL

AGRICULTURE

Agricultural Production as % of GDP...(1987) 24%  
 Self-sufficiency Ratio  
 Food: 87% (1985)  
 Agriculture: 92% (1985)  
 Ag. Exports:(1988)SOYBEANS; COFFEE; LEATHER  
 Ag. Imports:(1987) Dairy products; Fruit & vegs; Cotton lint

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2272  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 53.0 Male 50.8 Female 55.4  
 (1970) Total 46.7 Male 44.5 Female 49.0  
 Infant Deaths in First Yr of Life per 1000 Live Births (1988) 102  
 Percent of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 27% (1988) Measles 44% (1988)  
 Diphtheria(DPT3) 39% (1988) Polio(3) 40% (1988)  
 Population with Reasonable Access to Safe Water Supply  
 (1983) 43%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1981) Total 110.6 Male 119.9 Female 101.2  
 Secondary (1981) Total 21.8 Male . Female .  
 Post Secondary ( .) Total . Male . Female .  
 Adult Literacy Rate (1985) Male 84% (1985) Female 65%

## BOLIVIA

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	24,611 <u>1/</u>	21,100 <u>2/</u>	23,541
Loan	--	--	--
Grant	24,611	21,100	23,541
Economic Support Fund	11,750	33,413 <u>3/</u>	30,800
Loan	--	--	--
Grant	11,750	33,413	30,800
Other*	--	--	--
<b>TOTALS</b>	<b>36,361</b>	<b>54,513</b>	<b>54,341</b>
P.L. 480 **	33,284	33,302	32,061
Title I /III	17,000	20,000	20,000
Title II	16,284	13,302	12,061
<b>TOTALS</b>	<b>69,645</b>	<b>87,815</b>	<b>86,402</b>

\*\* See Main Volume P.L. 480 Table for program breakout and emergency assistance.

1/ Includes 3,561 in reobligations for prior year funds  
2/ Includes 100 in no-year funds  
3/ Includes 13,250 in carryover from FY 1989

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	18.6	22.8*	22.8*
Foreign National	32.4	34.0	34.0
<b>TOTALS</b>	<b>51.0</b>	<b>56.8</b>	<b>56.8</b>

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\*Includes 1 IDI and 1 parttime in FY 1990 and FY 1991

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants	17	43	60	63	138	201	82	152	234
Bilateral <sup>d</sup>	43	72	115	2	25	27	0	5	5
Regional <sup>e</sup>									
Third Country Participants									
Bilateral <sup>d</sup>	0	59	59	0	60	60	0	60	60
Regional <sup>e</sup>	0	0	0	0	0	0	0	0	0
<b>TOTALS</b>	<b>60</b>	<b>174</b>	<b>234</b>	<b>65</b>	<b>223</b>	<b>288</b>	<b>82</b>	<b>217</b>	<b>299</b>

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## BOLIVIA

### Introduction

Per capita income in Bolivia is the lowest in South America. Infant mortality and unemployment are high, while literacy rates and productivity are low. The country has significant mineral resources and considerable agricultural potential, but poor transportation links over rugged topography have been a serious barrier to their exploitation. Bolivia's largest export is natural gas, followed by coca and cocaine products, and minerals. Non-traditional agricultural exports show promise for the future. Unfavorable world economic conditions, natural disasters, and inept economic policies caused a severe economic downturn in the first half of the 1980s. Hyperinflation and an overvalued exchange rate compounded resource allocation problems. Since 1985, however, the government's basic economic policies and programs have been fully in line with the recommendations of the international financial community.

The commitment to economic policy reform is a consequence of cooperation among political parties, which continued through the presidential and congressional elections of May 1989. The new coalition government of President Jaime Paz Zamora has declared its intention to retain the present liberal economic model and adopt further measures to improve the investment climate. Obstacles to greater economic growth which the Paz Zamora government faces include tight credit, high interest rates, low mineral prices, and poor infrastructure. New investment codes are being drafted which could boost private sector confidence.

Through an innovative debt buy-back program, Bolivia retired more than \$400 million of its debt to commercial banks, but it still has external long-term debt of nearly \$3.5 billion, four times the annual value of exports. Debt service reached 51% of export receipts in 1988. Real gross domestic product (GDP) did grow by 2.8% in 1988, and A.I.D. estimates that in 1989 GDP growth also will be 2%-3%, barely keeping up with Bolivia's 2.7% population growth rate.

Bolivia also is on the front lines of the joint U.S.-Andean initiative to eliminate cocaine production and trafficking. About 35% of the world's coca leaf is produced in Bolivia.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D. is a key contributor to the attainment of the United States' three interdependent policy objectives in Bolivia: (1) economic reform and broad-based development; (2) the eradication and substitution of illicit coca; and (3) strengthening democratic systems. Within this framework, the A.I.D. program contributes to economic and social development and to sound economic and environmental policies.

A.I.D. Economic Support Fund (ESF) balance of payments assistance and P.L. 480 Title III programs help to alleviate Bolivia's foreign exchange shortage and to stabilize the national currency. The programs have been an impetus to economic policy reforms and coca eradication. Local currencies generated by the P.L. 480 program provide funding for projects in agriculture, rural development, public health, child spacing, and basic

education. A.I.D. Development Assistance supports broad-based development through projects to diversify exports, to create the jobs necessary to attract people away from coca production, and to meet basic health needs.

A.I.D. is assisting the Bolivian private sector to play a lead role in economic recovery, particularly in agriculture, manufacturing, and micro and small enterprise, which employ the largest percentage of the Bolivian work force. The Export Promotion, Micro and Small Enterprise Promotion, Handicraft Export, and Management Training projects all work exclusively through private sector organizations to provide technical assistance and credit. In agriculture, the Private Agricultural Producers Association project improves private sector agro-business capacity to manage crop input supply, production and marketing. It has arranged joint ventures between Bolivian businessmen and foreign investors. In the health sector, A.I.D. is assisting the government with a major public sector child survival program. It also is assisting privately owned clinics to provide high-quality health care for a small fee to thousands of poor patients under the Self-Financing Primary Health Care project. Over 90% of operating costs are being recovered, ensuring a high probability of future sustainability. An Acquired Immune Deficiency Syndrome (AIDS) Prevention project increases public awareness about this deadly disease.

A.I.D.'s urban Food for Work program cushions the effect of necessary but painful austerity measures by providing temporary work for 13,000 workers per month. Paved streets, water and sewer systems, health posts and schools have improved the quality of life. Seven cooperating municipal governments also have received technical assistance in upgrading public management and the execution of community projects.

A.I.D. contributes to joint U.S.-Bolivian anti-narcotics objectives through a narcotics awareness program and by providing cropping alternatives to farmers in the coca-growing Chapare and associated high valleys. In the associated high valleys, A.I.D. is developing improved agricultural and soil conservation techniques and trying to improve living conditions through health, child survival and basic education services. An important complement to joint U.S.-Bolivian counternarcotics efforts is the Justice Sector project, which uses technical assistance and training to improve the effectiveness of the judicial system. To strengthen democracy, the Democratic Institutions project is modernizing the legislative process and helping to strengthen electoral systems.

#### Other Major Donors

At the October 1989 Bolivia Consultative Aid Group meeting in Paris, the donor community, including the United States, pledged nearly \$700 million for Bolivia in aid annually for the period 1990-1992. In Bolivia the multilateral development banks have funded resource transfers for credit programs, infrastructure development and mineral and hydrocarbon development. The Inter-American Development Bank has provided about \$90 million per year in disbursements since 1985. The World Bank provides an annual average of \$85 million in disbursements. Its Export Corridors project is designed to remove transportation bottlenecks for Bolivian exporters. The United Nations Fund for Drug Abuse Control and the United Kingdom are financing rural infrastructure projects in the coca-growing



Chapare Valley. Other bilateral donors to Bolivia include West Germany, Italy and Japan.

#### FY 1991 Program

In FY 1991, A.I.D requests \$30.8 million in Economic Support Funds; \$23.5 million in Development Assistance, and \$32.1 million in P.L. 480 food aid.

As part of President Bush's Andean Counternarcotics Strategy, Bolivia is eligible for substantial additional ESF assistance, if it demonstrates adequate progress in counternarcotics activities. This additional ESF will be used: (1) to augment balance of payments aid, and (2) for alternative development projects. Balance-of-payments assistance will allow the Government of Bolivia (GOB) to maintain a strong fiscal and monetary program and to service eligible U.S. and multilateral bank debt. With this assistance, Bolivia will be in a better position to attract other donor assistance and private investment. A.I.D. believes that alternative development is most effective when host-country law enforcement and interdiction have disrupted cocaine production enough to drive down profit margins for the small producer, making alternative crops more attractive. To provide better alternative cropping opportunities for small coca-leaf producers, A.I.D. intends to expand assistance to agricultural experiment and extension programs of the GOB in the Chapare and the associated high valleys. The High Valleys are among the poorest areas in Bolivia and supply much of the seasonal labor for the cocaine industry in the Chapare. Native Indian villages rely on agriculture but need roads, irrigation, improved seeds, extension and marketing services, as well as credit. Basic health, sanitation and elementary school systems also need improvement. Looking ahead, A.I.D. is exploring ways to help Bolivian public and private sector agencies prepare for the possible influx of migrant workers from the Chapare Valley when law enforcement and interdiction measures take hold.

Development Assistance will be used to (1) strengthen private sector institutions in agriculture and rural banking. The new Rural Financial Markets project, for example, is an attempt to create a sustainable rural financial system which can provide rural banking and credit services to small entrepreneurs. Development Assistance will also be used to: (2) promote non-traditional exports through the Export Promotion project; (3) expand the pool of trained Bolivians and expose them to American democratic values through the Andean Peace Scholarship program; (4) reduce childhood mortality and morbidity; and (5) expand private voluntary activities in rural development, small business, and health services delivery.

A.I.D.'s P.L. 480 Title III food aid program will continue to fund the importation of critically needed food commodities and to generate local currencies required for funding of health, child survival and small producer projects. Title II supplementary feeding and Food for Work programs will continue to provide resources to improve the health and nutritional status of Bolivia's poor and to provide the opportunity for employment.

Mission Director: G. Reginald van Raalte

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BOLIVIA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD	PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
511-C000 PROGRAM DEVELOPMENT AND SUPPORT													
CS G		74	C	---	---	240	14	115	317	225	220	150	150
EM G		74	C	---	---	1,227	1,142	---	73	80	60	270	270
FM G		74	C	---	---	3,635	3,109	460	693	549	400	340	400
HE G		74	C	---	---	1,085	965	77	108	150	100	150	150
PN G		74	C	---	---	187	123	140	138	50	50	50	50
SD G		74	C	---	---	1,935	1,758	500	261	350	200	300	500
PROJECT TOTAL:				---	---	8,309	7,111	1,292	1,590	1,404	1,030	1,260	1,520
511-C412 SPECIAL DEVELOPMENT ACTIVITIES													
SD G		64	C	---	3,617	1,817	1,319	300	95	---	300	300	300
PROJECT TOTAL:				---	3,617	1,817	1,319	300	95	---	300	300	300
511-C458 RURAL SANITATION													
HE L		77	80	4,000	4,000	4,000	3,933	---	---	---	---	---	---
PROJECT TOTAL:				4,000	4,000	4,000	3,933	---	---	---	---	---	---
511-C465 AGRICULTURAL SECTOR II													
FM L		78	78	11,300	11,300	11,300	11,240	---	7	---	---	---	---
PROJECT TOTAL:				11,300	11,300	11,300	11,240	---	7	---	---	---	---
511-C471 RURAL DEVELOPMENT PLANNING													
EM G		78	84	3,734	3,734	3,575	3,574	---	---	---	---	---	---
PROJECT TOTAL:				3,734	3,734	3,575	3,574	---	---	---	---	---	---
511-C472 AGRIBUSINESS AND ARTISANRY													
FM G		77	86	2,150	2,150	1,877	1,796	---	69	---	---	---	---
FM L		77	86	9,200	9,200	---	---	---	---	---	---	---	---
PROJECT TOTAL:				11,350	11,350	1,877	1,796	---	69	---	---	---	---
511-C482 RURAL EDUCATION II													
EM L		77	84	10,000	10,000	10,000	9,222	---	211	---	---	---	---
PROJECT TOTAL:				10,000	10,000	10,000	9,222	---	211	---	---	---	---
511-C511 DEPARTMENTAL DEVELOPMENT CORPORATIONS													
FM L		79	79	7,000	6,549	6,129	6,128	---	---	---	---	---	---
SD L		79	79	3,000	2,757	---	---	---	---	---	---	---	---
PROJECT TOTAL:				10,000	9,306	6,129	6,128	---	---	---	---	---	---

\* Refer to the planned program summary sheet.

Closed of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BOLIVIA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
511-C536	SAN GABRIEL HEALTH PROJECT (PVO)												
	HE G	83	84	300	300	---	---	---	---	---	---	---	
	PROJECT TOTAL:			300	300	---	---	---	---	---	---	---	
511-C543	CHAPARE REGIONAL DEVELOPMENT												
	ES G	83	94	---	43,500	---	---	---	8,000	2,000	10,300	5,000	
	FN G	83	94	14,000	20,896	9,830	3,737	3,990	4,000	5,000	3,076	244	
	FN L	83	94	12,500	12,500	12,500	5,066	---	---	4,000	---	88	
	PROJECT TOTAL:			26,500	96,896	22,330	8,803	3,990	12,000	11,000	13,376	5,332	
511-C567	LCW-COST SHELTER THROUGH PRIVATE SECTOR												
	SD G	83	91	2,380	2,530	1,650	1,345	730	---	433	150	259	
	PROJECT TOTAL:			2,380	2,530	1,650	1,345	730	---	433	150	259	
511-C568	REPRODUCTIVE HEALTH												
	CS G	90	94	---	2,000	---	---	---	1,000	200	1,000	1,000	
	PN G	90	94	---	6,300	---	---	---	1,450	200	1,100	800	
	PROJECT TOTAL:			---	8,300	---	---	---	2,450	400	2,100	1,800	
511-C569	SELF FINANCING PRIMARY HEALTH CARE												
	CS G	83	89	1,000	1,000	800	718	200	---	172	---	---	
	HE G	83	89	1,300	1,300	1,300	1,010	---	---	---	---	---	
	PROJECT TOTAL:			2,300	2,300	2,100	1,728	200	---	172	---	---	
511-C571	POLICY REFORM												
	SD G	83	92	5,000	6,000	4,062	1,814	250	921	---	1,000	688	
	PROJECT TOTAL:			5,000	6,000	4,062	1,814	250	921	---	1,000	688	
511-C573	MARKET TOWN CAPITAL FORMATION												
	FN G	86	91	6,497	6,497	3,157	1,866	2,236	1,032	1,104	---	1,340	
	FN L	86	91	12,003	12,003	12,003	3,650	---	6,083	---	---	---	
	PROJECT TOTAL:			18,500	18,500	15,160	5,516	2,236	7,115	1,104	---	1,340	
511-C575	ECONOMIC RECOVERY - BCP												
	ES G	89	90	23,500	17,625	---	---	11,750	11,750	5,875	5,875	---	
	PROJECT TOTAL:			23,500	17,625	---	---	11,750	11,750	5,875	5,875	---	
511-C576	ECONOMIC STABILIZATION AND RECOVERY												
	ES G	90	90	---	18,038	---	---	---	---	18,038	18,038	---	

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BOLIVIA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				---	18,038	---	---	---	18,038	18,038	---	---	
511-0577		INDUSTRIAL TRANSITION											
	FN G	87	91	6,000	3,000	2,400	117	---	89	---	1,017	600	1,183
	SD G	87	91	4,000	2,130	1,869	182	---	71	---	130	500	500
PROJECT TOTAL:				10,000	5,130	4,269	299	---	160	---	730	1,683	
511-0578		PLANNING ASSISTANCE											
	CS G	88	90	700	700	200	154	500	164	---	264	---	---
	FN G	88	90	600	935	335	---	400	318	200	400	---	210
PROJECT TOTAL:				1,300	1,635	535	154	900	482	200	664	---	210
511-0580		MANAGEMENT TRAINING											
	EH G	85	93	3,000	6,000	3,000	1,973	---	667	350	700	500	227
PROJECT TOTAL:				3,000	6,000	3,000	1,973	---	667	350	700	500	227
511-0583		HANDICRAFT EXPORT DEVELOPMENT											
	SD G	85	90	4,000	4,000	3,500	2,747	500	525	---	500	---	200
PROJECT TOTAL:				4,000	4,000	3,500	2,747	500	525	---	500	---	200
511-0584		TRAINING FOR DEVELOPMENT											
	EH G	85	94	2,500	6,500	2,500	850	---	341	255	700	764	800
PROJECT TOTAL:				2,500	6,500	2,500	850	---	341	255	700	764	800
511-0585		EXPORT PROMOTION											
	ES G	89	93	---	4,000	---	---	---	---	---	4,000	1,500	
	FN G	89	93	5,000	6,560	---	---	1,460	23	1,700	1,991	3,400	2,544
	SD G	89	93	6,500	5,000	---	---	939	20	1,000	1,126	1,600	1,250
PROJECT TOTAL:				11,500	15,560	---	---	2,399	43	2,700	3,117	9,000	5,294
511-0587		STRENGTHENING DEMOCRACY											
	ES G	90	94	---	6,000	---	---	---	---	1,500	500	1,000	1,000
PROJECT TOTAL:				---	6,000	---	---	---	---	1,500	500	1,000	1,000
511-0589		PRIVATE AC. ORGANIZATIONS											
	FN G	86	92	4,200	6,700	2,972	1,014	1,228	1,641	1,000	1,500	1,500	1,500
PROJECT TOTAL:				4,200	6,700	2,972	1,014	1,228	1,641	1,000	1,500	1,500	1,500

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BOLIVIA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- ALTHO PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
511-C590	ORT AND CHILD GROWTH MONITORING - OPG CS G	85	88	1,236	1,236	800	100	---	414	---	286	---	---
	PROJECT TOTAL:			1,236	1,236	800	100	---	414	---	286	---	---
511-C591	EMERGENCY AGRICULTURAL CREDIT FN G	85	88	10,000	10,000	10,000	9,929	---	47	---	24	---	---
	PROJECT TOTAL:			10,000	10,000	10,000	9,929	---	47	---	24	---	---
511-C592	NARCOTICS AWARENESS EH G	85	93	1,900	3,400	1,900	960	---	398	750	500	750	500
	PROJECT TOTAL:			1,900	3,400	1,900	960	---	398	750	500	750	500
511-C594	COMMUNITY & CHILD HEALTH CS G HE G	88 83	93 93	14,500 2,000	14,500 2,000	2,500 200	---	2,082 200	438 1	1,311 1,030	2,000 300	3,000 257	3,000 1,000
	PROJECT TOTAL:			16,500	16,500	2,700	---	2,282	439	2,341	2,300	3,257	4,000
511-C595	ECONOMIC RECOVERY PROGRAM ES G	83	88	7,320	7,320	7,320	---	---	7,320	---	---	---	---
	PROJECT TOTAL:			7,320	7,320	7,320	---	---	7,320	---	---	---	---
511-C596	MICRO ENTERPRISE DEVELOPMENT FN G SD G	88 88	93 93	3,000 7,000	3,038 7,000	1,560 980	---	1,000 1,476	59 ---	478 225	1,246 1,111	---	1,424
	PROJECT TOTAL:			10,000	10,038	2,540	---	2,476	59	703	2,357	1,000	1,424
511-C597	RADIO LEARNING OPG CS G EH G	88 88	92 92	200 1,700	200 1,700	---	---	200 812	200 223	---	---	200 263	191 490
	PROJECT TOTAL:			1,900	1,900	283	110	1,012	423	263	490	200	191
511-C598	STRENGTHENING FINANCIAL MARKETS SD G	88	91	6,200	6,200	1,000	21	1,670	456	1,649	2,873	980	130
	PROJECT TOTAL:			6,200	6,200	1,000	21	1,670	456	1,649	2,873	980	130
511-C599	WATER & HEALTH SERVICES - OPG CS G HE G	86 86	90 90	2,300 2,200	2,814 2,136	1,850 2,186	51	464 ---	1,514 316	500 ---	849 ---	---	---

\* Refer to the planned program summary sheet.

C Level of effort activity.

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For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BOLIVIA

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				4,500	5,000	4,036	1,921	464	2,230	500	849	---	---
511-C600	CS G	87	87	450	450	450	5	---	94	---	351	---	---
PROJECT TOTAL:				450	450	450	5	---	94	---	351	---	---
511-C601	CS G	88	89	1,000	1,677	1,000	216	677	274	---	961	---	210
PROJECT TOTAL:				1,000	1,677	1,000	216	677	274	---	961	---	210
511-C602	ES G	91	91	---	15,500	---	---	---	---	---	15,500	14,700	---
PROJECT TOTAL:				---	15,500	---	---	---	---	---	15,500	14,700	---
511-C603	EH G	88	91	3,350	3,350	800	---	1,580	262	256	400	126	1,000
	FN G	83	91	400	400	200	---	200	---	---	200	---	100
PROJECT TOTAL:				3,750	3,750	1,000	---	1,780	262	256	600	126	1,100
511-C607	CS G	90	94	---	4,000	---	---	---	---	1,000	500	1,000	1,000
PROJECT TOTAL:				---	4,000	---	---	---	---	1,000	500	1,000	1,000
511-C608	DG G	83	90	100	200	100	---	100	41	---	60	---	75
	HE G	83	90	500	500	---	---	125	---	175	150	---	150
PROJECT TOTAL:				600	700	100	---	225	41	175	210	---	225
511-C609	ES G	88	88	500	500	500	---	---	180	---	320	---	---
PROJECT TOTAL:				500	500	500	---	---	180	---	320	---	---
511-C610	SD G	88	88	450	450	450	---	---	52	---	200	---	---
PROJECT TOTAL:				450	450	450	---	---	52	---	200	---	---
511-C611	EH G	91	95	---	3,700	---	---	---	---	---	---	160	100

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: BOLIVIA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES		
PROJECT TOTAL:					---	3,700	---	---	---	---	160	100		
COUNTRY TOTALS:					231,670	367,642	143,164	83,928	36,361	43,930	54,513	64,537	54,341 <sup>1/</sup>	46,045
GRANTS:					162,667	299,333	87,232	44,589	36,361	35,083	54,513	58,267	54,341	45,957
LOANS:					69,003	68,309	55,932	39,239	---	8,847	---	6,270	---	88

<sup>1/</sup> Eligible for additional ESF assistance under the Andean Narcotics Initiative.

\* Refers to the planned program summary sheet.

C Level of effort activity.

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PROGRAM: Bolivia

PLANNED PROGRAM SUMMARY SHEET

Title Economic Recovery		Funding Source ESF 15,500	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 511-0602		Population	ED. & HR	Sel. Act.	FY 91	15,500	Life of Project Funding 15,500
<input checked="" type="checkbox"/> NEW					Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 91	FY 91	FY 91

**Project Purpose:** To provide balance-of-payments assistance in support of the Government of Bolivia's economic stabilization and reactivation program.

**Project Description:** From 1982 to 1985, economic conditions in Bolivia worsened considerably. By 1985, when the government of Paz Estenssoro took office, inflation exceeded 11,000% per annum, the price of the country's major export (tin) collapsed, debt servicing was a growing problem, the budget deficit was increasing, and real GDP had declined every year since 1981. Soon after he assumed power, Paz issued a New Economic Policy decree announcing drastic stabilization measures which helped arrest hyperinflation and end economic chaos. In 1987, the GOB issued the Economic Reactivation decree aimed at ending the country's prolonged recession. The major components of the decree were: increased resource availability, sectoral restructuring in the area of housing and exports, banking system reforms, and, fiscal and monetary reforms.

A.I.D.'s economic analysis indicates that these measures have succeeded in stabilizing Bolivia's economy and inducing a modest recovery. Real GDP grew by 2.2% in 1987 and 2.8% in 1988, still too low to permit recovery of per capita GDP, which is still about 25% below the 1981 level. Much remains to be done to reactivate the economy and achieve the GOB's 4-5% annual GDP growth target. The decline in net international reserves was \$44 million in 1988 and is projected at \$145 million for 1989.

This program will provide urgently needed support in the form of a cash transfer. The dollar funds will supply scarce foreign exchange resources to service eligible U.S. and multilateral debt, thus contributing to the GOB's economic reactivation efforts. In addition, the GOB will deposit an equivalent amount in local currency (bolivanos) into a special account in the Central Bank. Release of funds under the program will be tied in part to economic performance and to meeting coca eradication targets as one of

several anti-narcotics performance criteria.

**Sustainability:** These funds will be jointly programmed by A.I.D. and the GOB for the development activities of A.I.D. and other multilateral donors and to further support implementation of the GOB's stabilization and recovery program leading to self-sustaining development and economic growth.

**Relationship to A.I.D. Country Strategy:** The program supports the overall U.S. objectives of: (1) support for a stable and democratic government and institutionalization of the democratic process, (2) promotion of self-sustaining economic growth, and (3) narcotics control.

**Beneficiaries:** The population as a whole benefits from an improved economy. Local currencies programmed under this project directly benefit the target populations of A.I.D.'s and other donors' development projects in high priority sectors.

**Host Country and Other Donors:** The GOB negotiated a three-year Enhanced Structural Adjustment Facility (ESAF) with the IMF which was approved in mid 1988 and is currently under implementation. A new agreement for the second year of the ESAF has just been negotiated with the Government of Jaime Paz Zamora, and will be presented to the IMF Board in November of 1989. Approval is expected. Debt rescheduling took place under Paris I, in 1986, and Paris II during November 1988.

<b>Major Outputs</b>	<b>All Years</b>
Economic Recovery	X
Economic Policy Reforms	X
Eradication of Coca Acreage	X

<b>A.I.D. Financed Inputs</b>	<b>Life of Project (\$000)</b>
Balance of Payments Support	15,500

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	15,500		15,500	



Caribbean  
Regional

CARIBBEAN REGIONAL

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	18,913	18,602	17,664
Loan	-	-	-
Grant	18,913	18,602	17,664
Economic Support Fund	10,225	996 <u>A/</u>	12,000 <u>B/</u>
Loan	-	-	-
Grant	10,225	996	12,000
Other*			
<b>TOTALS</b>	<b>29,138 <u>C/</u></b>	<b>19,598</b>	<b>29,664</b>
P.L. 480 <u>D/</u>	7,000	4,000	7,000
Title I	7,000	4,000	7,000
Title II	-	-	-
<b>TOTALS</b>	<b>36,138</b>	<b>23,598</b>	<b>36,664</b>

A/ FY 90 ESF for Guyana.

B/ FY 91 ESF for Guyana is \$2 million.

C/ Includes \$125,000 ESF and \$366,000 DA reobligations of prior year funds.

D/ PL 480 Title I for Guyana; See Main Volume P.L. 480 Table

for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	21.23*	24.22*	26.6*
Foreign National	29.46	31.58	33.0
<b>TOTALS</b>	<b>50.69</b>	<b>55.80</b>	<b>59.6</b>

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\*Includes 1 parttime in FY 1989; 2 parttime in FY 1990; and 2 IDIs and 2 parttime in FY 1991.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	0	0	0	0	0	0	0	0	0
Regional <sup>e</sup>	139	134	273	172	164	336	103	199	302
Third Country Participants									
Bilateral <sup>d</sup>	0	0	0	0	0	0	0	0	0
Regional <sup>e</sup>	0	2,985	2,985	0	1,200	1,200	0	1,335	1,335
<b>TOTALS</b>	<b>139</b>	<b>3,119</b>	<b>3,258</b>	<b>172</b>	<b>1,364</b>	<b>1,536</b>	<b>103</b>	<b>1,534</b>	<b>1,637</b>

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.

<sup>b</sup>Academic: degree seeking.

<sup>c</sup>Technical: non-degree seeking.

<sup>d</sup>Participants funded under bilateral programs.

<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## CARIBBEAN REGIONAL

### Introduction

The English-speaking countries of the Organization of Eastern Caribbean States (OECS) which receive the preponderance of Caribbean Regional funds are democracies with multiparty systems and freely and openly elected parliamentary governments. It is in the U.S. interest that these close and friendly neighbors continue to sustain their political, economic and social equilibrium.

The six major A.I.D. beneficiaries are Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines. A.I.D. also provides P.L. 480 food assistance to Guyana, managed through the Caribbean Regional Office. Lesser participants in a few of the regional projects include: Anguilla, Barbados, Belize, Montserrat, the British Virgin Islands, the Cayman Islands, the Turks and Caicos, and Trinidad and Tobago.

A review of OECS countries' growth rates for the 1978-87 period shows gross national product (GNP) growth of 4.9% per year, or about 3.5% in per capita terms. Despite these countries' success in maintaining moderate-to-strong growth rates, there are always potential disruptions to these small, open economies. International market fluctuations and natural disasters, particularly, can result in short-term dislocations. In 1989, Hurricane Hugo caused serious damage to the economies of Dominica, St. Kitts and Nevis, and Montserrat.

The pattern of economic growth among the Eastern Caribbean states is largely dictated by the physical environment of each. Long-term economic growth will be largely determined by protecting and managing the natural resource base. A.I.D. attaches importance to its environmental and biodiversity programs in the region. For the drier Leeward Islands of Antigua and Barbuda and St. Kitts and Nevis, growth will likely emanate from tourism and, secondly, from light manufacturing. In the wetter, more fertile Windward Islands of St. Lucia, Dominica, Grenada, and St. Vincent and the Grenadines, employment and income will largely derive from agriculture, with light manufacturing and tourism playing important supporting roles.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s development strategy has three goals: (1) basic structural reforms leading to rapid and sustainable economic growth; (2) human capacity development; and (3) strengthening of democracy. A.I.D.'s strategy to contribute to achievement of these goals is to address five key problem areas: economic growth, agricultural sector deficiencies, obstacles to private sector development, access to skills and professional education, and democratic traditions and institutions. Economic stabilization is one of the prerequisites to economic growth in the area. A.I.D. works closely with the

World Bank-led Caribbean Group for Cooperation in Economic Development to help individual governments strengthen their economic development programs. Dominica, for example, continues to implement an effective economic reform program, which, as a result, has received broad donor support.

In Grenada, A.I.D. continues to assist the public and private sectors in fostering economic growth by development of a market-oriented economy. With significant A.I.D. assistance and that of other donors, Grenada's infrastructure has been virtually rebuilt. Infrastructure improvements have also been aimed at developing Grenada's excellent potential in tourism. These have included development of historic, cultural, and natural attractions and improvements to the electricity, sewer, and water utilities. In health and education, A.I.D. has financed training for over 100 teachers and school administrators, 370 health workers, and 161 individuals in other disciplines. An increase in light manufacturing, with corollary employment expansion, has occurred with the establishment of industrial parks financed by A.I.D. and other donors.

The A.I.D.-supported private sector development strategy has attracted both local and foreign investment. Over the past two years, the Investment Promotion and Export Development project has resulted in 30 new investments and production contracts with Caribbean businesses. Under another project, High Impact Agricultural Marketing Production, an equity financing mechanism was established to support small-to-medium sized businesses and has resulted in 13 investments with an aggregate value of over \$32 million. The Small Enterprise Assistance project provided technical assistance and credit to over 700 micro-businesses and 400 small-to-medium sized firms. These projects directly complement U.S. trade legislation under the Caribbean Basin Initiative and contribute to the realization of A.I.D.'s goal of sustainable and broad-based economic growth.

The goals of human capacity development and strengthening of democracy are being advanced by A.I.D.'s regional programs in education. Under ongoing programs, A.I.D. has financed training for 522 people. Of that total, 53% were women, 95% were disadvantaged, and 73% have attended historically black colleges or universities. Through the Caribbean Justice Improvement and Caribbean Law Institute projects, A.I.D. financed the training of over 450 justice system personnel. The Justice Improvement project is being implemented by the University of the West Indies and Florida State University. A major thrust of this project is to enhance regional cooperation.

In FY 90, A.I.D. intends to begin a Structural Adjustment Program in Guyana to reactivate the economy.

#### Other Donors

In addition to the United States, other principal bilateral donors are Canada and the United Kingdom. Canadian assistance focuses on science and technology, training grants, major water and sewerage infrastructure, and forestry development. The United Kingdom administers a long-standing program of grants, with emphasis on the traditional agricultural sector. Japan and West Germany have begun to play stronger roles in the region. France (and to a lesser extent Italy) have increased their programs.

The Caribbean Development Bank, in cooperation with the World Bank, takes the lead in donor coordination. The World Bank chairs the Caribbean Group for Cooperation in Economic Development, with annual meetings to coordinate donors, regional and national government planning. The United Nations Development Program and the Organization of American States provide modest grant resources for training and technical assistance.

The Inter-American Development Bank (IDB) funds road designs, port studies, and road traffic studies, offers project preparation and implementation training, supports environmental impact assessments of capital projects, provides credit to small investors, and is considering provision of special assistance to micro-enterprises. The IDB also works with the Caribbean Association of Industry and Commerce on a trade and development program for the small islands in those productive sectors with the most potential for growth: agriculture, furniture, and apparel.

#### FY 1991 Program

In FY 1991, A.I.D. is requesting \$17,664,000 in Development Assistance (DA) and \$12 million in Economic Support Funds (ESF) for the Eastern Caribbean and Guyana, and \$7 million in P.L. 480 Title I food assistance for Guyana.

The DA program will continue to assist the region in developing its human resources through education projects benefiting both the private and public sectors. The Regional Management Institute project will support development of private sector management expertise required for growth of the tourism sector and the expansion of trade opportunities. Complementing the human resources program, A.I.D. will support private enterprise, with emphasis on non-traditional agriculture and small business.

Financing will continue for health, population, and Acquired Immune Deficiency Syndrome (AIDS) assistance. Preserving the region's natural resources is vital to tourism and long-term economic growth and will also be supported.

The West Indies Tropical Produce Support project finances research and marketing for non-traditional crops with the objective of increasing inter-regional and international exports. This activity is complemented by a United Nations Development Program and Caribbean Community project for developing a marketing information system, including information on extra-regional trade opportunities, and a Canadian project for developing and upgrading the transportation infrastructure in the region.

ESF will finance infrastructure development, a critical adjunct in the tourism, agriculture, and light manufacturing sectors, and, as circumstances require, stabilization and structural adjustment. The Basic Needs Trust Fund, administered by the Caribbean Development Bank, will continue to finance small infrastructure works.

Mission Director: Aaron Williams

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CARIBBEAN REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
538-C000		PROGRAM DEVELOPMENT AND SUPPORT											
	EH G	75	C	---	---	1,132	1,124	37	10	162	100	50	75
	ES G	75	C	---	---	1,098	1,033	87	114	---	38	200	200
	FN G	75	C	---	---	3,980	3,639	195	407	204	233	200	238
	HE G	75	C	---	---	1,108	1,061	25	35	70	65	70	35
	PN G	75	C	---	---	645	645	---	---	40	40	90	70
	SD G	75	C	---	---	3,964	3,829	99	214	100	100	100	120
		PROJECT TOTAL:		---	---	11,927	11,331	443	780	576	576	710	738
538-C005		SPECIAL DEVELOPMENT ACTIVITIES											
	ES G	75	C	---	---	1,535	1,531	100	78	---	26	250	205
	SD G	75	C	---	---	2,732	2,649	200	114	340	250	300	275
		PROJECT TOTAL:		---	---	4,267	4,180	300	192	340	276	550	480
538-C010		REGIONAL AGRIBUSINESS DEVELOPMENT											
	FN L	77	77	6,500	6,500	6,500	6,299	---	---	---	---	---	---
		PROJECT TOTAL:		6,500	6,500	6,500	6,299	---	---	---	---	---	---
538-C014		CARIBBEAN REGIONAL DEV TRAINING											
	EH G	79	85	3,783	3,783	3,783	3,723	---	---	---	---	---	---
		PROJECT TOTAL:		3,783	3,783	3,783	3,723	---	---	---	---	---	---
538-C039		POPULATION AND DEVELOPMENT											
	PN G	82	91	7,666	9,137	6,247	4,782	1,350	737	323	873	239	800
		PROJECT TOTAL:		7,666	9,137	6,247	4,782	1,350	737	323	873	239	800
538-C057		AGRIBUSINESS EXPANSION											
	FN L	80	80	6,000	6,000	6,000	5,523	---	---	---	---	---	---
		PROJECT TOTAL:		6,000	6,000	6,000	5,523	---	---	---	---	---	---
538-C068		CARIBBEAN AGRICULTURAL EXTENSION II											
	FN G	82	88	11,000	10,144	10,144	9,744	---	300	---	---	---	---
		PROJECT TOTAL:		11,000	10,144	10,144	9,744	---	300	---	---	---	---
538-C073		REGIONAL NON-FORMAL SKILLS TRAINING											
	EH G	82	90	8,214	8,214	7,014	5,057	558	1,269	642	558	---	400
		PROJECT TOTAL:		8,214	8,214	7,014	5,057	558	1,269	642	558	---	400
538-C080		CARIBBEAN AGRICULTURAL TRADING CO.											

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

**SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)**

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CARIBBEAN REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHD	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
	FN L	82	88	4,000	1,250	1,033	1,033	---	---	---	---	---	---
		PROJECT TOTAL:		4,000	1,250	1,033	1,033	---	---	---	---	---	---
538-C084		CARIBBEAN FINANCIAL SERVICES											
	ES L	83	85	4,000	4,000	4,000	---	---	---	---	---	---	---
	FN L	83	85	2,300	2,300	2,300	1,220	---	45	---	105	---	---
	SD L	83	85	11,035	11,035	11,035	9,380	---	1,415	---	240	---	---
		PROJECT TOTAL:		17,335	17,335	17,335	10,600	---	1,460	---	345	---	---
538-C091		CLMBERLAND HYDRO ELECTRIC											
	ES G	84	84	500	500	---	---	---	---	---	---	---	---
	ES L	84	84	7,500	7,500	7,500	5,943	---	1,557	---	---	---	---
		PROJECT TOTAL:		8,000	8,000	7,500	5,943	---	1,557	---	---	---	---
538-0096		PLBLIC MANAGEMENT POLICY PLANNING											
	ES G	85	89	8,220	3,200	8,000	6,757	200	987	---	---	---	---
	SD G	85	89	280	---	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		8,500	8,200	8,000	6,757	200	987	---	---	---	---
538-0099		E CARIBBEAN FARM SYSTEMS RESCH & DEV											
	FN G	83	88	7,550	7,550	7,550	7,207	---	339	---	---	---	---
		PROJECT TOTAL:		7,550	7,550	7,550	7,207	---	339	---	---	---	---
538-C101		ST VINCENT AGRICULTURAL DEVEL PROGRAM											
	ES G	84	84	2,000	2,000	1,954	1,906	---	---	---	---	---	---
		PROJECT TOTAL:		2,000	2,000	1,954	1,906	---	---	---	---	---	---
538-C103		BASIC NEEDS TRUST FUNC											
	ES G	84	91	14,700	17,700	12,700	11,417	---	776	---	---	1,000	1,000
	SD G	84	91	3,000	3,000	3,000	---	---	42	---	1,500	---	1,458
		PROJECT TOTAL:		17,700	20,700	15,700	11,417	---	818	---	1,500	1,000	2,458
538-C108		ST KITTS/NEVIS RESOURCE MANAGEMENT											
	ES G	84	87	1,500	1,357	1,357	1,256	---	---	---	---	---	---
		PROJECT TOTAL:		1,500	1,357	1,357	1,256	---	---	---	---	---	---
538-C119		INVESTMENT PROM AND EXPORT DEVELOPMENT											
	ES G	84	91	2,950	2,950	1,500	1,500	1,065	708	---	357	---	---
	SD G	84	91	14,250	14,459	12,822	11,204	500	1,449	637	667	433	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CARIBBEAN REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHO PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				17,200	17,409	14,322	12,704	1,565	2,157	637	1,024	433	---
533-C133		SMALL ENTERPRISE DEVELOPMENT											
	ES G	85	90	4,600	4,600	2,100	1,898	2,235	835	---	1,602	---	---
	SD G	85	90	7,250	7,512	5,803	4,012	600	1,772	1,109	1,728	---	---
PROJECT TOTAL:				11,850	12,112	7,903	5,910	2,835	2,607	1,109	3,330	---	---
533-C134		REGIONAL PHARMACEUTICALS MANAGEMENT											
	ME G	85	88	3,500	3,500	3,500	2,163	---	761	---	576	---	---
PROJECT TOTAL:				3,500	3,500	3,500	2,163	---	761	---	576	---	---
533-C138		INFRASTRUCTURE EXPANSION PAINT SYSTEMS											
	ES G	86	93	11,800	17,300	6,291	4,118	1,586	1,676	---	2,056	1,350	1,300
	ES L	86	93	4,300	4,300	2,300	799	---	544	---	300	---	657
	SD G	85	93	6,765	9,132	5,190	148	1,575	2,394	1,000	2,431	1,367	2,389
	SD L	86	93	9,200	9,200	9,200	3,223	---	4,375	---	1,602	---	---
PROJECT TOTAL:				34,065	39,932	22,981	8,288	3,161	8,989	1,000	6,389	2,717	4,346
533-C140		HIGH IMPACT AGRIC MARKETING AND PRCD											
	FN G	85	91	25,700	25,783	15,374	7,330	3,722	3,657	3,264	3,019	3,418	3,761
PROJECT TOTAL:				25,700	25,783	15,374	7,330	3,722	3,657	3,264	3,019	3,418	3,761
533-C141		STRUCTURAL REFORM SUPPORT - BCP											
	ES G	87	91	9,543	20,578	7,543	2,700	2,000	5,443	---	1,400	2,200	1,000
PROJECT TOTAL:				9,543	20,578	7,543	2,700	2,000	5,443	---	1,400	2,200	1,000
533-C147		INTEGRATED AG OPG											
	FN G	85	89	2,150	2,150	1,803	1,750	147	200	---	---	---	---
PROJECT TOTAL:				2,150	2,150	1,803	1,750	147	200	---	---	---	---
533-C145		REGIONAL MANAGEMENT TRS PILOT PROJECT											
	EH G	86	85	2,700	2,700	2,700	971	---	1,212	---	517	---	---
PROJECT TOTAL:				2,700	2,700	2,700	971	---	1,212	---	517	---	---
533-C149		PROJECT MOPE - OPG											
	ME G	86	85	2,750	2,750	2,750	2,325	---	425	---	---	---	---
PROJECT TOTAL:				2,750	2,750	2,750	2,325	---	425	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CARIBBEAN REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTNO PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
538-C160		CARIBBEAN TRAINING - CPG											
	EH G	86	86	1,600	1,600	1,600	1,030	---	569	---	---	---	
		PROJECT TOTAL:		1,600	1,600	1,600	1,030	---	569	---	---	---	
533-C161		AIDS/COMMUNICATIONS AND TECHNICAL ASSIST											
	DG G	88	92	3,408	3,408	300	---	700	75	800	375	1,100	400
	HE G	88	92	3,592	3,592	224	---	975	37	759	975	530	568
		PROJECT TOTAL:		7,000	7,000	524	---	1,675	112	1,559	1,350	1,630	968
533-C163		WEST INDIES TROPICAL PRODUCE											
	FN G	89	94	6,200	6,200	---	---	1,175	---	1,100	876	1,300	1,815
		PROJECT TOTAL:		6,200	6,200	---	---	1,175	---	1,100	876	1,300	1,815
538-C164		AG. RESEARCH, EXTENSION, AND DEVELOPMENT											
	FN G	89	94	5,000	5,000	---	---	1,300	190	800	1,200	1,044	1,500
		PROJECT TOTAL:		5,000	5,000	---	---	1,300	190	800	1,200	1,044	1,500
539-C165		CARIBBEAN LAW INSTITUTE											
	EH G	88	90	3,000	4,500	1,500	---	1,500	859	1,500	2,141	---	---
		PROJECT TOTAL:		3,000	4,500	1,500	---	1,500	859	1,500	2,141	---	---
539-C169		ENVIRONMENTAL PROFILES											
	FN G	89	89	400	400	---	---	400	---	---	400	---	---
		PROJECT TOTAL:		400	400	---	---	400	---	---	400	---	---
533-C170		REGIONAL MANAGEMENT INSTITUTE											
	EH G	90	94	---	5,000	---	---	---	---	455	455	2,071	1,400
		PROJECT TOTAL:		---	5,000	---	---	---	---	455	455	2,071	1,400
538-C171		ENVIRONMENTAL & COASTAL RESOURCES											
	FN G	90	95	---	5,000	---	---	---	---	1,000	---	552	500
		PROJECT TOTAL:		---	5,000	---	---	---	---	1,000	---	552	500
539-C172		*REGIONAL TOURISM MANAGEMENT											
	EG G	91	95	---	5,000	---	---	---	---	---	---	2,000	1,500
		PROJECT TOTAL:		---	5,000	---	---	---	---	---	---	2,000	1,500
539-C173		CARIBBEAN LEADERSHIP DEVELOPMENT TRNG											

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized data. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CARIBBEAN REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	EM G	90	95	---	4,875	---	---	---	---	860	600	2,329	997	
	ES G	90	95	---	4,165	---	---	---	---	---	---	2,000	---	
	PN G	90	95	---	1,108	---	---	---	---	537	---	571	---	
	PROJECT TOTAL:				---	10,148	---	---	---	1,397	600	4,900	997	
538-C175	HURRICANE HUGO													
	EM G	90	90	9C	90	---	---	---	---	90	---	---	---	
	FN G	90	90	552	552	---	---	---	---	552	---	---	---	
	HE G	90	90	332	332	---	---	---	---	332	---	---	---	
	PN G	90	90	226	226	---	---	---	---	226	---	---	---	
	PROJECT TOTAL:				1,200	1,200	---	---	---	1,200	---	---	---	
533-C178	*SMALL ENTERPRISE ASSISTANCE II													
	ES G	91	93	---	3,500	---	---	---	---	---	---	1,000	---	
	SD G	91	93	---	4,000	---	---	---	---	---	---	1,000	---	
	PROJECT TOTAL:				---	7,500	---	---	---	---	---	2,000	---	
72 538-C640	PTIIC													
	EM G	87	92	15,960	15,960	8,331	1,484	3,340	2,466	1,700	2,000	---	3,000	
	ES G	87	92	2,105	2,105	---	---	652	---	---	---	---	---	
	FN G	87	92	535	535	20	---	515	20	---	---	---	---	
	PROJECT TOTAL:				18,600	18,600	8,351	1,484	4,507	2,486	1,700	2,000	---	3,000
538-C645	CARIBBEAN JUSTICE IMPROVEMENT													
	ES G	89	91	2,300	2,300	---	---	2,300	---	---	1,000	---	1,300	
	SD G	89	91	---	900	---	---	---	---	---	---	900	---	
	PROJECT TOTAL:				2,300	3,200	---	---	2,300	---	---	1,000	900	1,300
	COUNTRY TOTALS:				264,506	318,432	207,162	143,413	29,138	38,106	18,602	30,405	27,664	26,963
	GRANTS:				209,671	266,347	157,294	109,993	29,138	30,170	18,602	28,158	27,664	26,306
	LOANS:				54,835	52,085	49,868	33,420	---	7,936	---	2,247	---	657

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GRENADA

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHG PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
543-0000		PROG DEVELOP AND SUPPRT										
	ES G	84	85	1,596	1,463	1,463	1,445	---	11	---	---	---
		PROJECT TOTAL:		1,596	1,463	1,463	1,445	---	11	---	---	---
543-0005		AGRICULTURE SECTOR REVITALIZATION										
	ES G	84	84	1,964	1,904	1,904	1,896	---	---	---	---	---
		PROJECT TOTAL:		1,964	1,904	1,904	1,896	---	---	---	---	---
543-0006		POINT SALINES AIRPRT										
	ES G	84	84	19,000	19,000	18,999	18,947	---	---	---	---	---
		PROJECT TOTAL:		19,000	19,000	18,999	18,947	---	---	---	---	---
543-0008		INFRASTRUCTURE EXPANSION										
	ES G	84	85	6,400	6,352	6,352	6,352	---	---	---	---	---
		PROJECT TOTAL:		6,400	6,352	6,352	6,352	---	---	---	---	---
543-0010		RELIEF AND RECONSTRUCTION										
	ES G	84	86	11,206	11,206	11,206	11,198	---	---	---	---	---
		PROJECT TOTAL:		11,206	11,206	11,206	11,198	---	---	---	---	---
		COUNTRY TOTALS:		40,166	39,925	39,924	39,838	---	11	---	---	---
		GRANTS:		40,166	39,925	39,924	39,838	---	11	---	---	---
		LOANS:		---	---	---	---	---	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUYANA

CP 91

PROJECT NO.	L / PROJECT TITLE * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTMC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
504-C066	RURAL HEALTH SYSTEMS HE L	79	79	2,900	2,900	2,900	2,378	---	---	---	---	---
	PROJECT TOTAL:			2,900	2,900	2,900	2,378	---	---	---	---	---
504-C099	ECON STABILIZATION/STRUCTURAL ADJLSTMENT ES G	90	91	---	2,996	---	---	---	996	---	2,000	---
	PROJECT TOTAL:			---	2,996	---	---	---	996	---	2,000	---
	COUNTRY TOTALS:			2,900	5,896	2,900	2,378	---	996	---	2,000	---
	GRANTS:			---	2,996	---	---	---	996	---	2,000	---
	LOANS:			2,900	2,900	2,900	2,378	---	---	---	---	---

\* Refers to the planned program summary sheet.

C: Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

PROGRAM: CARIBBEAN REGIONAL

PLANNED PROGRAM SUMMARY SHEET

Title Regional Tourism Management		Funding Source ESF 2,000	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 91 2,000	Life of Project Funding 6,000	
Number 538-0172	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sal. Act.	Initial Obligation FY 91 2,000	Estimated Final Obligation FY 95	Estimated Completion Date of Project FY 96
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

**Purpose:** The purpose of the project is to increase the capability of Eastern Caribbean public and private sectors to manage development of the tourism industry for maximum sustainable economic and social benefit.

**Project Description:** This project will capitalize on the comparative advantage of the Eastern Caribbean islands in tourism, and the potential for development of this sector to generate jobs, economic growth, and national income. Eastern Caribbean islands have substantial natural and other resources to support tourism development, but lack the level of management expertise needed to effectively mobilize these resources. The project will consist of four main components: (1) Tourism Development Policy, Planning, and Legislation, to create a policy environment in which private sector initiatives in tourism will flourish; (2) Strengthening Private Sector Institutions and Management, especially Eastern Caribbean hotel associations, to provide the technical assistance and marketing support needed for a strong, locally-owned accommodations sector, the backbone of the tourism sector; (3) Developing Backward Linkages to Agribusiness and Rural Economies, to help small farmers, rural artisans, and small business owners to benefit from growing tourist markets in urban centers; and (4) Database Development and Research, to provide reliable data on tourism trends, market factors, and hotel operating statistics, needed by both public and private sector managers to improve decision-making.

**Sustainability:** Policy reform, technical assistance in development planning, and database development will create an environment for private initiative to take hold over the long term, reducing the need for future donor support. Strengthening hotel associations will enable these institutions to sustain themselves through revenue from providing member hotels with technical assistance, training, and marketing, thereby enabling the hotel sector to provide for its own developmental needs on a long term basis. Public and private sector support for the

continuing updating and maintenance of databases will be addressed. Developing backward linkages will ensure that the benefits of development accrue throughout society.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D. has adopted a focus on tourism as one of the leading economic sectors likely to generate additional new jobs and economic growth in the Eastern Caribbean. The project also supports A.I.D.'s goal of strengthening the private sector.

**Host Country and Other Donors:** Virtually all Eastern Caribbean governments have identified tourism as a sector for priority development. Governments will formulate policies, develop and implement plans, and adopt legislation needed for tourism development with broad community input. Private sectors will support these activities and the development of their own institutions. They are expected to respond with increased investment. Other donors, particularly the EEC, CIDA, and CDB, are providing resources for complementary tourism development.

**Beneficiaries:** Beneficiaries of this project will be those who take advantage of expansion of tourist-related markets, including hotels and restaurants and their employees; small businesses, such as ground tour and water sports operators; taxis, clothing designers, boutique owners, artisans and vendors; small farmers.

<b>Major Outputs:</b>	<u>All Years</u>
Improved tourism policies, plans, and incentives	X
Improved management of hotels and hotel associations	X
Wider distribution of the benefits of tourism development	X
Improved databases for public and private management	X

<b>A.I.D.-Financed Inputs</b>	<u>LOP (Millions)</u>
Technical Assistance	\$5.0
Training	\$1.0
<b>TOTAL:</b>	<b>\$6.0</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	2,000	4,000	6,000	

Title Small Enterprise Assistance II		Funding Source ESF 1,000	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 538-0178		Population	ED. & HR	Sel. Act./PSEE 1,000	FY 91 (ESF) 1,000	Life of Project Funding 7,500	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 91 2,000	FY 93	FY 93

**Purpose:** The purpose of the project is to increase the ability of local entrepreneurs to establish, expand, or increase the efficiency of their micro, small, and medium-scale enterprises which produce and sell their goods and services in the local, regional, and extra-regional markets.

**Project Description:** The project builds on the achievements of the current Small Enterprise Assistance Project (SEAP). A June 1989 evaluation of SEAP confirmed a positive impact on employment and productivity resulting from the provision of technical assistance and credit to small, medium, and micro enterprises.

This project will provide: (1) grants to National Development Foundations (NDFs) for the provision of credit and business guidance to small, medium, and micro-businesses; (2) technical assistance and training to small and medium enterprises using consulting firms and private consultants; and support to the Caribbean Association of Industry and Commerce and national private sector institutions such as NDFs, Chambers of Commerce, and manufacturers' associations.

**Sustainability:** The project is expected to make the National Development Foundations sustainable as far as their loan operations are concerned by continuing to build their capital base. CAIC's role as implementing agent will enhance its image as a private sector organization leading to increased membership and improved prospects for sustainability.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D.'s Private Sector Strategy is aimed at greater equity through widespread participation in the region's economic growth. It recognizes that increased productivity, entrepreneurial and managerial skills, as well as viable private sector

institutions are vital for a vigorous private sector. The project directly targets these strategy objectives.

**Host Country and Other Donors:** Most of the governments in the region have enacted regulations favorable to private sector development in recent years. Over the past five years, the Canadian International Development Agency (CIDA) and the Inter-American Development Bank (IDB) have supplemented A.I.D.'s lead role of assistance to the small, medium, and micro sectors. Their assistance is expected to continue.

**Beneficiaries:** The project will benefit businesses of all sizes, but particularly small, medium, and micro businesses and national institutions providing credit and technical assistance to them.

**Major Outputs:**

Loans to micro enterprises	750
Loans to small and medium enterprises (SMEs)	50
Small and medium enterprises (SMEs) receiving technical assistance	300
Strengthened private sector institutions	12

**A.I.D.-Financed Inputs:**

	<u>Life of Project</u> ((\$000))
Administrative costs	1,700
Technical Assistance and Training	1,950
Credit	3,400
Institutional Development	45
	<u>7,500</u>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				Caribbean Association of Industry and Commerce (CAIC)
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	2,000	5,500	7,500	



COSTA RICA

Total U.S. Aid \$ 1,408 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 69.1% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 68.43 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 1,550

Average Annual Real Per Capita GNP Growth Rate.(1965-87) 1.5%

Government Budgetary Expenditures as a % of GNP...( ) . %

Total Expenditures and Net Lending (\$ Millions, US):  
 (1985) 711 (1986) 826 (1987) 902

Budgetary Deficit or Surplus (\$ Millions, US):  
 (1984) -27 (1985) -49 (1986) -197

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 7.9 Months of Imports (1987)

External Public Debt as % of GNP...(1987) 88.8%

Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 182  
 As % of Total Export Earnings..... (1987) 12.1%

POPULATION

Total Population...(Thousands, Mid 1989) 2,954

Population Growth Rate...(1970) 2.8% (1978) 4.0% (1990) 2.6%

Population (1989) By Age Group:  
 (0-14yrs) 36.5% (15-64yrs) 59.0% (65+ yrs) 4.5%

Married Women Aged 15-44 yrs. Using Contraception...(1986) 68.0%

Total Fertility Rate...(1970) 4.9 (1989) 3.3

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population...( ) . %

% of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %

Percentage of Total Adult Population Employed Full Time  
 ( . ) . %

Proportion of Labor Force in Agriculture...(1980) 31%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) 37(87) -203(88) -56

Total Imports(\$ Millions, US) (1986) 1,343(87) 1,625(88) 1,665  
 Of Which % From U.S. ....(1988) 52%

Major Imports(1987)PETROLEUM;MACHINERY;CONSUMER DURABL

Total Exports(\$ Millions, US) (1986) 1,380(87) 1,422(88) 1,609  
 Of Which % to U.S. ....(1988) 60%

Major Exports(1987)COFFEE;BANANAS;BEEF

Trading Partners: UNITED STATES; GERMANY, FEDER; GUATEMALA

AGRICULTURE

Agricultural Production as % of GDP...(1987) 18%

Self-sufficiency Ratio  
 Food: 92% (1985)  
 Agriculture: 15% (1985)

Ag. Exports:(1987)Coffee,green &; Fruit & vegs; Meat products  
 Ag. Imports:(1987) Vegetable oils; Oilcrops & prod; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2728

Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 76.1 Male 74.0 Female 78.3  
 (1970) Total 66.1 Male 64.1 Female 67.5

Infant Deaths in First Yr of Life per 1000 Live Births (1989) 16

Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 86% (1988) Measles 97% (1988)  
 Diphtheria(DPT3) 86% (1988) Polio(3) 86% (1988)

Population with Reasonable Access to Safe Water Supply  
 (1983) 88%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1982) Total 103.8 Male 104.9 Female 102.5  
 Secondary (1982) Total 39.8 Male 46.6 Female 34.1  
 Post Secondary (1980) Total 20.2 Male . Female .

Adult Literacy Rate (1985) Male 94% (1985) Female 93%



## Costa Rica

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	9,784	11,850	9,705
Loan	-	-	-
Grant	9,784 <u>1/</u>	11,850	9,705
Economic Support Fund	90,100 <u>4/</u>	63,544	40,000
Loan	-	-	-
Grant	90,100	63,544	40,000
Other*	198 <u>3/</u>	-	-
<b>TOTALS</b>	100,082	75,394	49,705
P.L. 480 <u>2/</u>	15,071	15,207	15,000
Title I	15,000	15,000	15,000
Title II	71	207	-
<b>TOTALS</b>	115,153	90,601	64,705

1/ Includes 788 DA reobs of prior year funds.

2/ See Main Volume P.L. 480 Table for program breakout and emergency assistance.

3/ International Disaster Assistance.

4/ Includes 100 for Costa Rica Fact Finding Mission.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	23.0	22.0	23.6*
Foreign National	18.0	18.0	18.0
<b>TOTALS</b>	41.0	40.0	41.6

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\* Includes 2 IDI and 2 part-time.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	248	539	787	236	381	617	171	356	527
Regional <sup>e</sup>	134	32	166	184	50	214	150	15	165
Third Country Participants									
Bilateral <sup>d</sup>	0	0	0	0	5	5	0	5	5
Regional <sup>e</sup>	0	4	0	0	0	0	0	0	0
<b>TOTALS</b>	382	575	957	420	416	836	321	376	697

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.

<sup>b</sup>Academic: degree seeking.

<sup>c</sup>Technical: non-degree seeking.

<sup>d</sup>Participants funded under bilateral programs.

<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## COSTA RICA

### Introduction

Prior to the 1981 economic crisis, Costa Rica, one of the world's most vibrant democracies, was a model developing country, with an outstanding record of economic growth and progress in improving the quality of life for its poor population. This progress, based on a protectionist, import-substitution model and heavy external borrowing, was halted by a series of external shocks in the late 1970s which brought the country to a severe economic crisis in early 1981.

A.I.D., in response to that crisis and the effects that it was having on U.S. interests in the region, joined with the International Monetary Fund (IMF) and the World Bank in supporting the Government of Costa Rica's (GOCR) policy reform program aimed at stabilizing the economy. With improvements in foreign exchange management, fiscal discipline and realistic credit policies, stability has returned to the Costa Rican economy. Production, non-traditional exports and income are rising. Moreover, this year Costa Rica has completed a rescheduling of its official debt, reached agreement in principle with its commercial debtors on the terms of a debt reduction under the Brady Plan, and celebrated its 100th year as a constitutional democracy. To continue on this positive path, Costa Rica must look to exports and investment for the foreign exchange necessary to finance the imports required for economic growth, deepen the policy reform program and consolidate the measures taken to alleviate part of its external debt problem.

With its strong tradition of democracy and social justice, Costa Rica is important to the U.S. goal of helping to establish stable, prosperous, and democratic nations throughout Latin America. The country's dedication to democracy has remained firm in spite of reduced living standards in the early 1980s and the double threat of neighboring Nicaragua and Panama. Costa Rica will continue to require economic assistance over the next several years to continue to make economic growth sustainable.

### A.I.D. Development Strategy and Accomplishments to Date

The program strategy continues to function within the framework of the Central America Initiative (CAI), which was begun in 1984 to provide expanded resources to the region to address fundamental economic, social and political problems identified by the National Bipartisan Commission on Central America. Given the strong relationship in Costa Rica between economic growth, social well-being, and economic stability, A.I.D.'s primary program emphasis is to help Costa Rica complete the difficult transition from economic stabilization to economic growth by focusing on initiatives in export development, natural resources, and public sector efficiency. Costa Rica's non-traditional exports to non-Central American Common Market (CACM) countries have increased from \$142 million in 1983 to \$500 million in 1988. These results are largely attributable to export policy improvements, supported by the Economic Support Fund (ESF) program. A continuing A.I.D.-supported export and investment promotion program, Costa Rican Coalition for Development Initiatives (CINDE) also

has had dramatic results. Between 1986 and 1988, CINDE attracted some 96 investments whose annual exports at full production are projected at \$334 million. A.I.D. also is working through CINDE on production and marketing to support further diversification into intensively produced export crops and to introduce industrial companies to the world market through product subcontracting.

To stimulate investment, A.I.D. has successfully promoted improvements in the financial sector, which include liberalized credit policies and improved efficiency of the banking system. A.I.D. will continue to seek opportunities to broaden and improve banking services to current and potential users.

In the process of recovering economic stability, Costa Rica brought its public sector/social sector expenditures under control at the expense of capital investments. Now A.I.D. is working with the GOCR to develop policy and administrative reforms aimed at increasing efficiency and lowering recurrent costs in the areas, for example, of pensions and customs so that the public sector investment program can be increased.

A.I.D. has sought to spread the benefits of growth through widening participation in the marketplace and has helped to fill gaps in the provision of basic social services. Widened participation in the economy has been fostered primarily through the creation of some 36,000 jobs under A.I.D.'s export, housing and microenterprise programs, and through support for rural development activities within the Northern Zone. The FY 1990 Support for Private and Voluntary Organizations (PVOs) project will further focus on productive employment-generating activities for the urban and rural poor.

In the provision of social services, A.I.D. is improving the contraceptive delivery program and implementing a private retail contraceptive sales program under the Family Planning Self-Reliance project. In the education sector, the Regional Agricultural College for the Humid Tropics (EARTH), financed in part with local currency associated with ESF programs, will open in March 1990. Other activities include an FY 1990 project on Drug Education which will respond to increased Costa Rican concerns about alcohol and drug abuse, and an ongoing rural classroom refurbishment program financed with ESF-related local currency. A.I.D.'s major activity in housing is the establishment of the National Housing Mortgage Bank with seed capital from ESF-related local currency to bolster financial self-sufficiency in the housing finance market.

On another front, a new awareness of the fragility of Costa Rica's natural resources has led A.I.D. to support three projects that seek to protect wildlife and to introduce practices of sustainable utilization. If successful, the concepts will be applied nationwide.

A.I.D. also has supported the activities of the United Nations Latin American Institute for the Prevention of Crime and the Treatment of the Offender (ILANUD) and the Interamerican Institute of Human Rights (IIDH), which work to propagate and strengthen democratic institutions and practices throughout the region. A bilateral Justice Sector Improvement

project is strengthening coordination, planning and professional judicial training in the criminal justice sector and putting in place an information system on current legislation. In addition, the Central America Peace Scholarships (CAPS) program has provided more than 1,500 leaders with training and a first-hand view of the United States.

#### Other Donors

A.I.D., the IMF and the World Bank continue to be the major international donors active in Costa Rica. However, Japan came in strongly in 1989 by adding \$100 million cofinancing to the \$100 million World Bank Structural Adjustment Loan (SAL) II, and the European Economic Community (EEC) is expressing increased interest in the entire region. The recent development of the Consultative Group mechanism to coordinate among donors and agree on priorities holds strong promise for the increased entrance and activity of other donors. In this regard, the Netherlands, Sweden, and Canada are making significant contributions, particularly in the area of natural resources--one of the four areas of priority that the GOCR presented in the November 1989 Consultative Group meeting in Paris. The other three areas in which the GOCR is seeking donor support assistance are export promotion, public sector efficiency, and education.

#### FY 1991 Program

In FY 1991, A.I.D. is requesting \$40 million of ESF, \$9.7 million of Development Assistance and \$15 million of P.L. 480 resources for Costa Rica. The ESF request represents a continuing decline from a peak of \$160 million in FY 1985, reflecting Costa Rica's steady progress in moving toward sustainable growth. A.I.D. will continue to require modest amounts of Development Assistance to address priority needs in the fields of public sector efficiency and natural resources.

ESF assistance will be targetted to the export sector to help the GOCR resolve remaining bottlenecks to export development and to provide continuing support to successful ongoing programs. For natural resources, the FY 1991 program includes the Municipal Watershed Management project, which will extend the sustainable utilization concept to municipal protection of feeder watersheds.

P.L. 480 Title I commodities will be used to provide an assured supply of wheat in support of the balance-of-payments program and A.I.D.'s policy dialogue on the elimination of food subsidies. Local currency generations from P.L. 480 sales support export promotion, private sector development and agricultural diversification activities. In addition, one third of the local currency generations from the FY 1989 P.L. 480 program is used for Section 108 private enterprise and development credit activities.

A.I.D. will continue the implementation of the present education, family planning, housing, PVO, regional democracy and justice portfolio, and will carry out a follow-on project to the successful CAPS scholarship program (CLASP II).

Mission Director: Carl H. Leonard

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: COSTA RICA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES		
515-0000	PROGRAM DEVELOPMENT AND SUPPORT													
	FN G	52	C	---	---	7,686	7,689	250	73	275	128	200	300	
	HE G	52	C	---	---	---	---	---	---	---	2	---	---	
	SD G	52	C	---	---	3,225	3,191	445	165	257	356	250	380	
	PROJECT TOTAL:				---	---	10,911	10,880	695	238	532	486	450	680
515-0168	FAMILY PLANNING SELF-RELIANCE													
	PN G	83	90	8,500	8,498	6,248	2,338	1,250	1,467	1,000	720	---	1,198	
	PROJECT TOTAL:				8,500	8,498	6,248	2,338	1,250	1,467	1,000	720	---	1,198
515-0190	POLICY PLANNING AND ADMIN IMPROVE.													
	EM G	83	87	1,000	1,000	---	---	---	---	---	---	---	---	
	ES G	83	87	925	925	925	16	---	255	---	255	---	---	
	SD G	83	87	6,975	6,975	6,975	4,821	---	1,081	---	1,070	---	---	
	PROJECT TOTAL:				8,900	8,900	7,900	4,837	---	1,336	---	1,325	---	---
515-0191	NORTHERN ZONE INFRASTRUCTURE DEVELOPMENT													
	FN L	83	83	14,200	14,200	14,200	13,253	---	103	---	---	---	---	
	PROJECT TOTAL:				14,200	14,200	14,200	13,253	---	103	---	---	---	---
515-0203	HEALTH SERVICES SUPPORT													
	HE G	83	86	300	300	---	---	---	---	---	---	---	---	
	HE L	83	86	10,000	10,000	---	---	---	---	---	---	---	---	
	PROJECT TOTAL:				10,300	10,300	---	---	---	---	---	---	---	
515-0204	PRIVATE INVESTMENT CORPORATION													
	SD G	84	86	1,000	1,000	1,000	292	---	41	---	5	---	---	
	SD L	84	86	15,000	15,000	15,000	6,024	---	8,005	---	971	---	---	
	PROJECT TOTAL:				16,000	16,000	16,000	6,316	---	8,046	---	976	---	---
515-0212	TRG FOR PRIVATE SECTOR DEVELOPMENT													
	EM G	85	87	5,000	5,000	5,000	1,194	---	1,133	---	1,545	---	1,050	
	PROJECT TOTAL:				5,000	5,000	5,000	1,194	---	1,133	---	1,545	---	1,050
515-0223	INDUSTRIAL REACTIVATION													
	ES G	86	87	100	100	100	---	---	---	---	100	---	---	
	ES L	86	87	5,355	5,855	5,855	---	---	2,301	---	3,554	---	---	
	SD G	86	87	250	250	250	---	---	---	---	250	---	---	
	SD L	86	87	1,800	1,800	1,800	---	---	---	---	1,353	---	---	

\* Refer to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: COSTA RICA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				8,005	8,005	8,005	---	---	2,301	---	5,257	---	---
515-0226		AGRIC. SERVICES AND UNION DEV. (PVO-U-R)											
	FN G	85	88	2,000	2,000	2,000	1,026	---	583	---	300	---	---
PROJECT TOTAL:				2,000	2,000	2,000	1,026	---	583	---	300	---	---
515-0227		AGRIC. DEV. COOP INTERNAT'L (PVO-U-R)											
	FN G	85	86	800	800	800	738	---	62	---	---	---	---
PROJECT TOTAL:				800	800	800	738	---	62	---	---	---	---
515-0232		PRIVATE AGENCIES COLLABORATING TOGETHER											
	ES G	86	87	2,600	2,600	2,600	619	---	49	---	932	---	1,000
	SD G	86	87	2,300	2,300	2,300	1,325	---	943	---	32	---	---
PROJECT TOTAL:				4,900	4,900	4,900	1,944	---	992	---	964	---	1,000
515-0235		NORTHERN ZONES CONSOLIDATION											
	FN G	88	88	5,150	5,150	5,150	---	---	181	---	1,200	---	1,000
PROJECT TOTAL:				5,150	5,150	5,150	---	---	181	---	1,200	---	1,000
515-0237		NON-TRADITIONAL EXPORTS-TECH SUPPORT											
	ES G	87	88	585	585	585	102	---	88	---	395	---	---
	FN G	87	88	2,915	2,915	2,915	30	---	248	---	700	---	800
PROJECT TOTAL:				3,500	3,500	3,500	132	---	336	---	1,095	---	800
515-0238		PROJECT HOPE EMERGENCY SERVICES											
	ES G	87	87	250	250	250	120	---	---	---	130	---	---
	HE G	87	87	250	250	250	151	---	99	---	---	---	---
PROJECT TOTAL:				500	500	500	271	---	99	---	130	---	---
515-0240		ECONOMIC STAB & RECOVERY VIII											
	ES G			---	---	---	---	85,000	85,000	---	---	---	---
PROJECT TOTAL:				---	---	---	---	85,000	85,000	---	---	---	---
515-0241		POLICY AND TRAINING SUPPORT											
	ES G	89	91	250	2,961	---	---	250	---	2,437	1,250	---	1,000
	SD G	89	91	4,750	4,750	---	---	789	---	---	---	350	250
PROJECT TOTAL:				5,000	7,711	---	---	1,039	---	2,437	1,250	850	1,250

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date. For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: COSTA RICA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTMD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
515-C242		COSTA RICA PEACE SCHOLARSHIPS										
	EH G	87	89	1,532	1,532	387	---	696	---	449	---	---
	ES G	87	89	17,846	17,846	937	2,100	3,375	---	5,401	---	4,842
	FN G	87	89	801	800	800	---	---	---	---	---	200
	PN G	87	89	183	183	183	---	---	---	---	---	---
		PROJECT TOTAL:		20,362	20,361	1,324	2,100	4,071	---	6,050	---	5,042
515-C243		FOREST MANAGEMENT										
	FN G	89	91	7,500	7,500	---	5,500	---	1,112	1,500	888	1,000
		PROJECT TOTAL:		7,500	7,500	---	5,500	---	1,112	1,500	888	1,000
515-C244		JUSTICE SECTOR IMPROVEMENT										
	ES G	88	89	2,900	2,900	1,500	1,400	103	---	1,300	---	1,497
		PROJECT TOTAL:		2,900	2,900	1,500	1,400	103	---	1,300	---	1,497
515-C245		ECONOMIC STABILIZATION AND RECOVERY IX										
	ES G	90	90	---	60,000	---	---	---	60,000	60,000	---	---
		PROJECT TOTAL:		---	60,000	---	---	---	60,000	60,000	---	---
515-C246		*MUNICIPAL WATERSHED MANAGEMENT										
	FN G	91	92	---	9,000	---	---	---	---	---	4,167	1,300
		PROJECT TOTAL:		---	9,000	---	---	---	---	---	4,167	1,300
515-C247		FINANCIAL SERVICES										
	FN G	90	92	---	2,000	---	---	---	2,000	50	---	500
	SD G	90	92	---	1,650	---	---	---	---	---	1,650	200
		PROJECT TOTAL:		---	3,650	---	---	---	2,000	50	1,650	700
515-C248		ACDI - OPG										
	FN G	89	89	1,000	1,000	---	1,000	150	---	350	---	350
		PROJECT TOTAL:		1,000	1,000	---	1,000	150	---	350	---	350
515-C249		CARIBBEAN CONSERVATION CORPORATION - OPG										
	FN G	89	89	550	550	---	550	60	---	180	---	240
		PROJECT TOTAL:		550	550	---	550	60	---	180	---	240
515-C250		*EXPORT SECTOR DEVELOPMENT										
	ES G	91	91	---	35,000	---	---	---	---	---	35,000	35,000

\* Refers to the planned program summary sheet.

C Level of effort activity.

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For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: COSTA RICA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
PROJECT TOTAL:				---	35,000	---	---	---	---	---	35,000	35,000
515-0252		SUPPORT TO PVC'S										
	FN G	90	91	---	600	---	---	---	150	50	450	400
	SD G	90	91	---	1,250	---	---	---	---	---	1,250	500
PROJECT TOTAL:				---	1,850	---	---	---	150	50	1,700	900
515-0253		DRUG AWARENESS-OPS										
	ME G	90	90	---	500	---	---	---	500	263	---	237
PROJECT TOTAL:				---	500	---	---	---	500	263	---	237
515-0254		CLASP II										
	ES G	90	92	---	12,800	---	---	---	---	---	5,000	1,050
	FN G	90	92	---	2,200	---	---	---	2,200	800	---	1,300
PROJECT TOTAL:				---	15,000	---	---	---	2,200	800	5,000	2,350
515-0255		FOREST CONSERVATION AND MANAGEMENT										
	FN G	90	90	---	1,000	---	---	---	1,000	200	---	300
PROJECT TOTAL:				---	1,000	---	---	---	1,000	200	---	300
515-0257		INTERNATIONAL EXECUTIVE SERVICE CORPS-CP										
	ES G	90	91	---	1,107	---	---	---	1,107	653	---	454
	SD G	90	91	---	193	---	---	---	193	100	---	93
PROJECT TOTAL:				---	1,300	---	---	---	1,300	753	---	547
515-0258		COOPERATIVE HOUSING FOUNDATION-OPC										
	FN G	90	90	---	1,600	---	---	---	1,600	550	---	800
PROJECT TOTAL:				---	1,600	---	---	---	1,600	550	---	800
515-0259		IFAM LAND FILLS										
	FN G	90	90	---	1,563	---	---	---	1,563	200	---	800
PROJECT TOTAL:				---	1,563	---	---	---	1,563	200	---	800
515-0997		CR FACT FINDING MISSION										
	ES G	89	89	100	100	---	---	100	---	100	---	---
PROJECT TOTAL:				100	100	---	---	100	---	100	---	---
515-0998		C.A. ENERGY SELF-SUFFICIENCY										

\* Refers to the planned program summary sheet.

CL=Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: COSTA RICA

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
ES G		89	89	1,250	1,250	---	---	1,250	---	---	500	---	500
PROJECT TOTAL:				1,250	1,250	---	---	1,250	---	---	500	---	500
COUNTRY TOTALS:				126,417	259,588	104,875	44,253	99,884	106,261	75,394	88,094	49,705	58,541
GRANTS:				79,562	212,733	68,020	24,976	99,884	95,852	75,394	82,216	49,705	58,541
LOANS:				46,855	46,855	36,855	19,277	---	10,409	---	5,878	---	---

\* Refers to the planned program summary sheet.

L Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

PROGRAM: COSTA RICA

PLANNED PROGRAM SUMMARY SHEET

Title Municipal Watershed Management		Funding Source DA	AG, RD & N 4,167	Health	PROPOSED OBLIGATION (in thousands of dollars)			
Number 515-0246		<input checked="" type="checkbox"/> NEW <input type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	Population	ED. & HR	Sel. Act.	FY 91	Life of Project Funding	
						4,167	9,000	
						Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
						FY 91	FY 92	FY 97

**PURPOSE:** To increase the involvement of local communities in planning, decision-making, and implementation of activities to protect and enhance management of watersheds.

**PROJECT DESCRIPTION:** Increasingly, lack of clean water is limiting the economic progress of the towns of Costa Rica. Improper land use, contributes to water scarcity during the dry season. Unfortunately, public entities have concentrated on hydropower and irrigation structures, but not on the need to conserve and manage the watersheds which supply these facilities. Likewise, limited investments have been made in local sanitation infrastructure for liquid and solid waste management. As a result, local communities are increasingly confronted with serious health hazards.

A recent evaluation of 13 out of the 47 municipalities which manage their own water supplies recommended actions that can be implemented by the municipalities directly or by contact. These include: the preparation of management plans for the watersheds; the construction of water control structures; land purchase; fire control; monitoring of water quality and quantity; and development plans and programming for liquid and solid waste management. In a parallel procedure, funding for locally selected infrastructure projects will be available to municipalities that successfully develop and implement watershed plans which address both upstream and downstream environmental management issues.

Management activities will emphasize proper land use and environmentally sound management of solid and liquid waste. Watershed management plans will include training for citizens, community leaders, farmers and others in agricultural and agroforestry practices that conserve land and water, such as: management and expansion of forests and tree crops; soil conservation, and better cropping practices.

**SUSTAINABILITY:** Municipal governments will become the executors of the program in land use management. A user fees system will be implemented to provide them the means for continued management of water resources.

**RELATIONSHIP OF PROJECT TO AID COUNTRY STRATEGY:** The project supports the sustainable use of land, forest and water resources, which is a major element of the Missions's strategy for long-term growth and spreading the benefits of growth. For the expansion of forestry as an appropriate land use in parts of the watersheds, the project will draw on the Forest Management project (515-0243).

**HOST COUNTRY AND OTHER DONORS:** The GOCR will provide ESF or PL 480 local currency counterpart funding for project costs equal to at least 25% of total project costs. If feasible, the project will be designed in collaboration with the IDB, with the expectation of eventual IDB participation.

**BENEFICIARIES:** The project will benefit approximately 22,500 persons who live in the upper watersheds and approximately 80,000 urban and rural beneficiaries who live in the watershed lowlands.

OUTPUTS:	ALL YEARS
Improved watershed land use	5,600 ha
Watershed reforestation	1,300 ha
Water & sanitation infrastructure	26 un

AID-FINANCED INPUTS:	LOP (\$000)
Technical Assistance	2,000
Training	1,000
Construction/Maintenance	3,000
Equipment/Materials	2,000
Contingency	1,000
Total	9,000

U. S. FINANCING (in thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	4,167	4,833	9,000	

Ministry of Natural Resources  
Energy & Mines and the Municipal

PROGRAM: COSTA RICA

PLANNED PROGRAM SUMMARY SHEET

Title Export Sector Development		Funding Source ESF	AG, RD & N	Health	PROPOSED OBLIGATION (in thousands of dollars)		
Number 515-0250		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 91 35,000	Life of Project Funding 35,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 91	Estimated Final Obligation FY 91
							Estimated Completion Date of Project FY 91

**PURPOSE:** To support continued sectoral and structural changes aimed at re-establishing dynamic growth in the economy through increased exports.

**PROGRAM DESCRIPTION:** In 1983, Costa Rica began to implement stabilization and structural adjustment programs with the support of the IMF, the World Bank and USAID. These programs resulted in relative financial stability and renewed economic growth. Continued growth depends on maintaining the high rate of export growth, particularly of non-traditional exports. To achieve this, Costa Rica must deepen the structural adjustment process by reducing remaining distortions in the export and financial sectors and by increasing public sector efficiency.

**SUSTAINABILITY:** The principal challenge of structural adjustment remains the reorientation of the economy toward non-traditional exports (NTE's) to markets outside Central America. Policy reforms already undertaken have resulted in phenomenal NTE growth (32% per year since 1983). Nevertheless, substantial policy and institutional constraints remain, including import tariffs which are still fairly high even after the World Bank's second Structural Adjustment Loan, looming shortages in energy and skilled manpower, customs inefficiency, and transportation bottlenecks. Urgent attention must be given to measures to improve the regional distribution of new export investment to avoid an unhealthy concentration of development in the Central Valley. The country is not yet well organized to capitalize on opportunities in tourism and other exports of services.

The Export Sector Development Program will provide dollars under a cash disbursement program. Disbursement will be conditioned on policy and operational improvements designed to enhance international export competitiveness. The specific content of that conditionality will depend on the results of ongoing analysis and

dialogue with GOOCR after the February 1990 elections. Local currencies provided under the program will support activities aimed at export growth, particularly through support to an export sector trust established by the GOOCR to assist export and investment promotion by both public and private sectors.

**RELATIONSHIPS OF PROGRAM TO AID COUNTRY STRATEGY:** The Export Sector Development Program contributes directly to the economic growth element of the strategy by supporting export development. The balance of payments effect of the assistance, the policy leverage, and the local currency portion will, in turn, affect every phase of the program strategy.

**HOST COUNTRY AND OTHER DONORS:** This program would directly support the GOOCR call for multilateral assistance to the export sector through the IBRD-sponsored Consultative Group. In addition, it is consistent with and supportive of an IMF Standby and IBRD Structural Adjustment Loan (II) currently in effect.

**BENEFICIARIES:** Direct beneficiaries of the program are the private exporters that gain access to foreign exchange for import requirements. However, given that the Costa Rican private economy does an excellent job in providing jobs and income to poorer income groups and maintaining the tax base for a range of internationally recognized social programs, it is assumed that most Costa Ricans will benefit by the sector program.

**MAJOR OUTPUTS:**  
Export growth targets  
Trade and financial policy reform  
Export and investment promotion  
Employment generation

**AID FINANCED INPUTS:** (LOP) \$000  
Export sector support 35,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	35,000		35,000	



**DOMINICAN REPUBLIC**

Total U.S. Aid \$ 1,328 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 63.6% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 15.46 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 730

Average Annual Real Per Capita GNP Growth Rate.(1965-87) 2.3%

Government Budgetary Expenditures as a % of GNP...(1986) 14.2%

Total Expenditures and Net Lending (\$ Millions, US):  
 (1984) 641 (1985) 764 (1986) 871

Budgetary Deficit or Surplus (\$ Millions, US):  
 (1984) -38 (1985) -44 (1986) -83

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 2.4 Months of Imports (1987)

External Public Debt as % of GNP...(1987) 63.4%

Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1986) 352  
 As % of Total Export Earnings..... (1986) 27.9%

POPULATION

Total Population...(Thousands, Mid 1989) 7,097

Population Growth Rate...(1970) 3.0% (1978) 2.6% (1990) 2.0%

Population (1989) By Age Group:  
 (0-14yrs) 37.0% (15-64yrs) 59.0% (65+ yrs) 4.0%

Married Women Aged 15-44 yrs. Using Contraception...(1986) 50.5%

Total Fertility Rate...(1970) 6.7 (1989) 3.3

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..(1984) 5.4%

% of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %

Percentage of Total Adult Population Employed Full Time  
 ( . ) . %

Proportion of Labor Force in Agriculture...(1981) 45%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) -205(87) -264(88) -215

Total Imports(\$ Millions, US) (1986) 1,473(87) 1,490(88) 1,477  
 Of Which % From U.S. ....(1986) 48%

Major Imports(1987)FOODSTUFFS;PETROLEUM PRODS;COTTON MANFRS.

Total Exports(\$ Millions, US) (1986) 1,268(87) 1,226(88) 1,262  
 Of Which % to U.S. ....(1986) 90%

Major Exports(1987)SUGAR;COFFEE;COCOA

Trading Partners: UNITED STATES; VENEZUELA; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...(1986) 17%

Self-sufficiency Ratio  
 Food: 104% (1985)  
 Agriculture: 74% (1985)

Ag. Exports:(1987)Sugar; Cocoa beans; Coffee,green &  
 Ag. Imports:(1987) Oilcrops & prod; Vegetable oils; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2327

Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 66.4 Male 64.4 Female 68.6  
 (1970) Total 53.8 Male 52.1 Female 55.6

Infant Deaths in First Yr of Life per 1000 Live Births (1989) 64

Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 37% (1988) Measles 26% (1988)  
 Diphtheria(DPT3) 39% (1988) Polio(3) 63% (1988)

Population with Reasonable Access to Safe Water Supply  
 (1983) 62%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1981) Total 63.8 Male 62.3 Female 65.6  
 Secondary (1981) Total 73.8 Male 73.0 Female 74.8  
 Post Secondary (1981) Total 44.8 Male 45.3 Female 45.2

Adult Literacy Rate (1985) Male 78% (1985) Female 77%

DOMINICAN REPUBLIC

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	20,128 <u>1/</u>	14,512 <u>2/</u>	11,335
Loan	--	--	--
Grant	20,128	14,512	11,335
Economic Support Fund	--	--	12,000
Loan	--	--	--
Grant	--	--	12,000
Other*	--	--	--
<b>TOTALS</b>	20,128	14,512	23,335
P.L. 480 **	10,480	25,231	23,827
Title I	5,400	20,000	20,000
Title II	5,080	5,231	3,827
<b>TOTALS</b>	30,608	39,743	47,162

1/ Includes 3,495 in reobligation of prior year funds.

2/ Includes 27 in no-year funds,

\*\*See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	21.0	22.0	22.0*
Foreign National	30.0	30.0	30.0
<b>TOTALS</b>	51.0	52.0	52.0

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\* Includes 1 IDI

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	185	142	327	40	306	346	35	254	289
Regional <sup>e</sup>	55	8	63	36	2	38	0	0	0
Third Country Participants									
Bilateral <sup>d</sup>	6	15	21	0	2	2	0	2	2
Regional <sup>e</sup>	0	2	2	0	0	0	0	0	0
<b>TOTALS</b>	246	167	413	76	310	386	35	256	291

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## DOMINICAN REPUBLIC

### Introduction

As a functioning democracy with a free trade-oriented economy, the Dominican Republic's stability and development is important to the United States. The country is the leading Caribbean importer of U.S. goods and a growing supplier of goods to the United States. The Government of the Dominican Republic (GODR) has consistently supported the United States in regional and international fora and is a strong ally in the area of narcotics interdiction. The two countries share strong cultural and individual ties. Human rights are respected. The U.S. national interest is promoted and supported by a strong and stable Dominican Republic.

The Dominican Republic is a relatively poor country, with a per capita income of approximately \$680. Although income distribution is not markedly skewed, the incidence of poverty is high. An estimated 25% of all families and 40% of all children are not consuming the calories and proteins needed to meet standard minimal nutritional requirements. More than two thirds of all dwellings are not connected to water and 40% have no direct or indirect access to piped water. The country suffers a high (179/10,000) morbidity rate for endemic diseases and 70% of that is caused by water-borne diseases. In addition, the country has experienced an acceleration of deficiencies in basic services such as potable water, health, electricity, education and housing.

Growth was rapid during the ten-year period ending 1980, averaging 7% a year. Since then, however, the inability to adjust to external shocks brought on by steep deterioration in the terms of trade and severely limited external financing has transformed the Dominican Republic from an emerging middle-income country to relative impoverishment. Gross National Product (GNP) per capita declined from a peak of \$1,170 in 1982 to \$710 in 1986 and \$680 in 1988. Unemployment, estimated at less than 21% of the labor force in 1981, rose to 29% in 1986. Public works projects absorbed a large number of unemployed in 1987, but by 1989, unemployment was again at 1986 levels.

Structural impediments to development include an inefficient tax system; poor performance by large public enterprises such as the state-owned electric company; the government's limited ability to allocate resources to productive infrastructure and basic services; stagnating agricultural production due to product price controls; poor management of large government support programs for small farmers; and a severe shortage of trained managers and technical personnel.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s strategy in the Dominican Republic is directed at the underlying causes of the country's recent rapid decline into poverty. It aims to reverse the unfavorable trends of recent years and facilitate a return to sustained economic growth and development.

A.I.D.'s goal is to assist the Dominican Republic in developing sustained and equitably distributed private sector-led growth and social advancement in a democratic environment. A.I.D. supports specified structural and sector reforms along with diversification and modernization of the country's economic base. The objective is to improve the ability of the country's private sector to take the lead in achieving development through export-led growth.

To accomplish the above, A.I.D. works with the GODR to secure viable, sustainable macroeconomic policy implementation, supported by progress on sectoral and long-term structural adjustment objectives.

The GODR has recently taken measures to stabilize and restructure the economy. In 1989, the exchange rate was unified; important but politically sensitive subsidies were reduced on petroleum, electricity and basic food stuffs and interest rates; and moves were made to divest unproductive or non-performing, state-owned assets. However, much remains to be done to return the country to its strong growth path of the 1970s and fulfill its considerable potential.

Key elements of A.I.D.'s program in the Dominican Republic facilitate increased private sector investment in agro-industry and free-trade zones. Since 1985, 47,000 jobs have been created as a direct result of A.I.D.'s private sector activities. These jobs create approximately \$4 million in monthly wages and benefit some 150,000 members of poor families. In agriculture, A.I.D. is supporting diversification into non-traditional crops with export potential. These activities serve to maximize employment and income opportunities of many Dominican households and enable them to realize improved standards of living. The export-oriented emphasis will increase domestic incomes and foreign exchange earnings.

#### Other Donors

Several multilateral and bilateral donors have major programs in the Dominican Republic which complement A.I.D.'s effort. The World Bank is implementing a \$105 million electric power sector loan to rehabilitate the electric company's plant and equipment. The Inter-American Development Bank is expected to sign a \$120 million loan in FY 1990 for the construction of an electricity distribution system throughout the country. The major bilateral donors are Italy and Japan, with the former providing assistance to the electric power sector and the latter providing technical assistance and training in various technical fields.

#### FY 1991 Program

For FY 1991, A.I.D. is requesting \$12 million in Economic Support Funds (ESF), \$11.33 million in Development Assistance (DA) and \$23.82 million in P.L. 480 commodities. ESF will support market-based, private sector solutions to critical development bottlenecks, such as efficient electricity generation. In addition, ESF will provide balance-of-payments and local currency support for increased involvement by the private sector in state-owned enterprises.



The P.L. 480 Title I program will complement the ESF program by reducing pressure on the balance of payments and assure a supply of food commodities at stable prices. Local currency generations will support investments in agriculture and promote non-traditional exports. P.L. 480 Title II commodities will support the Cooperative for American Relief Everywhere (CARE) - Dominicana programs designed to reduce infant mortality and child death rates. The programs provide food to low-income families with young children and pregnant and lactating mothers.

The FY 1991 request will provide continued funding to the Private Enterprise Fund to support micro and small-scale enterprises in the informal sector, and for the Council for Investment Promotion for the Industrial Linkages project which will increase the participation of Dominican enterprises in Free Trade Zone production. Financing also will be provided to the Action for Basic Education (EDUCA), a private Dominican organization, to improve the quality of education in private and public schools.

Financing for the University Agribusiness Partnership project will be continued, providing for expansion of the agro-industrial and agribusiness community through institutional strengthening of the non-governmental Dominican Agriculture Institute. Funding in FY 1991 will support work under the Private Voluntary Organization Co-Financing project, long and short-term scholarships under Development Training and AIDS prevention.

Mission Director: Thomas W. Stukel

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: DOMINICAN REPUBLIC

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
517-0000		PROGRAM DEVELOPMENT AND SUPPORT											
	EH G	62	C	---	---	1,311	1,256	115	68	150	130	150	130
	FN G	62	C	---	---	10,304	10,020	311	169	350	300	350	300
	HE G	62	C	---	---	1,607	1,540	25	63	150	130	150	120
	PN G	62	C	---	---	523	495	25	28	50	40	50	40
	SD G	62	C	---	---	2,807	2,495	434	307	887	700	460	400
		PROJECT TOTAL:		---	---	16,552	15,806	910	635	1,587	1,300	1,160	990
517-0050		SPECIAL DEVELOPMENT ACTIVITIES											
	SD G	62	C	---	---	1,293	1,225	85	80	85	125	85	80
		PROJECT TOTAL:		---	---	1,293	1,225	85	80	85	125	85	80
517-0126		NATURAL RESOURCES MANAGEMENT											
	FN L	81	84	8,080	8,080	7,680	6,859	---	319	---	---	---	---
		PROJECT TOTAL:		8,080	8,080	7,680	6,859	---	319	---	---	---	---
517-0127		HUMAN RESOURCES DEVELOPMENT											
	EH G	81	81	1,150	1,150	---	---	---	---	---	5	---	---
	EH L	81	81	4,250	4,250	4,250	3,517	---	726	---	7	---	---
		PROJECT TOTAL:		5,400	5,400	4,250	3,517	---	726	---	12	---	---
517-0144		ENERGY CONSERVATION AND RESOURCES DEV											
	FN G	82	86	3,114	3,114	---	---	---	---	---	---	---	---
	FN L	82	86	5,268	5,268	5,268	4,977	---	---	---	---	---	---
	SD G	82	86	2,600	2,600	2,600	2,295	---	50	---	---	---	---
	SD L	82	86	6,550	6,550	6,550	1,609	---	216	---	---	---	---
		PROJECT TOTAL:		17,532	17,532	14,418	8,881	---	266	---	---	---	---
517-0146		APEC VOCATIONAL TRAINING - OPG											
	EH G	80	84	407	406	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		407	406	---	---	---	---	---	---	---	---
517-0150		SMALL INDUSTRY											
	FN G	82	84	595	595	595	344	---	241	---	---	---	---
	FN L	82	84	3,500	3,500	---	---	---	---	---	---	---	---
	SD G	82	84	255	255	255	114	---	107	---	---	---	---
	SD L	82	84	1,500	1,500	1,500	685	---	---	---	400	---	---
		PROJECT TOTAL:		5,850	5,850	2,350	1,143	---	348	---	400	---	---
517-0153		HEALTH SYSTEMS MANAGEMENT											

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: DOMINICAN REPUBLIC

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHD	PROJECT-PLANNED	-THROUGH FY 88 OBLIGA-TIONS	FY 88 EXPEN-DITURES	-ACTUAL FY 89 OBLIGA-TIONS	FY 89 EXPEN-DITURES	-ESTIMATED FY 90 OBLIGA-TIONS	FY 90 EXPEN-DITURES	-PROPOSED FY 91 OBLIGA-TIONS	FY 91 EXPEN-DITURES
	HE G	82	88	2,769	2,769	2,450	1,005	319	779	---	666	---	319
		PROJECT TOTAL:		2,769	2,769	2,450	1,005	319	779	---	666	---	319
517-0156		AGRICULTURE POLICY ANALYSIS											
	FN G	84	88	1,250	1,250	1,250	357	---	142	---	443	---	308
		PROJECT TOTAL:		1,250	1,250	1,250	357	---	142	---	443	---	308
517-0157		GRADUATE MANAGEMENT TRAINING											
	EH G	83	86	6,500	6,500	6,500	4,885	---	721	---	894	---	---
		PROJECT TOTAL:		6,500	6,500	6,500	4,885	---	721	---	894	---	---
517-0159		ON - FARM WATER MANAGEMENT											
	FN L	83	83	12,000	12,000	12,000	7,282	---	1,465	---	2,218	---	---
		PROJECT TOTAL:		12,000	12,000	12,000	7,282	---	1,465	---	2,218	---	---
517-0160		AGRICULTURAL SECTOR TRAINING											
	EH L	83	83	1,550	1,550	1,550	776	---	774	---	---	---	---
	FN L	83	83	3,450	3,450	3,450	1,746	---	314	---	304	---	---
		PROJECT TOTAL:		5,000	5,000	5,000	2,522	---	1,088	---	304	---	---
517-0177		RURAL ROADS MAINTENANCE II - (PVO)											
	FN L	83	86	15,000	15,000	15,000	6,917	---	2,987	---	4,983	---	113
		PROJECT TOTAL:		15,000	15,000	15,000	6,917	---	2,987	---	4,983	---	113
517-0179		SAVINGS MOBILIZATION I											
	FN G	83	85	950	950	950	590	---	288	---	---	---	---
		PROJECT TOTAL:		950	950	950	590	---	288	---	---	---	---
517-0186		AGRI-BUSINESS PROMOTION											
	FN G	85	90	4,000	5,500	2,500	814	1,500	767	1,500	919	---	1,000
	FN L	85	90	15,560	15,560	15,560	8,070	---	---	---	7,490	---	---
	SD L	85	90	1,740	1,740	1,740	---	---	---	---	1,740	---	---
		PROJECT TOTAL:		21,300	22,800	19,800	8,884	1,500	767	1,500	10,149	---	1,000
517-0190		EXPORT INVESTMENT PROMOTION											
	EH G	86	92	2,500	2,500	2,500	1,220	---	643	---	637	---	---
	SD G	86	92	4,100	3,100	4,100	2,507	---	1,157	852	1,265	1,400	900

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: DOMINICAN REPUBLIC

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHD	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES		
PROJECT TOTAL:						6,600	10,600	6,600	3,727	---	1,800	852	1,902	1,400	900
517-C214		COMMERCIAL FARMING SYSTEMS													
	FN G	87	89	7,170	7,170	4,750	466	2,420	577	---	1,500	---	2,673		
	FN L	87	89	7,580	7,580	7,580	---	---	2,000	---	5,580	---	---		
PROJECT TOTAL:						14,750	14,750	12,330	466	2,420	2,577	---	7,080	---	2,673
517-C216		DEVELOPMENT TRAINING													
	EM G	85	93	9,950	9,950	5,890	1,642	995	1,728	1,300	2,368	1,000	1,500		
	FN G	86	93	3,000	3,000	270	---	430	108	1,000	162	1,000	1,400		
	PN G	86	93	550	550	550	---	---	50	---	250	---	250		
	SD G	86	93	1,500	728	450	---	278	45	---	378	---	305		
PROJECT TOTAL:						15,000	14,228	7,160	1,642	1,703	1,931	2,300	3,158	2,000	3,455
517-C218		CDE REVENUE COLLECTION													
	SD G	86	86	500	500	500	311	---	29	---	90	---	---		
	SD L	86	86	2,500	2,500	2,500	5	---	613	---	1,300	---	---		
PROJECT TOTAL:						3,000	3,000	3,000	316	---	642	---	1,390	---	---
517-C229		FAMILY PLANNING SERVICES													
	PN G	86	90	5,000	5,450	5,000	851	---	569	450	930	---	950		
PROJECT TOTAL:						5,000	5,450	5,000	851	---	569	450	930	---	950
517-C232		CARE - RURAL WATER OPG													
	HE G	85	85	430	430	430	329	---	100	---	---	---	---		
PROJECT TOTAL:						430	430	430	329	---	100	---	---	---	
517-C235		VECTOR CONTROL													
	HE G	86	87	1,500	1,500	1,500	406	---	558	---	536	---	---		
PROJECT TOTAL:						1,500	1,500	1,500	406	---	558	---	536	---	---
517-C236		SUGAR DIVERSIFICATION													
	FN G	87	88	3,500	3,500	3,500	188	---	478	---	800	---	---		
PROJECT TOTAL:						3,500	3,500	3,500	188	---	478	---	800	---	---
517-C237		DEBT CONVERSION													
	SD G	88	88	3,500	3,500	2,900	---	---	82	---	1,200	---	400		

\* Refers to the planned program summary sheet.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: DOMINICAN REPUBLIC

CP 91

PROJECT NO.	L / PROJECT TITLE	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT AUTHD	PROJECT PLANNED	-THROUGH FY 88 OBLIGA-TIONS	EXPEN-DITURES	-ACTUAL FY 89 OBLIGA-TIONS	EXPEN-DITURES	-ESTIMATED FY 90 OBLIGA-TIONS	EXPEN-DITURES	-PROPOSED FY 91 OBLIGA-TIONS	EXPEN-DITURES
	PROJECT TOTAL:				3,500	3,500	2,900	---	82	---	1,200	---	400
517-0239	CHILD SURVIVAL												
	CS G	87	89	1,142	1,142	500	---	642	---	---	400	---	742
	HE G	87	89	3,510	11,510	3,510	52	---	1,082	---	1,230	---	876
	PROJECT TOTAL:				4,652	12,652	4,010	642	1,082	---	1,630	---	1,618
517-0242	ACCELERATED IMMUNIZATION												
	HE G	87	87	705	705	705	---	---	420	---	200	---	85
	PROJECT TOTAL:				705	705	705	---	420	---	200	---	85
517-0243	UNIVERSITY AGRIBUSINESS PARTNERSHIP												
	FN G	89	92	12,000	12,000	---	---	3,600	84	2,125	1,000	---	1,000
	PROJECT TOTAL:				12,000	12,000	---	3,600	84	2,125	1,000	---	1,000
517-0247	PVO CO-FINANCING												
	FN G	89	92	4,000	4,000	---	---	1,000	---	---	350	885	500
	HE G	89	92	4,000	4,000	---	---	2,000	---	683	350	---	1,000
	SD G	89	92	1,500	1,500	---	---	---	---	1,000	---	500	300
	PROJECT TOTAL:				9,500	9,500	---	3,000	---	1,683	700	1,385	1,800
517-0251	PRIVATE PRIMARY EDUCATION												
	EM G	90	94	---	5,000	---	---	---	---	1,480	250	1,100	700
	PROJECT TOTAL:				5,000	---	---	---	---	1,480	250	1,100	700
517-0252	INDUSTRIAL LINKAGES												
	SD G	89	92	5,000	5,000	---	---	3,000	---	1,000	250	707	800
	PROJECT TOTAL:				5,000	5,000	---	3,000	---	1,000	250	707	800
517-0254	MICROENTERPRISE DEVELOPMENT												
	SD G	90	92	---	4,500	---	---	---	---	500	500	1,648	850
	PROJECT TOTAL:				4,500	---	---	---	---	500	500	1,648	850
517-0255	PRIVATE SECTOR ENTERPRISE SUPPORT - BOP												
	ES G	88	91	13,835	25,835	13,035	---	---	---	---	---	12,000	12,000
	PROJECT TOTAL:				13,335	25,835	13,035	---	---	---	---	12,000	12,000
517-0256	AIDS SUPPORT												

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: DOMINICAN REPUBLIC

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
	DG G	88	92	900	2,000	300	---	600	153	600	550	700
	HE G	88	92	100	800	---	---	100	---	350	350	200
		PROJECT TOTAL:		1,000	2,800	300	---	700	153	950	900	900
517-0640		PTIIC										
	EH G	87	91	4,450	5,449	1,125	560	2,249	1,156	---	1,250	400
		PROJECT TOTAL:		4,450	5,449	1,125	560	2,249	1,156	---	1,250	400
		COUNTRY TOTALS:		206,460	243,936	171,088	78,410	20,128	22,243	14,512	45,170	23,335
		GRANTS:		117,932	155,408	86,460	35,967	20,128	12,829	14,512	21,148	23,335
		LOANS:		88,528	88,528	84,628	42,443	---	9,414	---	24,022	113

\* Refers to the planned program summary sheet.

C Level of effort activity.

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ECUADOR

Total U.S. Aid \$ 622 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 26.5% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 4.95 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 1,040

Average Annual Real Per Capita GNP Growth Rate.(1965-87) 3.2%

Government Budgetary Expenditures as a % of GNP...( ) . %

Total Expenditures and Net Lending (\$ Millions, US):  
 (1982) 2,108 (1983) 966 (1984) 1,279

Budgetary Deficit or Surplus (\$ Millions, US):  
 (1982) -627 (1983) -245 (1984) -86

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 7.6 Months of Imports (1988)

External Public Debt as % of GNP...(1987) 92.9%

Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 494  
 As % of Total Export Earnings..... (1987) 20.7%

POPULATION

Total Population...(Thousands, Mid 1989) 10,263

Population Growth Rate...(1970) 3.1% (1978) 2.9% (1990) 2.3%

Population (1989) By Age Group:  
 (0-14yrs) 39.6% (15-64yrs) 56.6% (65+ yrs) 3.7%

Married Women Aged 15-44 yrs. Using Contraception...(1987) 45.5%

Total Fertility Rate...(1970) 6.6 (1989) 3.9

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population...( ) . %

% of Population Living Below Absolute Poverty Level  
 (1980) Total . % Urban 40.0% Rural 65.0%

Percentage of Total Adult Population Employed Full Time  
 ( ) . %

Proportion of Labor Force in Agriculture...(1980) 39%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) 938(86) 40(87) -694

Total Imports(\$ Millions, US) (1985) 3,331(86) 2,540(87) 3,165  
 Of Which % From U.S. ....(1988) 45%

Major Imports(1987)RAW MATERIALS;CAPITAL GOODS;MACHINERY

Total Exports(\$ Millions, US) (1985) 4,269(86) 2,580(87) 2,471  
 Of Which % to U.S. ....(1988) 62%

Major Exports(1987)PETROLEUM PRODS;COFFEE;COCOA PRODS.

Trading Partners: UNITED STATES; JAPAN; GERMANY, FEDER

AGRICULTURE

Agricultural Production as % of GDP...(1987) 16%

Self-sufficiency Ratio  
 Food: 104% (1985)  
 Agriculture: 114% (1985)

Ag. Exports:(1987)Fruit & vegs; Coffee,green &; Cocoa beans  
 Ag. Imports:(1987) Vegetable oils; Wine & beer; Live animals

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2048

Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 65.5 Male 63.5 Female 67.6  
 (1970) Total 58.1 Male 56.5 Female 59.5

Infant Deaths in First Yr of Life per 1000 Live Births (1989) 63

Percent of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 40% (1988) Measles 55% (1988)  
 Diphtheria(DPT3) 48% (1988) Polio(3) 57% (1988)

Population with Reasonable Access to Safe Water Supply  
 (1983) 59%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1982) Total 120.6 Male 122.4 Female 118.7  
 Secondary (1982) Total 59.5 Male . Female .  
 Post Secondary (1980) Total 30.4 Male 38.3 Female 22.5

Adult Literacy Rate (1985) Male 85% (1985) Female 80%



ECUADOR

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	17,201	14,091	14,752
Loan	--	--	--
Grant	17,201*	14,091	14,752
Economic Support Fund	9,000	--	9,000
Loan	--	--	--
Grant	9,000	--	9,000
Other			
TOTALS	26,201	14,091	23,752
P.L. 480 **	668	335	--
Title I	--	--	--
Title II	668	335	--
TOTALS	26,869	14,426	23,752

\*Includes 1,192 in reobligation of prior year funds

\*\*See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	23	23	12.8*
Foreign National	17	17	18.0
TOTALS	40	40	41.8

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\*Includes 3 HIG, 1 IDI, and 1 part-time

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	3	14	17	2	40	42	3	14	17
Regional <sup>e</sup>	18	138	156	22	178	200	17	143	160
Third Country Participants									
Bilateral <sup>d</sup>	38	61	99	20	10	30	20	10	30
Regional <sup>e</sup>	1	2	3	2	2	4	0	0	0
TOTALS	60	215	275	46	230	276	40	167	207

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.

<sup>b</sup>Academic: degree seeking.

<sup>c</sup>Technical: non-degree seeking.

<sup>d</sup>Participants funded under bilateral programs.

<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## ECUADOR

### Introduction

The democratically elected Government of Ecuador (GOE) continues to face a severe financial crisis. Per capita income has fallen significantly in recent years. New employment opportunities have slowed as petroleum revenues declined, inflation accelerated, and overall economic growth decreased from an average annual rate of 9% during the 1970s to an average of 2.6% between 1980 and 1988. The population growth rate, at 2.9% per annum, outpaced the economic growth rate during this decade.

While important efforts have been made to expand social services, relatively large segments of the population remain uncovered. Many poor urban families do not have access to water, sewage disposal or electricity. For rural families, only about 30% have access to potable water and 40% to basic health services for women and children. Malnourishment is common among infants and the infant mortality rate is about seven times higher than that in the United States. More than two-thirds of rural children leave school by the end of the fourth grade.

The emergency economic stabilization measures adopted by the GOE over the past year have achieved several positive results: unprecedented levels of inflation have apparently been brought under control, the fiscal deficit has been more than halved, the foreign exchange structure has been stabilized and the sharp deficit in net foreign exchange reserves has turned positive. These encouraging results, with the GOE's commitment to fully implement a comprehensive economic program, have led to the approval of an 18-month, International Monetary Fund (IMF) stand-by agreement.

This progress in achieving economic stabilization cannot ignore a barely positive gross domestic product (GDP) growth rate for 1989 and modest prospects over the medium term. The ability of the agricultural and industrial sectors to respond to the crisis of the 1980s has been limited by economic policies beginning in the 1960s, which have favored import substituting industrialization. Ecuador's democratic processes and institutions are relatively weak. Many of Ecuador's leaders, in both the public and private sectors, apparently have a low level of commitment to changes needed to advance national -- as opposed to more parochial -- interests. These factors pose serious constraints to development progress.

The primary interests of the United States in Ecuador are to help strengthen pluralism and democracy and to support the government's commitment to combat the production, consumption and trafficking of illicit drugs. These interests can best be achieved by supporting sustainable economic growth with equity.

### A.I.D. Strategy and Accomplishments to Date

The United States' major development assistance goal is to achieve the reforms necessary for broad-based, sustainable economic growth and human capacity development needed for wider sharing of the benefits of growth.

A.I.D. supports GOE efforts to address fundamental development problems in the macroeconomic and sector policy formulation, technology transfer and institutional restructuring necessary for broad-based, sustainable growth in the nonpetroleum sectors of the economy. To achieve sustainable growth, Ecuador must consolidate its economic stabilization program over the short term. Accordingly, A.I.D.'s policy dialogue efforts will continue to focus on key macroeconomic issues such as reduction of inflation and the fiscal deficit, maintaining a flexible exchange rate structure and negotiations with the international banking community on Ecuador's debt service situation. There are strong indications that stabilization can be achieved over the short term.

A.I.D. policy dialogue at both the macroeconomic and sector levels will also promote financial sector reform, the adoption of an outward-oriented growth model, reduction in government intervention in the economy and revised labor policies which will foster less capital-intensive investment strategies than in the past. A.I.D. technology transfer and institution-building activities are contributing to improved agricultural productivity, employment and incomes; more sustainable management of Ecuador's environment, focusing on biodiversity, tropical forests and coastal resources; and reduced underemployment through small and microenterprise development and non-traditional agricultural export promotion. A.I.D. also emphasizes strengthening both private producer and exporter associations and small and microenterprise assistance organizations to expand services on a continuing, sustainable basis.

To foster wider sharing of the benefits of growth, A.I.D. will continue to assist programs in health, shelter and related services, urban growth management, human resource development and drug awareness. In the health sector, emphasis will be placed on reducing infant and child mortality; decreasing the high birth rate; and ensuring self-sustainability of service delivery. The A.I.D. program is stimulating greater participation by private builders and financial institutions in low-cost housing and shelter credit and improving municipal capability to furnish water and sewer services to the fast-growing population of low-income urban families. A modest level of resources will be used to introduce low-cost, efficient technologies which address the critical efficiency and quality needs of basic education. Finally, research, legal reform and public awareness efforts are helping to solidify commitment among private sector and government institutions for finding solutions to the country's growing drug abuse, trafficking and money-laundering problems.

The A.I.D. program also seeks to ensure the sustainability of social services, based on sound fiscal and monetary policy, by improving institutional capabilities to manage efficient programs, introducing measures for meeting recurrent costs and increasing participation by the private sector in social service delivery. Activities in this area include studying the sustainability of social and economic development efforts through public and private organizations; assisting social service organizations to develop cost recovery models; implementing market-oriented, low-cost housing and urban development programs through the private sector; and increasing the role of private organizations in the delivery of family planning services.

## Other Donors

A.I.D. assistance, while modest in comparison to the levels provided by the major multilateral organizations -- International Monetary Fund (IMF), World Bank (IBRD) and the Inter-American Development Bank (IDB) -- has been highly complementary of and consistent with other donor programs. This is particularly true with respect to support for the GOE's emergency stabilization program and for structural reform in the financial sector. Over the short to medium term, A.I.D. policy dialogue and sector programs will complement an IBRD industry and trade sector loan as well as joint IBRD/IDB assistance in basic education, municipal development and small and microenterprise support.

## FY 1991 Program

The FY 1991 A.I.D. program in Ecuador will reflect an increasing emphasis on structural reform and sector policies which are key to accomplishing the goals discussed above. There will be a new initiative in population and family planning.

In FY 1991, A.I.D. is requesting \$9.0 million in Economic Support Funds (ESF) and \$14.75 million in Development Assistance.

To assist the Ecuadorean government to consolidate its economic stabilization program and to pursue structural reforms necessary for self-sustaining growth, A.I.D. is proposing ESF balance of payments support together with a variety of project and non-project assistance activities designed to facilitate public and private sector consensus on needed reform.

To help broaden the base for growth, A.I.D. will continue to provide assistance aimed at increasing production and productivity. The principal elements of this assistance are agricultural policy analysis and formulation; modern agricultural technology transfer in the rural sector; protection and management of the natural resource base for sustainable economic development and growth; diversification of agricultural exports; and employment and informal sector strengthening.

To foster wider sharing of the benefits of growth and improving the quality of life for Ecuador's poor majority, A.I.D.'s assistance programs will focus on improving access to shelter and related urban infrastructure by lower-income groups; reducing infant and child mortality and morbidity through the provision of basic child survival services; improving access to potable water and sanitation in the rural sector; providing family planning services; developing and implementing a radio learning program; providing drug awareness and education services; and continuing to provide increased training opportunities through the Andean Peace Scholarship Program.

Mission Director: Frank Almaguer

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ECUADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
518-0000		PROGRAM DEVELOPMENT AND SUPPORT											
	CS G	78	C	---	---	83	76	30	25	---	10	50	35
	EM G	78	C	---	---	1,798	1,664	200	142	20	150	150	110
	FN G	78	C	---	---	14,254	13,817	472	585	310	300	410	320
	HE G	78	C	---	---	1,139	1,058	86	94	10	75	---	---
	PN G	78	C	---	---	249	248	50	48	200	50	50	35
	SD G	78	C	---	---	3,983	3,686	269	237	250	200	150	110
		PROJECT TOTAL:		---	---	21,506	20,549	1,107	1,131	790	785	810	610
518-0004		SPECIAL DEVELOPMENT ACTIVITIES											
	SD G	79	C	---	---	1,163	993	300	290	300	400	300	270
		PROJECT TOTAL:		---	---	1,163	993	300	290	300	400	300	270
518-0012		INTEGRATED RURAL DEVELOPMENT, AGRICULTURE											
	FN L	80	84	9,800	9,800	9,734	9,734	---	---	---	---	---	---
		PROJECT TOTAL:		9,800	9,800	9,734	9,734	---	---	---	---	---	---
518-0015		INTEGRATED RURAL HEALTH DELIVERY SYSTEM											
	CS G	81	88	960	960	960	64	---	226	---	415	---	---
	HE G	81	88	5,991	5,991	5,991	3,643	---	1,008	---	819	---	---
	HE L	81	88	7,235	7,235	7,235	6,613	---	---	---	547	---	---
		PROJECT TOTAL:		14,186	14,186	14,186	10,320	---	1,234	---	1,781	---	---
518-0017		TRAINING FOR DEVELOPMENT											
	EM G	80	86	1,300	1,300	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		1,300	1,300	---	---	---	---	---	---	---	---
518-0019		NONTRADITIONAL AG EXPORTS											
	FN G	84	91	4,400	5,258	2,709	2,254	437	202	808	290	809	834
	FN L	84	91	8,000	7,500	7,500	4,618	---	---	---	1,410	---	---
	SD G	84	91	2,000	4,100	---	---	1,414	---	586	762	2,100	---
		PROJECT TOTAL:		14,400	16,858	10,209	6,872	1,851	202	1,394	2,462	2,909	834
518-0023		FORESTRY SECTOR DEVELOPMENT											
	FN G	82	85	1,487	1,487	1,487	1,154	---	260	---	7	---	60
	FN L	82	85	6,500	6,500	6,500	3,364	---	421	---	717	---	---
		PROJECT TOTAL:		7,987	7,987	7,987	4,518	---	681	---	724	---	60
518-0026		POPULATION AND FAMILY PLANNING											
	PN G	81	90	14,000	12,705	8,803	6,394	2,352	504	1,400	2,038	---	2,321

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ECUADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				14,000	12,705	8,803	6,394	2,352	504	1,400	2,038	---	2,321
518-C029		ALTERNATIVE ENERGY SOURCES											
	SD L	81	84	1,650	1,011	1,011	---	---	---	---	---	---	---
PROJECT TOTAL:				1,650	1,011	1,011	---	---	---	---	---	---	---
518-C032		RURAL TECHNOLOGY TRANSFER SYSTEM											
	FN G	80	87	7,200	7,200	6,450	5,070	750	602	---	1,520	---	---
	FN L	80	87	2,600	2,600	2,600	2,557	---	---	---	43	---	---
PROJECT TOTAL:				9,800	9,800	9,050	7,627	750	602	---	1,563	---	---
518-C035		GRADUATE MANAGEMENT TRAINING											
	EH G	86	87	4,700	4,700	4,700	1,753	---	1,638	---	400	---	---
PROJECT TOTAL:				4,700	4,700	4,700	1,753	---	1,638	---	400	---	---
518-C041		PROFESSIONAL DEVELOPMENT INSTITUTE - OPG											
	EH G	84	85	388	388	388	250	---	118	---	20	---	---
PROJECT TOTAL:				388	388	388	250	---	118	---	20	---	---
518-C042		FISCAL ADMINISTRATION DEVELOPMENT											
	EH G	85	87	2,200	2,200	2,200	1,648	---	116	---	39	---	---
	SD G	85	87	2,600	2,600	2,600	1,269	---	503	---	600	---	200
	SD L	85	87	2,250	2,250	2,250	425	---	232	---	1,200	---	393
PROJECT TOTAL:				7,050	7,050	7,050	3,342	---	851	---	1,839	---	593
518-C044		TECHNICAL TRAINING - CPG											
	EH G	84	89	1,100	1,100	821	470	279	332	---	130	---	---
PROJECT TOTAL:				1,100	1,100	821	470	279	332	---	130	---	---
518-C047		PRIVATE SECTOR DEVELOPMENT (OPG)											
	FN G	84	87	350	350	350	186	---	110	---	54	---	---
PROJECT TOTAL:				350	350	350	186	---	110	---	54	---	---
518-C048		TECH TRAINING FOR FINANCIAL SECTOR-OPG											
	SD G	84	87	437	437	437	252	---	157	---	10	---	---
PROJECT TOTAL:				437	437	437	252	---	157	---	10	---	---
518-C049		MALARIA CONTRL											

\* Refers to the planned program summary sheet.

C Level of effort activity.

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**SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)**

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ECUADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHD	PROJECT- PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES
	HE G	85	86	3,000	3,000	3,000	1,384	---	412	---	429	---	460
	HE L	35	86	6,500	6,500	6,500	2,866	---	171	---	362	---	685
	PROJECT TOTAL:			9,500	9,500	9,500	4,250	---	583	---	791	---	1,145
519-0051	AG SECTOR REORIENTATION PROGRAM												
	FN G	85	91	8,600	9,100	7,100	5,207	300	1,495	900	1,035	700	863
	FN L	85	91	1,400	1,400	1,400	1,161	---	---	---	160	---	---
	PROJECT TOTAL:			10,000	10,500	8,500	6,368	300	1,495	900	1,195	700	863
518-0055	TECHNICAL SKILLS DEVELOPMENT - OPG												
	EH G	86	88	597	596	596	63	---	6	---	25	---	---
	PROJECT TOTAL:			597	596	596	63	---	6	---	25	---	---
518-0056	SMALL BUSINESS DEVELOPMENT												
	SD G	86	89	5,000	4,293	4,187	740	94	905	---	967	---	600
	PROJECT TOTAL:			5,000	4,293	4,187	740	94	905	---	967	---	600
518-0057	SMALL FARMER SUPPORT SERVICES - OPG												
	ES G	85	87	414	414	---	---	---	---	---	---	---	---
	FN G	85	87	397	397	397	105	---	259	---	33	---	---
	PROJECT TOTAL:			811	811	397	105	---	259	---	33	---	---
518-0058	ECONOMIC STABILIZATION PROGRAM												
	ES G	85	87	43,031	43,031	43,031	36,531	---	6,500	---	---	---	---
	PROJECT TOTAL:			43,031	43,031	43,031	36,531	---	6,500	---	---	---	---
518-0059	LAND TITLING												
	FN G	85	93	6,300	6,200	2,000	771	---	204	---	433	500	655
	FN L	85	93	3,500	3,500	3,500	783	---	103	---	10	---	1,203
	PROJECT TOTAL:			10,300	10,300	5,500	1,554	---	307	---	443	500	1,858
518-0060	PRIVATE SECTOR HEALTH DELIVERY-OPG												
	HE G	85	86	645	645	645	354	---	143	---	148	---	---
	PROJECT TOTAL:			645	645	645	354	---	143	---	148	---	---
518-0061	CHILD, FAMILY, & COMMUNITY DEV-OPG												
	EH G	35	87	640	640	640	500	---	---	---	10	---	---
	SD G	85	87	774	774	774	293	---	167	---	138	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ECUADOR

CP 91

PROJECT NO. PROJECT TITLE	L /	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES		
				PROJECT TOTAL:	1,414	1,414	1,414	793	---	167	---	148	---	---
518-C062				AGRICULTURAL EDUCATION-OPG										
	FN G	85	87	795	795	795	453	---	211	---	122	---	---	---
				PROJECT TOTAL:	795	795	795	453	---	211	---	122	---	---
518-C064				NARCOTICS EDUCATION - OPG										
	EH G	87	91	1,600	2,811	960	512	640	473	811	668	400	300	
				PROJECT TOTAL:	1,600	2,811	960	512	640	473	811	668	400	300
518-C067				ANDEAN PEACE SCHOLARSHIP PROGRAM										
	EH G	87	89	3,500	3,500	1,433	408	2,067	884	---	1,177	---	278	
	ES G	87	89	334	334	---	---	---	---	---	---	---	---	
	FN G	87	89	1,962	1,962	987	38	975	161	---	901	---	156	
	HE G	87	89	1,083	1,083	723	34	360	589	---	232	---	86	
				PROJECT TOTAL:	6,879	6,879	3,477	480	3,402	1,634	---	2,310	---	520
518-C068				AGRICULTURAL RESEARCH, EXTENSION & EDUC										
	FN G	88	92	7,000	7,000	2,907	---	1,557	648	850	1,039	1,247	1,463	
				PROJECT TOTAL:	7,000	7,000	2,907	---	1,557	648	850	1,039	1,247	1,463
518-C069				SUSTAINABLE USES FOR BIOLOGICAL RESOURCE										
	FN G	90	93	---	9,000	---	---	---	---	900	---	1,152	300	
				PROJECT TOTAL:	---	9,000	---	---	---	900	---	1,152	300	
518-0071				CHILD SURVIVAL										
	CS G	89	94	4,978	7,916	---	---	1,778	---	3,138	900	3,000	3,200	
	HE G	89	94	900	1,321	---	---	---	---	999	200	322	200	
				PROJECT TOTAL:	5,878	9,237	---	---	1,778	---	4,137	1,100	3,322	3,400
518-0074				SMALL FARM IRRIGATION - OPG										
	FN G	87	88	600	600	600	25	---	360	---	215	---	---	
				PROJECT TOTAL:	600	600	600	25	---	360	---	215	---	---
518-0076				SHELTER SECTOR TECHNICAL ASSISTANCE										
	SD G	87	89	1,500	1,500	563	173	937	148	---	850	---	329	
				PROJECT TOTAL:	1,500	1,500	563	173	937	148	---	850	---	329

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ECUADOR

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES		
518-G078	ES G	89	91	5,000	18,000	---	9,000	---	---	9,000	9,000	9,000		
				PROJECT TOTAL:	5,000	18,000	---	9,000	---	9,000	9,000	9,000		
518-G079	EH G	88	88	1,100	1,100	1,100	---	149	---	210	---	250		
				PROJECT TOTAL:	1,100	1,100	1,100	---	149	---	210	---	250	
518-G080	EH G	90	92	---	2,500	---	---	---	1,469	300	600	1,000		
				PROJECT TOTAL:	---	2,500	---	---	1,469	300	600	1,000		
518-G081	HE G	89	92	4,000	4,000	---	854	---	800	500	671	1,253		
				PROJECT TOTAL:	4,000	4,000	---	854	---	800	500	1,253		
518-G082	FN G	89	89	1,000	1,000	---	1,000	---	---	500	---	200		
				PROJECT TOTAL:	1,000	1,000	---	1,000	---	500	---	200		
518-G084	PN G	91	94	---	4,000	---	---	---	---	---	1,825	1,600		
				PROJECT TOTAL:	---	4,000	---	---	---	---	1,825	1,600		
518-5999	SD G	78	C	---	---	---	---	---	340	10	316	---		
				PROJECT TOTAL:	---	---	---	---	340	10	316	---		
				COUNTRY TOTALS:	207,798	237,184	181,567	126,672	26,201	21,838	14,091	32,780	23,752	28,769
				GRANTS:	158,363	188,888	133,337	93,540	26,201	20,911	14,091	28,331	23,752	26,488
				LOANS:	49,435	48,296	48,230	33,132	---	927	---	4,449	---	2,281

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

PROGRAM: Ecuador

PLANNED PROGRAM SUMMARY SHEET

Title Population and Family Planning		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 91 1,825	Life of Project Funding 4,000	
Number 518-0084	<input checked="" type="checkbox"/> NEW	Population 1,852	ED. & HR	Sel. Act.	Initial Obligation FY 91	Estimated Final Obligation FY 94	Estimated Completion Date of Project FY 95
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

PURPOSE: To increase the knowledge, availability, and use of contraceptive services on a self sustaining basis and to strengthen the implementation of population policy.

PROJECT DESCRIPTION: The project will build upon previous assistance for population and family planning. Principal project activities will include: (1) strengthening long-term self-sufficiency of private non-profit organizations through long-term planning, marketing of services, increasing for-profit services, improved cost-effectiveness, and other innovations; (2) strengthening communications and public relations to increase awareness of population issues and demand for family planning services; (3) increase and strengthen private-for-profit service delivery programs with private health practitioners and commercial marketing programs; (4) strengthen population policy implementation through support to innovative outreach programs, youth centers, and the rural social security program.

SUSTAINABILITY: The project will be designed to directly address issues of sustainability as follows:

FINANCIAL SUSTAINABILITY: Revenue generation will be increased for non-profit organizations through increasing services, improving cost-effectiveness, economic price setting, contracting services, and increased demand generation.

MANAGEMENT SUSTAINABILITY: Technical assistance and training will be provided on pricing, marketing, long-term planning, and cost analysis.

INSTITUTIONAL SUSTAINABILITY: Efforts will be made to increase the considerable demand for services that already exists and support will be provided to strengthen policy implementation to ensure improved Government policy environment.

RELATIONSHIP TO AID COUNTRY STRATEGY: The project directly relates to the new CDSS supporting the strategic goal of a wider sharing of the benefits of growth. Continued support for building self-sustained family planning programs and increasing access to these services is one of the major components of the Mission's strategy.

HOST COUNTRY AND OTHER DONORS: In 1987, Ecuador adopted a National Population Policy which called for improved quality and increased availability of family planning services from public and private service providers. Project support, which will be mostly for the private sector, coordinates well with UNFPA assistance which is primarily for the Ministry of Health.

BENEFICIARIES: The beneficiaries of the project will be those 2.0 million couples of reproductive age who may desire family planning services and information.

MAJOR OUTPUTS:

Communications and Education	TV, radio, print messages
Training	Doctors, administrators, pharmacists, nurses, community workers
Policy development	Studies, training, information, self-sustainability
Local support/contraceptives	Service delivery centers

AID FINANCED INPUTS LIFE OF PROJECT (\$000)

Communications and Education	550
Training	550
Technical assistance	300
Policy development	800
Contraceptives	650
Local support	1,150
Total	4,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
Proposed Fiscal Year 1991	1,825	2,175	4,000	
		Future Year Obligations	Estimated Total Cost	



EL SALVADOR

Total U.S. Aid \$ 2,548 Million (1946-88)

Ratio of U.S. Aid To Total ODA 77.6% (1984-87)

Yearly U.S. Aid Per Capita \$ 74.01 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 850

Average Annual Real Per Capita GNP Growth Rate.(1965-87) -0.2%

Government Budgetary Expenditures as a % of GNP...(1987) 15.7%

Total Expenditures and Net Lending (\$ Millions, US):  
 (1985) 390 (1986) 576 (1987) 588

Budgetary Deficit or Surplus (\$ Millions, US):  
 (1985) -108 (1986) -118 (1987) -168

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 3.6 Months of Imports (1987)

External Public Debt as % of GNP...(1987) 29.0%

Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 111  
 As % of Total Export Earnings..... (1987) 19.0%

POPULATION

Total Population...(Thousands, Mid 1989) 5,203

Population Growth Rate...(1970) 3.8% (1978) 2.8% (1990) 2.0%

Population (1989) By Age Group:  
 (0-14yrs) 44.0% (15-64yrs) 52.6% (65+ yrs) 3.4%

Married Women Aged 15-44 yrs. Using Contraception...(1985) 48.5%

Total Fertility Rate...(1970) 6.5 (1989) 4.2

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %

% of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %

Percentage of Total Adult Population Employed Full Time  
 ( . ) . %

Proportion of Labor Force in Agriculture...(1980) 43%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -434(86) -155(87) -300

Total Imports(\$ Millions, US) (1985) 1,713(86) 1,164(87) 1,181  
 Of Which % From U.S. ....(1986) 40%

Major Imports(1987)PETROLEUM PRODS;CONSUMER GOODS;FOODSTUFFS

Total Exports(\$ Millions, US) (1985) 1,280(86) 1,009(87) 881  
 Of Which % to U.S. ....(1986) 49%

Major Exports(1986)COFFEE;SHRIMP;SUGAR

Trading Partners: UNITED STATES; GUATEMALA; GERMANY, FEDER

AGRICULTURE

Agricultural Production as % of GDP...(1987) 14%

Self-sufficiency Ratio  
 Food: 86% (1985)  
 Agriculture: 123% (1985)

Ag. Exports:(1987)COFFEE; RAW SUGAR;  
 Ag. Imports:(1987) WHEAT; OIL SEED; CORN

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2406

Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 64.5 Male 62.0 Female 67.2  
 (1970) Total 54.3 Male 52.1 Female 56.4

Infant Deaths in First Yr of Life per 1000 Live Births (1989) 51

Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 65% (1988) Measles 63% (1988)  
 Diphtheria(DPT3) 61% (1988) Polio(3) 62% (1988)

Population with Reasonable Access to Safe Water Supply

(1987) 51%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1988) Total 71.0 Male . Female .  
 Secondary (1988) Total 20.0 Male . Female .  
 Post Secondary (1988) Total 15.6 Male . Female .

Adult Literacy Rate (1985) Male 68% (1985) Female 62%

## EL SALVADOR

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	62,288	58,818	64,118
Loan	-	-	-
Grant	62,288	58,818	64,118
Economic Support Fund	190,887 <u>1/</u>	144,355 <u>2/</u>	180,000
Loan	-	-	-
Grant	190,887	144,355	180,000
Other <sup>3</sup>	1 <u>3/</u>	-	-
<b>TOTALS</b>	253,176	203,173	244,118
P.L. 480	48,982	39,547	39,886
Title I	40,000	35,000	35,000
Title II	8,082	4,547	4,886
<b>TOTALS</b>	301,258	242,720	284,004

\*\*See Main Volume P.L. 480 Table for program breakout and emergency assistance.  
1/Includes 19,627 in FY 1988 ESF carryover.  
2/Includes 13,740 in FY 1989 ESF carryover.  
3/International Disaster Assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	40.0	41.6	43.6
Foreign National	43.0	43.0	43.0
<b>TOTALS</b>	83.0	84.6	86.6

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IG personnel.  
 Excludes TDP. One workyear = 2,087 hours.

Includes two International Development Interns (IDIs) and two part-time in FY 1991.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	147	458	605	168	651	819	80	831	905
Regional <sup>e</sup>	93	10	103	149	22	171	217	20	237
Third Country Participants									
Bilateral <sup>d</sup>	13	122	135	18	183	201	2	45	47
Regional <sup>e</sup>	1	6	7	1	10	11	1	15	16
<b>TOTALS</b>	254	596	850	336	866	1,202	300	911	1,205

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## EL SALVADOR

### Introduction

The ten-year-old Marxist-Leninist insurgency which has devastated El Salvador's economic and social fabric continues. Guerrilla attacks, terrorism and sabotage to the country's infrastructure were taking place even as negotiations for a political settlement between the Government of El Salvador (GOES) and rebel forces were being held.

Since 1979, an estimated 70,000 Salvadorans have been killed, some 500,000 people have been displaced, and perhaps a million persons have migrated to other countries. Because of the conflict, foreign investors fled, foreign and domestic businesses closed, and massive capital flight occurred. The estimated cost of destroyed infrastructure and lost production to date is close to \$2.6 billion. The adverse impacts of terrorist damage to the economy have been compounded by the devastating 1986 San Salvador earthquake and by declining prices for the country's major exports, especially coffee.

U.S. interests in El Salvador are to assist the GOES defend against the insurgency; consolidate democratic gains; stop the social, political, and economic deterioration brought on by the war; and address the root causes of the insurgency. These are poverty and lack of popular participation in the nation's political, economic, and social institutions and services.

There has been progress. A major step was the peaceful transfer of power in June 1989 to the opposition party. The new President quickly initiated an ambitious, far-reaching economic reform program, reiterated support for an improved agrarian reform, and entered into talks with insurgent groups. However, the November 11 rebel offensive has caused readjustment in some GOES program targets and interruptions in normal A.I.D. activities.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s assistance strategy is consistent with the primary goals of the Central America Initiative, which was begun in 1984 to provide expanded resources to address fundamental economic, social, and political problems identified by the National Bipartisan Commission on Central America: combine policy dialogue with project and program assistance to help lay the basis for long-term growth, to broaden participation in the development process, and to strengthen democratic processes and institutions.

In recent years the Salvadoran economy, bolstered by U.S. assistance, enjoyed a slow, fragile recovery from the crisis of 1979-82. Real Gross Domestic Product (GDP) rose at rate of 1% to 2% annually through 1988; inflation decreased from 32% in 1986 to 20% by year-end 1988; and the central Government deficit was reduced from 11% of GDP in 1981 to 3% of GDP in 1988. Private investment, only 7% of GDP during 1980-83, exceeded 10% in 1987.

The new GOES has been faced with the results of self-defeating attempts in recent years to protect social stability at the cost of responding to growing economic structural problems, and with an economy beginning to show stagnation. They have, with A.I.D. support, begun applying strong and difficult economic remedies. These have included the areas of exchange-rate management, interest rates, foreign-trade liberalization, coffee marketing, banking (movement toward privatization), and government revenues. The GOES also has announced an accompanying social program to help cushion the economic program's short-term adverse impact on the poor.

A.I.D. programs also are helping to stimulate growth in non-traditional exports. Over the last three years, A.I.D. programs have been responsible for an estimated \$120 million in foreign exchange earnings from nontraditional agricultural exports. A.I.D. also has helped cooperatives under the agrarian reform program to increase production of nontraditional exports by 20%. With A.I.D. assistance, some 46 agrarian reform cooperatives have signed production contracts with agribusiness export firms to assure a market for their crops. Industrial exports attributable to A.I.D. programs earned over \$35 million in a three-year period. Since 1986, nontraditional export activities have generated over 9,000 sustainable jobs.

A.I.D. programs place heavy emphasis on the well-being of lower-income groups. With A.I.D. and other donor assistance, some 375,000 of the 500,000 persons displaced by the war have either gone back to their homes or have been absorbed into the areas where they were relocated. In spite of the war, A.I.D. health programs have contributed to increased life expectancy at birth, decreased incidence of malaria, and declining infant and child mortality rates. Still, in many areas, malnutrition remains a problem. Each month supplemental foods are provided to about 24,000 rural poor families in conflictive areas under the P.L. 480 Title II program. Although there is progress in the health area, remaining problems among low-income people are still serious. A.I.D. population programs have increased contraceptive prevalence so that 47% of women of fertile age now practice some form of contraception. This has contributed to a decrease in the natural population growth rate (controlling for outmigration) from the 3% of ten years ago to 2.5%. In education, A.I.D. has helped to reconstruct or build 877 classrooms since 1988, and to upgrade the skills of 8,600 primary-school teachers.

The recent months' increased violence in El Salvador is a polarizing occurrence that has disturbed a more positive trend toward democratization and a more pluralistic society being realized with U.S. support. The electoral process has been the area of the most substantial improvement. The March 1989 presidential election and the transition to a new administration of the opposition party in June took place smoothly despite violent intimidation by the insurgents. Real progress has been made toward developing collective bargaining dialogue between management and labor. A recent evaluation praised the local currency-funded Municipalities in Action programs in which project selections are made at town meetings. Reforms are under way in the judicial system, an area of significant A.I.D. attention. The courts are now operating on a full-time basis, the operating budget for the courts has been increased dramatically, and the process for establishing a career judiciary has been established.

In support of economic pluralism, A.I.D. programs have extended some 35,000 loans to small and micro-entrepreneurs and about 30,000 business people have received A.I.D.-financed training and technical assistance since 1986.

#### Other Donors

Bilateral and multilateral donors, most notably the Inter-American Development Bank, are active in El Salvador, but they currently provide relatively low amounts of development assistance compared with the A.I.D. program. However, as a result of the GOES economic program supported by A.I.D., there are significantly improved prospects for an International Monetary Fund standby agreement in the first half of 1990. Moreover, the World Bank is seriously contemplating economic and social assistance programs.

## FY 1991 Program

U.S. economic assistance is critical to El Salvador's success in achieving social and economic reforms in the face of the insurgency. A.I.D. is requesting \$180.0 million in Economic Support Funds (ESF), \$64.118 million in Development Assistance (DA), and \$39.886 million in P.L. 480 food aid (\$35.0 million Title I and \$4.886 million Title II).

ESF will finance balance-of-payments assistance (\$135.0 million) to continue the major economic reforms recently begun by the GOES. The balance will fund projectized assistance to provide potable water in rural areas; rehabilitate and restore basic infrastructure damaged by the insurgents, (i.e., roads, bridges, and electrical systems); upgrade Salvadoran planning capacity for development programs; train more Central American Peace Scholars (CAPS) in the United States; enhance the quality of education being received in Salvadoran elementary schools; and improve the effectiveness of the Salvadoran Legislative Assembly and Judiciary. Evaluation results of earlier projects will help define the new training and education programs.

The \$64.118 million in DA funds will support two new projects. The first will help small-scale coffee producers improve the level and quality of their coffee production. The second will help farmers in increasing productivity while at the same time better managing and conserving natural resources: soil, forests, and watersheds.

DA funding will continue to support ongoing activities. In support of the private sector and export growth, the program includes: activities in support of small and micro-enterprises; a project to stimulate growth in the nontraditional export sector; and vocational and technical training aimed at upgrading El Salvador's human resources and improving private-sector productivity.

Major health projects will provide family planning and child survival assistance and expand the provision of privately provided health services to rural and urban low-income groups. Funding also will continue for the rural potable water program begun in 1989. In education, a quality-enhancement project begun in FY 1990 will strengthen elementary-school instruction through such activities as teacher training, improved curricula, community involvement, and interactive radio. Cutting across sectors, the program will also continue support to Save the Children's community-based integrated rural development activities.

In support of democratic institutions, the FY 1991 program also will assist the American Institute for Free Labor Development (AIFLD) to expand their work with trade unions.

The GOES, with A.I.D. assistance, is developing programs to cushion the expected short-run negative impact of the economic reform program on the poor. The cornerstones of this set of activities are a temporary employment generation program and the establishment of a strategic reserve of basic food commodities. The \$35 million P.L.480 Title I program will assist in this effort through the provision of food commodities and through the generation of local currencies to be used in employment generation programs. The \$4.886 million Title II program will be targeted to productive development activities, and for maternal and child feeding programs.

Mission Director: Henry H. Bassford



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO.	L / PROJECT TITLE	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT AUTHC PLANNED	-THROUGH FY 88 OBLIGA-TIONS	FY 88 EXPEN-DITURES	-ACTUAL FY 89 OBLIGA-TIONS	FY 89 EXPEN-DITURES	-ESTIMATED FY 90 OBLIGA-TIONS	FY 90 EXPEN-DITURES	-PROPOSED FY 91 OBLIGA-TIONS	FY 91 EXPEN-DITURES
519-C000	PROGRAM DEVELOPMENT AND SUPPORT											
	EH G	74	C	---	2,965	2,107	344	976	277	400	300	400
	FN G	74	C	---	3,207	2,966	288	474	500	500	418	400
	HE G	74	C	---	2,845	2,304	105	598	158	100	200	200
	PN G	74	C	---	727	528	373	298	150	300	200	200
	SD G	74	C	---	9,210	8,256	1,155	1,461	592	1,200	700	700
	PROJECT TOTAL:			---	18,954	16,161	2,265	3,807	1,677	2,500	1,818	1,900
519-C094	SPECIAL DEVELOPMENT ACTIVITIES											
	SD G	70	C	---	3,192	2,859	343	392	500	420	350	406
	PROJECT TOTAL:			---	3,192	2,859	343	392	500	420	350	406
519-C210	POPULATION DYNAMICS											
	PN G	86	88	10,000	10,000	10,000	5,191	---	1,764	---	1,309	---
	PROJECT TOTAL:			10,000	10,000	10,000	5,191	---	1,764	---	1,309	---
519-C260	REFORM AND POLICY PLANNING											
	SD G	80	87	8,155	7,773	7,773	5,674	---	137	---	250	---
	PROJECT TOTAL:			8,155	7,773	7,773	5,674	---	137	---	250	---
519-C263	AGRARIAN REFORM CREDIT											
	FN G	80	85	4,325	4,210	4,210	4,209	---	---	---	---	---
	FN L	80	85	81,500	81,500	81,500	77,510	---	3,973	---	17	---
	PROJECT TOTAL:			85,825	85,710	85,710	81,719	---	3,973	---	17	---
519-C265	AGRARIAN REFORM SECTOR SUPPORT											
	FN G	83	87	16,011	16,011	16,011	11,990	---	853	---	---	---
	FN L	83	87	30,000	30,000	30,000	28,935	---	722	---	343	---
	PROJECT TOTAL:			46,011	46,011	46,011	40,925	---	1,575	---	343	---
519-C275	SALVADORAN DEMOGRAPHIC ASSOCIATION - CPG											
	FN G	83	89	200	200	---	200	---	---	200	---	---
	PN G	83	89	9,873	9,873	8,073	6,237	1,800	1,576	---	---	---
	PROJECT TOTAL:			10,073	10,073	8,073	6,237	2,000	1,576	---	---	---
519-C279	PUBLIC SERVICE RESTORATION											
	ES G	82	89	94,234	94,234	88,234	70,799	6,000	11,952	---	---	---
	ES L	82	89	13,400	13,400	13,332	13,331	---	---	1	---	---
	HE G	82	89	4,000	4,000	4,000	20	---	2,616	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

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PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES
PROJECT TOTAL:				111,634	111,634	105,566	84,150	6,000	14,568	---	12,848	---
519-C281		HEALTH/JOB'S FOR DISPLACED FAMILIES										
	ES G	83	88	26,045	26,045	26,045	18,252	---	4,255	---	3,500	---
	HE G	83	88	4,025	4,025	4,025	2,914	---	448	---	663	---
	SD G	83	88	26,310	26,310	26,310	21,351	---	2,513	---	2,391	---
PROJECT TOTAL:				56,380	56,380	56,380	42,517	---	7,216	---	6,554	---
519-C287		INC STABILIZATION/RECOVERY										
	ES G	84	91	29,460	37,460	29,460	10,810	---	5,684	8,000	5,684	10,424
	SD G	84	91	---	7,000	---	---	---	---	---	2,800	2,000
PROJECT TOTAL:				29,460	44,460	29,460	10,810	---	5,684	8,000	5,684	12,424
519-C291		HEALTH SYSTEMS VITALIZATION										
	HE G	83	85	12,225	12,225	12,225	11,764	---	461	---	---	---
	HE L	83	85	23,400	23,380	23,380	21,941	---	607	---	832	---
PROJECT TOTAL:				35,625	35,605	35,605	33,705	---	1,068	---	832	---
519-C295		EDUCATIONAL SYSTEMS REVITALIZATION										
	EM G	85	89	35,040	35,040	34,539	19,569	501	10,122	---	5,349	---
	ES G	85	89	2,560	2,560	2,560	1,207	---	1,330	---	---	---
PROJECT TOTAL:				37,600	37,600	37,099	20,776	501	11,452	---	5,349	---
519-C296		JUDICIAL REFORM										
	ES G	84	90	10,734	13,734	9,234	3,258	1,500	1,733	3,000	3,500	2,616
PROJECT TOTAL:				10,734	13,734	9,234	3,258	1,500	1,733	3,000	3,500	2,616
519-C300		SAVE THE CHILDREN - OPG										
	CS G	85	88	2,557	2,557	2,557	1,252	---	1,280	---	25	---
	FN G	85	88	1,900	---	---	---	---	---	---	---	---
	HE G	85	88	368	---	---	---	---	---	---	---	---
PROJECT TOTAL:				4,825	2,557	2,557	1,252	---	1,280	---	25	---
519-C302		TECH SUPPORT TO BUSINESS										
	SD G	85	85	500	500	500	320	---	180	---	---	---
PROJECT TOTAL:				500	500	500	320	---	180	---	---	---
519-C303		WATER MANAGEMENT										
	ES G	85	87	2,724	2,724	2,724	---	---	400	---	1,129	1,100

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	FN G	85	87	16,020	16,020	16,020	3,332	---	7,155	---	5,533	---	---
		PROJECT TOTAL:		16,744	18,744	18,744	3,332	---	7,555	---	6,662	---	1,100
519-C304		SMALL AND MICROENTERPRISE PROGRAM OPG											
	SD G	85	89	6,000	6,000	3,000	2,861	3,000	740	---	1,800	---	599
		PROJECT TOTAL:		6,000	6,000	3,000	2,861	3,000	740	---	1,800	---	599
519-C307		AGRARIAN REFORM SECTOR FINANCING											
	FN G	86	90	50,000	50,000	40,264	11,154	6,186	6,942	3,550	12,000	---	15,000
		PROJECT TOTAL:		50,000	50,000	40,264	11,154	6,186	6,942	3,550	12,000	---	15,000
519-C308		HEALTH SYSTEMS SUPPORT											
	CS G	86	89	3,000	3,000	3,000	8	---	489	---	1,492	---	802
	ES G	86	89	1,500	1,500	1,500	30	---	188	---	870	---	412
	HE G	86	89	43,500	43,500	36,148	8,705	7,352	5,397	---	12,000	---	8,914
		PROJECT TOTAL:		48,000	48,000	40,648	8,743	7,352	6,074	---	14,562	---	10,128
519-C311		YOUTH ENTREPRENEUR DEVELOP OPG											
	EH G	85	87	3,000	3,000	3,000	770	---	1,724	---	505	---	---
	SD G	85	87	650	650	649	590	---	13	---	---	---	---
		PROJECT TOTAL:		3,650	3,650	3,649	1,360	---	1,737	---	505	---	---
519-C312		TECHNOSERVE OPG											
	FN G	85	90	5,320	9,520	4,370	3,082	950	1,416	4,500	1,500	---	2,500
		PROJECT TOTAL:		5,320	9,520	4,370	3,082	950	1,416	4,500	1,500	---	2,500
519-C315		TRG FOR PRODUCTIVITY COMPETITIVENESS											
	EH G	87	92	10,000	16,000	2,000	551	2,900	738	2,400	4,000	2,600	4,500
	ES G	87	92	4,000	4,000	4,000	446	---	1,261	---	1,500	---	790
		PROJECT TOTAL:		14,000	20,000	6,000	997	2,900	1,999	2,400	5,500	2,600	5,290
519-C316		FUSADES ASSOC STRENGTHENING											
	EH G	85	87	415	415	---	---	---	---	---	---	---	---
	ES G	80	87	40	40	---	---	---	---	---	---	---	---
	SD G	85	87	1,490	1,490	1,456	958	---	497	---	1	---	---
		PROJECT TOTAL:		1,945	1,945	1,456	958	---	497	---	1	---	---
519-C318		MICROENTERPRISE DEVELOPMENT											
	SD G	90	91	---	8,062	---	---	---	---	4,000	2,000	3,000	2,000

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHD	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
PROJECT TOTAL:				---	8,062	---	---	---	---	4,000	2,000	3,000	2,000
519-C320		PUBLIC SERVICES IMPROVEMENT											
	ES G	89	92	---	43,370	---	---	---	---	23,370	6,000	20,000	6,000
	FN G	89	92	---	9,400	---	---	---	---	7,725	---	---	---
	HE G	89	92	---	30,000	---	---	8,000	---	5,675	3,000	7,000	7,000
PROJECT TOTAL:				---	79,770	---	---	8,000	---	36,770	9,000	27,000	13,000
519-C321		AMERICAN INST FREE LABOR DEV OPG											
	FN G	86	89	7,050	7,050	4,750	670	2,300	5,329	---	1,051	---	---
	SD G	86	89	4,650	4,650	3,150	2,939	1,500	1,099	---	612	---	---
PROJECT TOTAL:				11,700	11,700	7,900	3,609	3,800	6,428	---	1,663	---	---
519-C322		SMALL ENTERPRISE DEVELOPMENT OPG											
	SD G	86	87	1,000	858	858	858	---	---	---	---	---	---
PROJECT TOTAL:				1,000	858	858	858	---	---	---	---	---	---
519-C323		FREE ZONE DEVELOPMENT											
	ES G	88	90	11,545	16,545	---	---	11,545	---	---	3,000	2,740	3,500
	SD G	88	90	6,000	6,000	5,755	---	245	165	---	4,000	---	1,590
PROJECT TOTAL:				17,545	22,545	5,755	---	11,790	165	---	7,000	2,740	5,090
519-C327		AGRIBUSINESS DEVELOPMENT											
	ES G	87	90	7,466	7,466	7,466	---	---	---	---	3,500	---	3,966
	FN G	87	90	21,434	35,306	10,388	280	11,046	3,048	4,100	8,000	---	8,000
PROJECT TOTAL:				28,900	42,772	17,854	280	11,046	3,048	4,100	11,500	---	11,966
519-C329		MATERNAL & CHILD HEALTH PROM OPG											
	HE G	86	86	220	220	220	123	---	72	---	---	---	---
PROJECT TOTAL:				220	220	220	123	---	72	---	---	---	---
519-C333		EARTHQUAKE RECONSTRUCTION											
	ES G	87	88	100,000	98,000	98,000	1,239	---	15,163	---	58,761	---	22,837
PROJECT TOTAL:				100,000	98,000	98,000	1,239	---	15,163	---	58,761	---	22,837
519-C334		CENITEC OPG											
	EH G	87	87	375	375	375	168	---	186	---	21	---	---
	SD G	87	87	225	225	225	---	---	156	---	69	---	---

\* Refers to the planned program summary sheet.  
C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC PROJECT- PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				600	600	600	168	---	342	---	90	---	---
519-C336		PRIVATE SECTOR INITIATIVES											
	SJ G	87	89	4,700	4,700	4,250	738	450	1,514	---	1,700	---	748
PROJECT TOTAL:				4,700	4,700	4,250	738	450	1,514	---	1,700	---	748
519-C337		EL SALVADOR PEACE SCHOLARSHIPS											
	EH G	87	89	4,138	3,138	2,138	65	1,000	1,063	---	1,073	---	937
	ES G	87	89	14,062	9,062	4,935	715	4,127	1,812	---	4,047	---	2,488
	FN G	87	89	6,000	5,000	3,000	17	3,000	1,821	---	3,483	---	679
PROJECT TOTAL:				24,200	18,200	10,073	797	8,127	4,696	---	8,603	---	4,104
519-C342		SHORT-TERM ASST TO CIVIL AMPUTEES-OPG											
	HE G	87	83	720	720	718	633	---	85	---	---	---	---
PROJECT TOTAL:				720	720	718	633	---	85	---	---	---	---
519-C343		U.S. MEDICAL REFERRALS (HCPE) OPG											
	HE G	87	87	65	65	---	---	---	---	---	---	---	---
PROJECT TOTAL:				65	65	---	---	---	---	---	---	---	---
519-C344		INSTITUTO RICALDONE RECONSTRUCTION OPG											
	EH G	87	87	1,100	1,100	1,100	822	---	278	---	---	---	---
PROJECT TOTAL:				1,100	1,100	1,100	822	---	278	---	---	---	---
519-C346		STRENGTHEN OF REHAB. SERVICES - OPG											
	HE G	87	89	3,350	3,350	2,450	470	900	500	---	1,500	---	880
PROJECT TOTAL:				3,350	3,350	2,450	470	900	500	---	1,500	---	880
519-C349		TECH SUPPORT, POLICY ANALYSIS AND TRAINI											
	ES G	88	91	17,000	25,000	2,000	---	8,965	1,118	6,035	6,500	8,000	7,500
PROJECT TOTAL:				17,000	25,000	2,000	---	8,965	1,118	6,035	6,500	8,000	7,500
519-C352		EASTERN REGION ENTERPRISE DEV OPG											
	FN G	83	88	283	283	283	111	---	172	---	---	---	---
PROJECT TOTAL:				283	283	283	111	---	172	---	---	---	---
519-C353		NATIONAL COOP BUSINESS ASSOC OPG											
	FN G	88	83	1,900	1,900	1,900	---	---	502	---	900	---	498

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
PROJECT TOTAL:				1,900	1,900	1,900	---	502	---	900	---	498
519-C354		BALANCE OF PAYMENTS SUPPORT -BOP										
	ES G	88	89	143,500	143,500	125,000	---	18,500	143,500	---	---	---
PROJECT TOTAL:				143,500	143,500	125,000	---	18,500	143,500	---	---	---
519-C355		ESF BALANCE OF PAYMENTS SUPPORT - BOP										
	ES G	89	89	138,500	138,500	---	---	138,500	95,000	---	43,500	---
PROJECT TOTAL:				138,500	138,500	---	---	138,500	95,000	---	43,500	---
519-C356		ESF BALANCE OF PAYMENTS SUPPORT										
	ES G	90	91	---	232,960	---	---	---	---	97,960	97,960	135,000
PROJECT TOTAL:				---	232,960	---	---	---	---	97,960	97,960	135,000
519-C357		EDUCATION QUALITY ENHANCEMENT										
	EH G	90	93	---	23,000	---	---	---	---	5,300	---	10,000
	ES G	90	93	---	8,500	---	---	---	---	---	---	3,250
PROJECT TOTAL:				---	31,500	---	---	---	---	5,300	---	13,250
519-C358		CA RURAL ELECTRIFICATION SUPPORT										
	SD G	88	89	10,000	10,000	5,000	---	5,000	255	---	4,000	---
PROJECT TOTAL:				10,000	10,000	5,000	---	5,000	255	---	4,000	---
519-C360		LEGISLATIVE ASSEMBLY STRENGTHENING										
	ES G	90	92	---	1,500	---	---	---	---	490	---	510
PROJECT TOTAL:				---	1,500	---	---	---	---	490	---	510
519-C361		CARIB. LATIN AMERICA SCHOL. PROG.										
	ES G	90	95	---	25,000	---	---	---	---	5,000	1,000	10,500
PROJECT TOTAL:				---	25,000	---	---	---	---	5,000	1,000	10,500
519-C362		*COFFEE TECHNOLOGY ENHANCEMENT										
	FN G	91	93	---	12,000	---	---	---	---	---	---	6,000
PROJECT TOTAL:				---	12,000	---	---	---	---	---	---	6,000
519-C363		FAMILY HEALTH SERVICES/MCH										
	HE G	90	92	---	7,000	---	---	---	---	1,500	200	900
	PN G	90	92	---	12,000	---	---	---	---	4,250	1,000	7,100
PROJECT TOTAL:				---	19,000	---	---	---	---	5,750	1,200	8,000

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C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPGSEC PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO.	L	FY OF	FY OF	-LIFE OF PROJECT-	-THROUGH FY 88	-ACTUAL FY 89	-ESTIMATED FY 90	-PROPGSEC FY 91				
PROJECT TITLE *	G	INITIAL	FINAL	ALTHC	OBLIGA-	EXPEN-	OBLIGA-	EXPEN-	OBLIGA-	EXPEN-	OBLIGA-	EXPEN-
		OBLIG	OBLIG	PLANNED	TIONS	DITURES	TIONS	DITURES	TIONS	DITURES	TIONS	DITURES
		PROJECT TOTAL:		---	19,000	---	---	---	5,750	1,200	8,000	6,400
519-C364		COMMUNITY BASED INTEG RURAL DEVELCP										
	EH G	89	91	---	800	---	---	---	---	---	800	---
	FN G	89	91	2,000	4,025	---	2,000	232	2,025	2,025	---	268
	HE G	89	91	480	3,230	---	480	82	500	400	2,250	1,200
		PROJECT TOTAL:		2,480	8,055	---	2,480	314	2,525	2,425	3,050	1,468
519-C367		MATERNAL HEALTH/CHILD SURVIVAL SERVICES										
	CS G	90	93	---	10,000	---	---	---	---	---	3,000	1,500
	HE G	90	93	---	15,000	---	---	---	3,650	---	1,600	5,100
		PROJECT TOTAL:		---	25,000	---	---	---	3,650	---	4,600	6,600
519-C368		AMERICAN INSTITUTE FREE LABOR DEV										
	FN G	90	91	---	7,700	---	---	---	4,500	200	3,200	2,000
	SD G	90	91	---	4,400	---	---	---	1,900	100	2,500	2,000
		PROJECT TOTAL:		---	12,100	---	---	---	6,400	300	5,700	4,000
519-C370		MOTHER CHILD FEEDING CRS-OPG										
	HE G	89	89	70	70	---	70	---	---	64	---	---
		PROJECT TOTAL:		70	70	---	70	---	---	64	---	---
519-C371		INT'L EXECUTIVE SERVICE CORPS										
	SD G	85	89	400	400	---	400	41	---	359	---	---
		PROJECT TOTAL:		400	400	---	400	41	---	359	---	---
519-C372		OCCUPATIONAL SAFETY FIPRO OPG										
	SD G	89	90	400	900	---	400	---	300	400	---	300
		PROJECT TOTAL:		400	900	---	400	---	300	400	---	300
519-C373		JLDICIAL INFORMATION SERVICES-OPG										
	ES G	90	90	---	500	---	---	---	500	200	---	300
		PROJECT TOTAL:		---	500	---	---	---	500	200	---	300
519-C374		*SUSTAINABLE AGRICULTURAL PRODUCTION										
	FN G	91	96	---	30,000	---	---	---	---	---	5,000	2,000
		PROJECT TOTAL:		---	30,000	---	---	---	---	---	5,000	2,000

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: EL SALVADOR

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES		
519-0998	CA	ENERGY	SELF-SUFFICIENCY											
	ES G	89	89	1,750	1,750	---	---	1,750	---	---	800	---	900	
				PROJECT TOTAL:	1,750	1,750	---	---	1,750	---	800	---	900	
519-9999	PRIVATE AND VCL	ORGANIZATIONS,	OPG											
	FN G	79	C	---	---	---	---	---	166	115	2,500	2,500		
	SD G	79	C	---	---	---	---	---	600	500	1,700	1,800		
				PROJECT TOTAL:	---	---	---	---	766	615	4,200	4,300		
				COUNTRY TOTALS:	1,104,864	1,632,476	858,206	397,889	253,175	356,558	203,173	346,461	244,118	311,490
				GRANTS:	956,564	1,484,196	709,994	256,172	253,175	351,256	203,173	345,268	244,118	311,490
				LOANS:	148,300	148,280	148,212	141,717	---	5,302	---	1,193	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

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PROGRAM: El Salvador

PLANNED PROGRAM SUMMARY SHEET

Title Coffee Technology Enhancement		Funding Source ARDN	AG, RD & N 6,000	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 519-0362		Population	ED. & HR	Sel. Act.	FY 91 6,000	Life of Project Funding 12,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 91	FY 93	FY 96

**Project Purpose:** To increase farmer productivity and national coffee production, and to improve the quality of coffee produced by project beneficiaries.

**Project Description:** Coffee is El Salvador's predominant agricultural crop and the nation's basic economic activity. It represents 65% of the nation's exports and is the country's primary source of employment, foreign exchange, fiscal revenues and natural resource conservation. In recent years coffee production has declined in terms of share of Central American production as well as absolute quantities produced. The COES has made significant improvements in the policy environment which had contributed to the decreases, especially through improved exchange-rate management and the abolition of the state monopoly of coffee marketing. It is now appropriate to address technological improvements and enhance the coffee production institutional network.

The project will seek to improve the technology employed by small-scale producers through technical assistance and dissemination of technology packages. It will improve the organizational, management, and financial structure of the organizations that will be the primary vehicles for technology improvement and dissemination: the new Salvadoran Coffee Council (CSC) which will provide overall policy guidance and market research for private and public entities; the Salvadoran Coffee Research Institute (ISIC), which will be privatized under the project; coffee federations; and other intermediary groups.

**Sustainability:** The project will assist in developing a sustainable private sector coffee network. It will facilitate the creation of financial mechanisms to assure that the CSC, ISIC, and the intermediaries are able to endure during and after the life of the project.

**Relationship to A.I.D. Country Strategy:** Stimulating export production to support economic growth and increase employment is a central component of the A.I.D. program strategy. The strategy also identifies small farmers as a specific target group for agriculture programs. Improvements in the coffee sector will significantly increase foreign-exchange earnings, income for small farmers, and employment opportunities.

**Host-Country and Other Donors:** The project fits with Government of El Salvador efforts to improve the export policy environment and reduce government involvement in private sector activities, particularly coffee. Several coffee federations have taken initial steps to provide institutional support to medium and small farmers. No other donor is active in the coffee sector.

**Beneficiaries:** The project will directly benefit approximately 27,000 small and medium farmers. Hundreds of employees with the participating institutions will receive training. Thousands of laborers benefit from additional employment opportunities.

Major Outputs:	All Years
Farmers receiving assistance	27,000
Percentage increase in coffee production	35
Percentage increase in coffee plantings	20
Percentage increase in farmer income	30
Privatized ISIC	X

A.I.D.-Financed Inputs	Life of Project (\$000)
Technical Assistance	5,000
Training	2,000
Administrative Support	2,000
Commodities	3,000
<b>Total</b>	<b>12,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989	-	-	-	Salvadoran Coffee Research Institute (ISIC)
Estimated Fiscal Year 1990	-	-	-	
Estimated Through September 30, 1990	-	-	-	
Proposed Fiscal Year 1991	6,000	6,000	12,000	
		Future Year Obligations	Estimated Total Cost	

PLANNED PROGRAM SUMMARY SHEET

Title Sustainable Agricultural Production		Funding Source ARDN	AG, RD & N 5,000	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 519-0374		Population	ED. & HR	Sel. Act.	FY 91	5,000	Life of Project Funding 30,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					<input checked="" type="checkbox"/> NEW	Initial Obligation	Estimated Final Obligation
					FY 91	FY 96	FY 98

**Project Purpose:** To improve small farmer agricultural production and productivity on a sustainable basis, and improve the natural resource framework within the country.

**Project Description:** The natural resource base in El Salvador had deteriorated dramatically over the last several decades. The rapidly growing population has placed extreme pressures on the limited land resources and eliminated the forest. Traditional agricultural practices by hundreds of thousands of small land owners and renters have depleted soil quality. Private and public leaders, and the general population, have lacked awareness of the integrated nature of natural resource management. Therefore, estuary systems, upland watersheds and the resource base in general have suffered extreme problems.

The Project will concentrate on two components: macro natural-resource activities and sustainable agricultural systems. The macro activities will focus on policies and actions designed to deal with public consciousness raising, estuarine ecosystem protection and biodiversity maintenance, including the strengthening of forest reserves. The sustainable agricultural component will focus on improving and diversifying production of small farmers through the introduction of various cropping systems and conservation techniques. The component will explore other activities such as reforestation and the introduction of integrated pest management practices to agricultural production.

**Sustainability:** The most important sustainability feature to be reached under this effort will be the natural resource base. The institutional capability of both governmental and non-governmental natural resource management organizations will be strengthened to sustain their activities over the long term.

**Relationship of Project to A.I.D. Country Strategy:** The Mission strategic goal for the environment and natural resources is to help El Salvador conserve and protect its resources, and to promote long-term economic growth by managing exploited resources for sustainable yields.

**Host-Country and Donors:** The host government and several local PVOs have embarked on tree planting campaigns. Currently, the Ministry of Agriculture (MAG) and the UNDP are implementing pilot efforts to test various sustainable agriculture techniques, as well as small farmer responses to these techniques.

**Beneficiaries:** The project will directly benefit approximately 40,000 farmers, of which about 30% are female-headed households. Thousands of other farmers, industry, public utilities and the general population will indirectly benefit from the improved environmental and natural resource base of the country.

Major Outputs	All Years
Percentage increase Food Grain Production	35
Hectares under improved practices	100,000
No. of farmers practicing diversification	10,000
Forest Reserves Improved Protection	15
Improved Estuarine System	X
Improved Nutritional Status of Rural Families	X

A.I.D.-Financed Inputs	Life of Project (\$000)
Technical Assistance	9,000
Training	5,000
Administrative Support	3,000
Commodities	6,000
PVO/NGO Grants	7,000
<b>Total</b>	<b>30,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
Proposed Fiscal Year 1991	5,000	Future Year Obligations 25,000	Estimated Total Cost 30,000	

Various NGOs  
Ministry of Agriculture



GUATEMALA

Total U.S. Aid \$ 1,066 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 60.5% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 12.95 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 950  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) 1.2%  
 Government Budgetary Expenditures as a % of GNP... ( . ) . %  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1981) 1,434 (1982) 1,298 (1983) 1,192  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1981) -535 (1982) -417 (1983) -318

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 4.7 Months of Imports (1987)  
 External Public Debt as % of GNP...(1987) 34.1%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 292  
 As % of Total Export Earnings..... (1987) 24.9%

POPULATION

Total Population...(Thousands, Mid 1989) 8,857  
 Population Growth Rate...(1970) 2.6% (1978) 3.3% (1988) 2.8%  
 Population (1989) By Age Group:  
 (0-14yrs) 45.1% (15-64yrs) 51.6% (65+ yrs) 3.3%  
 Married Women Aged 15-44 yrs. Using Contraception...(1987) 23.2%  
 Total Fertility Rate...(1970) 6.5 (1988) 5.5

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %  
 % of Population Living Below Absolute Poverty Level  
 (1980) Total . % Urban 66.0% Rural 74.0%  
 Percentage of Total Adult Population Employed Full Time  
 ( . ) . %  
 Proportion of Labor Force in Agriculture...(1980) 57%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1984) -208(85) -179(86) 129  
 Total Imports(\$ Millions, US) (1984) 1,464(85) 2,247(86) 1,227  
 Of Which % From U.S. ....(1986) 48%  
 Major Imports(1987)FUEL/PETRO PROD;MACHINERY;GRAIN  
 Total Exports(\$ Millions, US) (1984) 1,256(85) 2,068(86) 1,356  
 Of Which % to U.S. ....(1986) 54%  
 Major Exports(1987)COFFEE;COTTON;CARDOMAN  
 Trading Partners: UNITED STATES; EL SALVADOR; GERMANY, FEDER

AGRICULTURE

Agricultural Production as % of GDP...(1985) 26%  
 Self-sufficiency Ratio  
 Food: 94% (1985)  
 Agriculture: 133% (1985)  
 Ag. Exports:(1987)Coffee,green &; Fruit & vegs; Sugar  
 Ag. Imports:(1987) Dairy products; Oilcrops & prod; Vegetable oils

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2246  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 62.2 Male 59.9 Female 64.8  
 (1970) Total 53.0 Male 51.4 Female 55.7  
 Infant Deaths in First Yr of Life per 1000 Live Births (1988) 79  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 56% (1987) Measles 55% (1987)  
 Diphtheria(DPT3) 36% (1987) Polio(3) 39% (1987)

POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY

(1983) 51%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1987) Total 78.4 Male 80.7 Female 71.3  
 Secondary (1987) Total 20.4 Male 23.0 Female 18.8  
 Post Secondary ( . ) Total . Male . Female .  
 Adult Literacy Rate (1985) Male 63% (1985) Female 47%

## Guatemala

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	33,329	30,070	34,295
Loan	-	-	-
Grant	33,329 <u>1/</u>	30,070	34,295
Economic Support Fund	80,524	56,483	60,000
Loan	-	-	-
Grant	80,524 <u>2/</u>	56,483	60,000
Other*	-	-	-
<b>TOTALS</b>	113,853	86,553	94,295
P.L. 480 <u>3/</u>	28,325	26,531	25,542
Title I	18,000	18,000	18,000
Title II	10,325	8,531	7,542
<b>TOTALS</b>	142,178	113,084	119,837

1/ Includes 379 in reobligation of prior year funds.  
2/ Includes 524 in reobligation of prior year funds.  
3/ See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	33.0	28.0	28.0
Foreign National	48.0	43.0	43.0
<b>TOTALS</b>	81.0	71.0	71.0

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IC personnel. Excludes TDP. One workyear = 2,087 hours.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	248	956	1,204	246	262	508	246	400	646
Regional <sup>e</sup>	166	18	184	337	0	337	537	0	537
Third Country Participants									
Bilateral <sup>d</sup>	48	40	88	49	83	132	49	70	119
Regional <sup>e</sup>	0	0	0	0	0	0	0	0	0
<b>TOTALS</b>	462	1,014	1,476	632	345	977	832	470	1,302

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## GUATEMALA

### Introduction

Guatemala's geographic proximity, large population of nearly nine million, and regionally strong economy make its stability and development important to the United States. The return to democracy in Guatemala has brought with it a reaffirmation of many common interests with the United States, among them commitment to democracy, private initiative, greater equality of opportunity and participation in development. Since 1986, under the Cerezo administration considerable progress has been made in strengthening Guatemala's fragile democratic institutions and its economy. The gross domestic product (GDP) growth rate increased from 0.1% in 1986 to 3.1% in 1987 and 3.7% in 1988. A similar rate is projected for 1989. The inflation rate, which surged to near 40% in 1986, has been reduced to 10%-12%. Price stability has been restored, and the fiscal deficit has been held below 3% of GDP.

The primary U.S. goal is to sustain Guatemala's democratic process by contributing to the achievement of economic and social stability so that peaceful and democratic transfers of power can take place. A second important U.S. priority is to help Guatemala to realize rapid and broad-based economic growth including greater participation by the socially and economically disadvantaged. Another priority goal is the maintenance of beneficial trade relations since the United States is Guatemala's largest trading partner (in 1988 approximately 38% of its exports and 28% of its imports), and because Guatemala represents an important market for U.S. exports and direct investment.

### A.I.D. Development Strategy and Accomplishments to Date

The A.I.D. strategy is consistent with the objectives of the Central America Initiative (CAI), which was begun in 1984 to provide expanded resources to the region to address fundamental economic social and political problems identified by the National Bipartisan Commission on Central America (NBCCA). A.I.D. programs support a Guatemalan development strategy which focuses on strengthening democratic institutions, realizing rapid and sustained economic growth, and achieving greater participation of all Guatemalans -- primarily the historically disadvantaged -- in the generation and benefits of that growth. The establishment of the crucial connection between private sector investment in productive capacity and public sector investment in human and physical capital is sought in all program activities.

Since the democratic government took office in 1986, Development Assistance (DA) and Economic Support Fund (ESF) resources have been provided to help strengthen the nation's judiciary system with emphasis on the improvement of the courts. In addition, A.I.D. has assisted Guatemala's Supreme Electoral Tribunal to further modernize its system to ensure free and fair national elections in 1990, and has assisted the recently established Office of the Human Rights Ombudsman. A.I.D. has provided training under the Central American Peace Scholarship program to over 4,000 economically disadvantaged Guatemalans.

ESF and P.L. 480 Title I resources have provided critically needed balance-of-payments assistance to help the Government of Guatemala (GOG) carry out a comprehensive macroeconomic policy reform program to keep Guatemala's economy stable and achieve positive growth. Policy reforms adopted in 1989 included preserving the competitiveness of Guatemalan exports by shifting from a fixed to a freely floating exchange rate system and liberalizing domestic interest rates. The recently approved Fiscal Administration project will complement these efforts by strengthening the GOG's capacity to manage and finance its budget more efficiently.

Also DA and P.L. 480 resources have been used to promote private sector-led sustained economic growth, with major emphasis on facilitating the movement from subsistence farming to commercial agriculture through crop diversification, increased access to land, credit, improved rural infrastructure, technology transfer and marketing. To address problems of land distribution, A.I.D. has supported a highly innovative private and voluntary organization (PVO) land purchase and sale program, under which 28 farms have been purchased and sold to 1,700 landless or land-poor small farm families. Also A.I.D. is helping decentralize the National Agricultural Bank (BANDESA) and rationalize the financial policies of credit unions, thereby making more credit available to those most in need, while moving these financial institutions towards self-sustainability. In rural infrastructure an estimated 9,000 small-farm families have benefited from irrigation; 10,000 hectares of soil conservation improvements are benefiting an estimated 20,000 families; and 4,200 kilometers of farm-to-market access roads have been constructed or maintained, serving around 600,000 beneficiaries. Finally, a new Resource Management and Conservation project is being introduced in FY 1990 to improve the management of renewable natural resources and to protect biological diversity.

To strengthen the private sector, A.I.D. is promoting improved collaboration between the public and private sectors. The GOG has enacted new legislation promoting private export activity, and other legislation (e.g. laws favoring free trade zones) is in the process of approval. The privatization process continues to gather momentum as the GOG recently privatized its airline, Aviateca. PVOs have carried out grass-roots, self-help activities, such as small and medium enterprise projects (many of which are owned by or provide employment to women). U.S. assistance has helped to strengthen cooperatives, to install electrical distribution networks in 437 rural communities, and to extend loans to approximately 30 agricultural enterprises resulting in the generation of 7,000 jobs and exports with an approximate value of \$52 million. A.I.D. programs have helped to provide market information and other support to local and international investors, and to both traditional and non-traditional export businesses which export agricultural and light manufacturing products. This has contributed to strong non-traditional export growth (34% in 1987, 13% in 1988, and an estimated 25% in 1989). The A.I.D.-assisted and recently established Entrepreneur Development Center has successfully begun to train business persons, and the Chamber of Entrepreneurs has recently launched an Investor Service Center.

Guatemala historically has experienced a serious underinvestment in the social sectors. Serious poverty affects over 60% of the population. These problems are compounded by an annual population growth rate of 2.9%. A.I.D. is collaborating with a number of public and private sector agencies to address these problems and improve family health. An estimated 800,000 children under the age of five have been immunized against one or more of six immuno-preventable diseases; some 240,000 children under five have been treated with oral rehydration therapy; over 20,000 persons have received training in child survival or primary health care; potable water connections and sanitation services have been established; and over 330,000 children and their mothers have benefited from Title II supplementary feeding programs of Care and CRS/CARITAS. Increasingly, Guatemalans are accepting family planning services, although fertility remains high and the use of contraceptive services remains low. In education, 800 schools with over 80,000 Indian students are participating in a bilingual education program. A.I.D. has recently authorized a long-term project to assist the GOG improve the efficiency, coverage and management of primary education.

#### Other Donors

The United States is collaborating closely with the major multilateral (World Bank, Inter-American Development Bank and European Economic Community) and bilateral donors (Italy, Japan and West Germany) to strengthen public sector management, to improve productive and social infrastructure and services, and to expand non-traditional exports and environmental protection. At the first Consultative Group meeting for Guatemala in March 1989, the GOG and major donors agreed to strive for a more balanced, equitable and sustainable growth with emphasis on the social sectors. A Social Investment Fund is under design and a basic education program is under way.

#### FY 1991 Program

The FY 1991 program will occur during the critical transition period when Guatemala elects a successor to the Cerezo administration. A total of \$60 million in Economic Support Funds is requested to support sustainable, broad-based economic growth with a focus on agricultural diversification led by the private sector and to support the democratic process through the continuation of Guatemalan Peace Scholarship programs and the strengthening of judicial, legislative and electoral processes. Also \$34.3 million in Development Assistance and \$25.5 million in P.L. 480 assistance is requested to accelerate per capita income growth and to improve outreach of social services and infrastructure, especially for the rural indigenous population. Specifically, a more integrated approach to family planning and child survival will be supported, reflecting conclusions of recent evaluations indicating that such an approach is likely to be more viable than separate interventions. In addition, the requested resource levels will permit continuation of efforts in crop diversification, land markets, cooperative strengthening, primary education and other forms of human resources development, rural infrastructure, fiscal administration, microenterprise development and natural resources management.

Mission Director: Anthony Cauterucci



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUATEMALA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
520-0000		PROGRAM DEVELOPMENT AND SUPPORT											
	CS G	86	C	---	201	189	99	45	82	85	100	65	
	EH G	69	C	---	2,173	2,153	182	201	200	160	200	181	
	ES G	86	C	---	500	242	---	82	---	58	---	70	
	FN G	69	C	---	9,036	8,659	1,094	643	855	750	478	697	
	HE G	69	C	---	1,184	881	92	323	76	100	100	100	
	PN G	69	C	---	647	555	105	40	427	170	100	105	
	SD E	69	C	---	2,479	1,550	542	991	435	500	500	170	
	PROJECT TOTAL:			---	16,220	14,229	2,114	2,325	2,075	1,823	1,478	1,388	
520-0145		SPECIAL DEVELOPMENT FUND											
	SD G	63	C	---	1,767	1,681	100	136	100	50	200	93	
	PROJECT TOTAL:			---	1,767	1,681	100	136	100	50	200	93	
520-0248		RURAL ELECTRIFICATION											
	FN L	79	83	10,600	10,600	10,600	9,682	---	445	---	---	---	
	PROJECT TOTAL:			10,600	10,600	10,600	9,682	---	445	---	---	---	
520-0251		COMMUNITY-BASED HEALTH AND NUTR SYSTEMS											
	HE G	80	85	1,300	1,300	1,274	777	---	116	---	373	---	
	HE L	80	85	9,500	9,500	9,500	5,014	---	1,714	---	2,760	---	
	PROJECT TOTAL:			10,800	10,800	10,774	5,791	---	1,830	---	3,133	---	
520-0255		SMALL FARMER DIVERSIFICATION SYSTEMS											
	FN G	81	85	3,696	3,696	3,696	3,290	---	245	---	---	---	
	FN L	81	85	5,500	5,500	4,350	3,899	---	341	---	---	---	
	PROJECT TOTAL:			9,196	9,196	8,046	7,189	---	586	---	---	---	
520-0261		LCW CCST HOUSING											
	SD G	88	89	600	600	300	8	300	39	---	200	353	
	PROJECT TOTAL:			600	600	300	8	300	39	---	200	353	
520-0274		HIGHLANDS AGRICULTURAL DEVELOPMENT											
	FN G	83	92	17,100	24,100	5,900	659	5,500	1,094	4,450	3,110	4,000	
	FN L	83	92	13,500	13,500	13,500	4,440	---	3,530	---	2,411	2,971	
	PROJECT TOTAL:			30,600	37,600	19,400	5,099	5,500	4,624	4,450	5,521	8,271	
520-0276		AGRI-BUSINESS DEVELOPMENT											
	ES G	95	89	3,000	3,000	3,000	1,985	---	483	---	531	---	
	ES L	95	89	5,500	9,500	9,500	7,472	---	1,895	---	133	---	

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUATEMALA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHD PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	FN G	85	89	1,000	1,000	---	---	1,000	662	---	338	---	---
		PROJECT TOTAL:		13,500	13,500	12,500	9,457	1,000	3,040	---	1,002	---	---
520-0281		INTEGRATED NON-FORMAL EDUCATION											
	EH G	82	85	860	860	---	---	---	---	---	---	---	---
	EM L	82	85	3,000	3,000	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		3,860	3,860	---	---	---	---	---	---	---	---
520-C282		RURAL EDUCATION IMPROVEMENT											
	EH G	85	86	3,300	3,300	3,300	1,761	---	408	---	1,010	---	121
	EM L	85	86	10,204	10,204	10,204	2,602	---	1,468	---	2,639	---	2,000
		PROJECT TOTAL:		13,504	13,504	13,504	4,363	---	1,876	---	3,649	---	2,121
520-C286		COOPERATIVE STRENGTHENING											
	FN G	86	93	11,000	16,000	11,000	1,526	---	2,823	750	3,268	2,295	3,383
		PROJECT TOTAL:		11,000	16,000	11,000	1,526	---	2,823	750	3,268	2,295	3,383
520-C288		EXPANSION OF FAMILY PLANNING SERVICES											
	CS G	82	91	6,930	6,930	2,760	---	1,870	1,476	2,200	1,366	---	2,755
	PN G	82	91	28,401	23,501	17,647	9,495	3,694	3,338	3,160	6,160	4,000	3,245
		PROJECT TOTAL:		35,331	35,431	20,407	9,495	5,564	4,814	5,360	7,526	4,000	6,000
520-C304		ALTIPLANO HIGHER EDUCATION											
	EH G	86	86	5,000	5,000	5,000	950	---	752	---	821	---	897
		PROJECT TOTAL:		5,000	5,000	5,000	950	---	752	---	821	---	897
520-C320		PRIMARY EDUCATION MANAGEMENT IMPROVEMENT											
	EH G	87	87	500	500	500	82	---	243	---	174	---	---
		PROJECT TOTAL:		500	500	500	82	---	243	---	174	---	---
520-C332		FARM-TO-MARKET ROADS											
	ES G	87	89	1,000	1,000	1,000	59	---	127	---	100	---	100
	ES L	87	89	5,500	5,500	5,500	---	---	1,021	---	1,000	---	1,000
	FN G	35	89	1,100	1,100	1,100	172	---	248	---	100	---	150
	FN L	85	89	22,400	22,400	22,020	4,911	379	3,319	---	3,000	---	3,000
		PROJECT TOTAL:		30,000	30,000	29,620	5,142	379	4,715	---	4,200	---	4,250
520-C335		RURAL WATER AND SANITATION II - OPG											
	HE G	85	85	1,000	1,000	1,000	667	---	146	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUATEMALA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES
PROJECT TOTAL:				1,000	1,000	1,000	667	---	146	---	---	---
520-0336		RURAL WATER, CPG										
	HE G	85	90	900	900	500	344	200	156	200	200	---
	SD G	85	90	600	600	500	414	100	86	---	100	---
PROJECT TOTAL:				1,500	1,500	1,000	758	300	242	200	300	---
520-0337		PRIVATE SECTOR DEVEL COORDINATION, OPG										
	SD G	85	89	1,700	1,700	1,500	1,181	200	277	---	240	---
PROJECT TOTAL:				1,700	1,700	1,500	1,181	200	277	---	240	---
520-0339		IMMUNIZATION/CHILD SURVIVAL										
	CS G	85	91	7,570	7,570	5,570	300	---	1,275	---	1,340	2,000
	ES G	85	91	2,500	2,500	2,500	58	---	660	---	932	---
	HE G	85	91	8,348	8,348	8,348	3,602	---	2,152	---	2,019	---
PROJECT TOTAL:				18,418	18,418	16,418	3,960	---	4,087	---	4,291	2,000
520-0341		PRIVATE ENTERPRISE DEVELOPMENT										
	FN G	87	91	2,050	2,050	2,050	26	---	333	---	790	---
	SD G	87	91	7,950	7,952	6,398	24	880	341	150	500	522
PROJECT TOTAL:				10,000	10,002	8,448	50	880	674	150	1,290	522
520-0343		PILOT COMMERCIAL LAND MARKETS II (CPG)										
	FN G	85	90	10,500	13,500	10,500	3,282	---	2,840	3,000	1,921	---
PROJECT TOTAL:				10,500	13,500	10,500	3,282	---	2,840	3,000	1,921	---
520-0344		ELECTRICAL POWER RESERVE										
	SD G	85	85	7,000	7,000	7,000	6,625	---	182	---	---	---
PROJECT TOTAL:				7,000	7,000	7,000	6,625	---	182	---	---	---
520-0348		ASSINDES PVO DEVELOPMENT PROGRAM										
	SD G	86	89	2,300	2,300	1,800	1,045	500	420	---	835	---
PROJECT TOTAL:				2,300	2,300	1,800	1,045	500	420	---	835	---
520-0351		FAMILY FISH PCND DEV II - OPG										
	FN G	86	86	500	500	500	343	---	157	---	---	---
PROJECT TOTAL:				500	500	500	343	---	157	---	---	---

\* Refers to the planned program summary sheet.  
 C Level of effort activity.  
 FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized data.  
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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

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CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
520-0353												
520-0355												
520-0362												
520-0363												
520-0364												
520-0369												
520-0371												
520-0373												
520-0374												

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUATEMALA

CP 91

PROJECT NO.	L / PROJECT TITLE	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- ALTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	PROJECT TOTAL:			30,000	30,000	---	---	3,500	---	3,335	2,049	4,950	6,300
520-C375	MICRO ENTERPRISE DEVELOPMENT												
	FN G	90	93	---	1,800	---	---	---	---	---	800	100	
	SD G	90	93	---	3,200	---	---	---	200	50	200	25	
	PROJECT TOTAL:			---	5,000	---	---	---	200	50	1,000	125	
520-C376	GUATEMALA JUDICIAL DEVELOPMENT												
	ES G	87	90	1,683	2,283	1,483	357	200	904	600	975	---	47
	PROJECT TOTAL:			1,683	2,283	1,483	357	200	904	600	975	---	47
520-C377	MICRO BUSINESS PROMOTION (OPG)												
	SD G	87	89	1,850	1,850	500	322	1,350	501	---	1,027	---	---
	PROJECT TOTAL:			1,850	1,850	500	322	1,350	501	---	1,027	---	---
520-C378	ELECTION SYSTEM SUPPORT												
	SD G	87	89	1,400	1,400	600	364	800	180	---	757	---	99
	PROJECT TOTAL:			1,400	1,400	600	364	800	180	---	757	---	99
520-C379	VOLCANIC HAZARDS PREPAREDNESS												
	SD G	87	87	350	338	338	171	---	113	---	54	---	---
	PROJECT TOTAL:			350	338	338	171	---	113	---	54	---	---
520-C380	ENTREPRENEURIAL DEVELOPMENT												
	SD G	89	90	1,250	1,250	---	---	925	3	100	210	---	812
	PROJECT TOTAL:			1,250	1,250	---	---	925	3	100	210	---	812
520-C381	SMALL FARMER COFFEE												
	FN G	89	93	11,000	11,000	---	---	2,617	---	450	973	1,500	1,050
	PROJECT TOTAL:			11,000	11,000	---	---	2,617	---	450	973	1,500	1,050
520-C383	SPECIAL PROJECT ASSISTANCE FUND (PC)												
	FN G	88	C	180	---	80	18	100	33	100	75	100	54
	PROJECT TOTAL:			180	---	80	18	100	33	100	75	100	54
520-C384	DEVELOPMENT PLANNING TRAINING AND SUPPOR												
	EH G	88	91	5,000	5,000	450	2	1,400	103	2,000	1,014	1,150	782
	ES G	88	91	2,500	2,500	2,500	---	---	694	---	---	---	792

\* Refer to the detailed program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUATEMALA

CP 91

PROJECT NO. PROJECT TITLE	L / PROJECT TITLE * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
	SO G	88	91	50C	500	---	---	68	---	422	---	---
		PROJECT TOTAL:		8,000	8,000	3,450	2	1,400	865	2,000	1,436	1,574
520-C395	ECONOMIC STABILIZATION PROGRAM ES G	90	90	---	50,000	---	---	---	50,000	50,000	---	---
		PROJECT TOTAL:		---	50,000	---	---	---	50,000	50,000	---	---
520-C386	GUATEMALA STRENGTHENING OF DEMOCRACY ES G	88	89	50C	500	---	---	170	---	---	---	---
	SO G	88	89	70C	700	---	500	200	---	400	---	100
		PROJECT TOTAL:		1,200	1,200	700	---	500	370	400	---	100
520-C392	*IRRIGATED AG SUPPORT FN G	91	94	---	7,500	---	---	---	---	---	1,000	500
		PROJECT TOTAL:		---	7,500	---	---	---	---	---	1,000	500
520-C393	GUATEMALA PEACE SCHOLARSHIPS II ES G	90	94	---	18,500	---	---	---	2,283	1,687	6,000	5,000
	FN G	90	94	---	18,500	---	---	---	1,000	---	---	---
		PROJECT TOTAL:		---	37,000	---	---	---	3,283	1,687	6,000	5,000
520-C394	*ECONOMIC GROWTH STABILIZATION ES G	91	91	---	50,000	---	---	---	---	---	50,000	50,000
		PROJECT TOTAL:		---	50,000	---	---	---	---	---	50,000	50,000
520-C395	NATURAL RESOURCE MANAGEMENT FN G	90	94	---	4,500	---	---	---	500	---	1,000	500
	SO G	90	94	---	6,000	---	---	---	900	---	1,000	500
		PROJECT TOTAL:		---	10,500	---	---	---	1,400	---	2,000	1,000
520-C398	DEMOCRATIC INITIATIVES ES G	90	92	---	3,600	---	---	---	1,000	100	1,000	750
		PROJECT TOTAL:		---	3,600	---	---	---	1,000	100	1,000	750
520-C399	*HIGHLANDS WATER AND SANITATION HE G	91	95	---	15,000	---	---	---	---	---	2,000	---
		PROJECT TOTAL:		---	15,000	---	---	---	---	---	2,000	---

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\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: GUATEMALA

CP 91

PROJECT NO.	L / PROJECT TITLE * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
520-C406	MORTGAGE GUARANTEE/SUGAR MILL WORKERS FN G	90	90	---	2,500	---	---	---	2,500	500	---	1,000	
	PROJECT TOTAL:			---	2,500	---	---	---	2,500	500	---	1,000	
520-C998	CENTRAL AMERICA ENERGY SELF-SUFFICIENCY ES G	89	89	1,000	1,000	---	1,000	---	---	400	---	400	
	PROJECT TOTAL:			1,000	1,000	---	1,000	---	---	400	---	400	
	COUNTRY TOTALS:			408,822	613,638	238,929	101,510	113,853	122,322	86,553	111,035	94,295	118,251
	GRANTS:			319,118	523,934	153,755	63,490	113,474	108,589	86,553	99,092	94,295	109,280
	LOANS:			89,704	89,704	85,174	38,020	379	13,733	---	11,943	---	8,971

\* Refers to the planned program summary sheet.  
C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.  
For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

PROGRAM: Guatemala

PLANNED PROGRAM SUMMARY SHEET

<b>Title</b> Irrigated Agriculture Support		<b>Funding Source</b> DA	<b>AG, RD &amp; N</b> 1, 000	<b>Health</b>	<b>PROPOSED OBLIGATION</b> (In thousands of dollars)		
					FY 91	1, 000	Life of Project Funding 7,500
<b>Number</b> 520-0392	<input checked="" type="checkbox"/> <b>NEW</b>	<b>Population</b>	<b>ED. &amp; HR</b>	<b>Sel. Act.</b>	<b>Initial Obligation</b>	<b>Estimated Final Obligation</b>	<b>Estimated Completion Date of Project</b>
<input checked="" type="checkbox"/> <b>GRANT</b> <input type="checkbox"/> <b>LOAN</b> <input type="checkbox"/> <b>CONTINUING</b>					FY 91	FY 94	FY 97

**Project Purpose:** To strengthen public and private sector institutional capacity to increase the area of coverage and sustainability of irrigated agriculture for small farmers.

**Project Description:** As a major focus of the Mission's agricultural strategy, the project will strengthen the institutional capacity of the GOG and increase private sector participation in rehabilitating existing systems and expanding land area under irrigation. Its principal components include the following: (1) Institutional Strengthening: assistance to the Ministry of Agriculture to develop a policy for sustainable irrigated agriculture, including a new water management law. Also, TA, training and equipment will be provided to the National Irrigation Directorate (DIRYA) to develop and carry out GOG irrigation strategy, undertake feasibility studies and/or supervise their execution by private sector organizations for construction of medium-to-large irrigation systems for small farmers; (2) Production/Marketing Support: training of farmers in effective production techniques, and providing them with access to market information systems and mechanisms; (3) Water Users Associations Organization: promotion of self-sufficient system of operation and maintenance.

**Sustainability:** An area of particular attention will be the sustainability of programmed, financed and/or approved irrigation systems. As indicated above, technical assistance, training and related support will focus on the management, financial and overall institutional sustainability of the irrigation system through the use of public and private sector sources.

**Relationship of Project to A.I.D. Country Strategy:** The project directly supports the Mission CDSS goal of basic structural reforms for rapid and sustained economic growth. The 1988 Mission agricultural strategy identified irrigation as a primary

means for effecting the transition from traditional to commercial agriculture. Private sector participation in irrigation development, and the protection of the environment through the incorporation of environmental criteria into site selection and system operations will also be promoted.

**Host Country and Other Donors:** The GOG has identified the expansion and improved management of irrigated land as one of the top priorities under its 1989-1992 Agricultural Development Plan. Other donors such as the IDB, Italy and Japan are financing investments totalling over \$88 million, for construction of generally medium-size irrigation systems.

**Beneficiaries:** The primary beneficiaries will be small to medium size farmers who will benefit directly as participants in public sector systems. In addition, sector-wide benefits will accrue due to improved water law, irrigation programming and implementation of sustainable water related practices.

<u>Major Outputs</u>	<u>All Years</u>
- New hectares placed under irrigation	X
- Existing systems rehabilitated	X
- Water users associations formed	X
- Increased number of small farmers irrigating their land	X
- Increased production from irrigated agriculture	X
- Policy development activities carried out	X

<u>A.I.D.-Financed Inputs</u>	<u>Life of Project</u>
	(\$000s)
Technical Assistance	4,000
Training	2,500
Commodities	1,000
	7,500

<u>U. S. FINANCING (In thousands of dollars)</u>				<u>Principal Contractors or Agencies</u>
	<u>Obligations</u>	<u>Expenditures</u>	<u>Unliquidated</u>	
Through September 30, 1988				
Estimated Fiscal Year 1989				
Estimated Through September 30, 1990				
		<u>Future Year Obligations</u>	<u>Estimated Total Cost</u>	
Proposed Fiscal Year 1991	1, 000	6, 500	7, 500	Ministry of Agriculture; Cooperative Farmer Associations and Water User Groups



PROGRAM: Guatemala

PLANNED PROGRAM SUMMARY SHEET

<b>Title</b>		<b>Funding Source</b>	<b>AG, RD &amp; N</b>	<b>Health</b>	<b>PROPOSED OBLIGATION</b> <i>(In thousands of dollars)</i>		
Economic Stabilization and Growth Program		ESF 50,000			FY 91	50,000	Life of Project Funding 50,000
<b>Number</b> 520-0394	<input checked="" type="checkbox"/> NEW	<b>Population</b>	<b>ED. &amp; HR</b>	<b>Sel. Act.</b>	<b>Initial Obligation</b>	<b>Estimated Final Obligation</b>	<b>Estimated Completion Date of Project</b>
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 91	FY 91	FY 91

**Project Purpose:** Support increases in production, employment and incomes, and the achievement of external and internal balance consistent with progress towards real GDP growth target of 4.5% by 1991.

**Project Description:** The project continues balance-of-payments support for the Government of Guatemala during a period of consolidation of macro-economic and sectoral as well as structural policy changes designed to improve economic growth. Recognizing the importance of the agricultural sector to economic growth, the Mission has supported a policy reform agenda designed to redress the policy bias in favor of manufacturing, which has resulted in inadequate investment and social overhead capital and in infrastructure for the agricultural sector. With the bulk of Guatemala's population dependent on agriculture, this underinvestment had adversely affected the incomes and quality of life of rural residents as well as the contribution of agriculture to national production, income and exports--and consequently to foreign exchange earnings. The dollars will support balance-of-payments needs for the private sector to finance the importation of critical production inputs for the economy. The Government of Guatemala, through its Core Development Budget, will provide local currency funding to redress the underinvestment in agriculture, infrastructure and institutional development critical to a broadly based economic growth.

**Sustainability:** This dollar cash assistance will stimulate long-term improvements in the institutional and financial capacity of the GOG to plan, execute and finance its public investment program. The associated policy reforms will also accelerate the attainment of a growth path that can be sustained independently of external concessionary assistance.

**Relationship of Project to A.I.D. Country Strategy:** The

proposed ESF program continues to be the core of the U.S./Guatemala bilateral development assistance strategy in Guatemala. Since 1988 the Government of Guatemala has pursued progressive multi-year development programs aimed at getting the economy onto a smooth and sustainable growth path. The path sought, however, implies significant changes in the structure as well as the total value of production. This is required to assure realization of the following medium term objectives: (1) more equitable sharing of the fruits of economic growth; (2) improved economic efficiency and income per capita; and (3) a robust, private sector-led economy capable of competing effectively in international markets. The ESF program supplies resources to increase aggregate production, and complements the DA and P.L. 480 activities which focus on opening doors of economic opportunity, to population segments that traditionally have been left behind.

**Host Country and Other Donors:** ESF in recent years has represented only about one percent of Guatemala GDP. Since GDP growth is the core objective, host country resources are of dominant importance. IMF and World Bank assistance are expected to be equal in size to the proposed ESF program.

**Beneficiaries:** ESF programs are designed to benefit the entire population through their contribution to real economic growth. Nevertheless, the structural changes encompassed in the GOG development strategy should provide basis for programs which benefit the rural poor in the highlands.

<b>Major Outputs</b>	<u>All Years</u>
Economic Stabilization and growth	X
<b>A.I.D.-Financed Inputs</b>	<u>Life of Project</u>
Cash Assistance	(\$000's) 50,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1988				
Estimated Fiscal Year 1989				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	50,000	0	50,000	Guatemala's Ministry of Public Finance and Bank of Guatemala

PROGRAM: Guatemala

PLANNED PROGRAM SUMMARY SHEET

Title Highlands Water and Sanitation		Funding Source DA	AG, RD & N	Health 2,000	PROPOSED OBLIGATION (In thousands of dollars)		
Number 520-0399		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1991 2,000	Life of Project Funding 15,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation FY 1991	Estimated Final Obligation FY 1995
							Estimated Completion Date of Project FY 1996

Project Purpose: Provide water supply service, excreta disposal facilities and health education to rural communities.

Project Description: The project will construct potable water systems and latrines in the Western Highlands. In addition, it will include a basic health education program which will be implemented in each of the 500 participating communities. The communities will provide unskilled labor for the water systems and will pay a small monthly fee to cover approximately 30% of the system's total cost. A community water committee will be in charge of the maintenance of the system and fee collection. The new project will use the support, infrastructure and administrative capacity created under Project 520-0251, which includes a regional center in the department of Totonicapan, a latrine factory, laboratory and design equipment, warehouses and vehicle maintenance facilities.

Sustainability: The community water committees created under the project will operate and maintain the potable water systems, collecting a monthly fee to provide funding for the system maintenance. The GOG's implementing unit is fully established and has been operational for more than five years with GOG funding of almost all its personnel assuring continuity of project activities.

Relationship of Project to A.I.D. Country Strategy: The project supports the LAC and Mission objective of reducing infant and child mortality through the improvement of environmental sanitation conditions and the consequent decrease in water-borne diseases in the rural areas of Guatemala.

Host Country and Other Donors: The Government of Guatemala has assigned top priority to the provision of water and sanitation services to the rural areas and has set as one of its priority

goals a 50% increase in the number of rural water systems and latrines. The IDB finances larger systems and UNICEF and other PVO's have specific geographic areas of activity.

Beneficiaries: The direct beneficiaries will be approximately 220,000 rural Guatemalans (particularly children) living in small communities in the Western Highlands, who will experience less morbidity and mortality related to water-borne diseases. Women will be directly benefited by the improved health status and improved access to safe water.

Major Outputs	All Years
Communities provided with potable water system	500
Households provided with appropriate water supply	40,000
Latrines installed	50,000
Communities provided with basic health education program	500
<u>A.I.D.-Financed Inputs</u>	
	Life of Project (\$000's)
Health Education	2,000
Training and Technical Assistance	400
Commodities (construction materials, pumping equipment, latrine materials, vehicles)	12,250
Personnel	250
Maintenance and Operation of Vehicles	100
<b>TOTAL</b>	<b>15,000</b>

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U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				Environmental Sanitation Div. Ministry of Public Health
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	2,000	13,000	15,000	

Haiti

HAITI

Total U.S. Aid \$ 730 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 37.4% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 11.70 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 360  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) 0.5%  
 Government Budgetary Expenditures as a % of GNP...(1987) 21.5%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1980) 254 (1981) 292 (1982) 270  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1979) -45 (1980) -68 (1982) -47

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 1.0 Months of Imports (1988)  
 External Public Debt as % of GNP...(1987) 30.2%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 22  
 As % of Total Export Earnings..... (1987) 7.1%

POPULATION

Total Population...(Thousands, Mid 1989) 5,900  
 Population Growth Rate...(1970) 2.1% (1978) 1.7% (1990) 1.4%  
 Population (1989) By Age Group:  
 (0-14yrs) 38.9% (15-64yrs) 56.9% (65+ yrs) 4.1%  
 Married Women Aged 15-44 yrs. Using Contraception...(1988) 6.5%  
 Total Fertility Rate...(1970) 6.0 (1989) 6.4

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( .) . %  
 % of Population Living Below Absolute Poverty Level  
 ( .) Total . % Urban . % Rural . %  
 Percentage of Total Adult Population Employed Full Time  
 ( .) . %  
 Proportion of Labor Force in Agriculture...(1980) 70%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -219(86) -182(87) -193  
 Total Imports(\$ Millions, US) (1985) 685(86) 594(87) 610  
 Of Which % from U.S. ....(1981) 61%  
 Major Imports(1987)MACHINES;FOOD & BEV.;PETROLEUM PRODS  
 Total Exports(\$ Millions, US) (1985) 466(86) 413(87) 417  
 Of Which % to U.S. ....(1981) 87%  
 Major Exports(1987)LT. MANUFACTURE;COFFEE;OTHER AG. PRODS  
 Trading Partners: UNITED STATES; FRANCE; JAPAN

AGRICULTURE

Agricultural Production as % of GDP...( .) . %  
 Self-sufficiency Ratio  
 Food: 88% (1985)  
 Agriculture: 93% (1985)  
 Ag. Exports:(1987)Coffee,green & MANGOES; COCOA BEANS  
 Ag. Imports:(1987) Dairy products; Vegetable oils; Sugar

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2114  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 55.7 Male 55.0 Female 56.5  
 (1970) Total 48.0 Male 47.6 Female 48.3  
 Infant Deaths in First Yr of Life per 1000 Live Births (1988) 101  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 45% (1988) Measles 59% (1988)  
 Diphtheria(DPT3) 48% (1988) Polio(3) 47% (1988)

Population with Reasonable Access to Safe Water Supply  
 (1983) 33%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1981) Total 77.8 Male 84.2 Female 71.5  
 Secondary (1981) Total 14.3 Male 15.6 Female 13.4  
 Post Secondary ( .) Total . Male . Female .  
 Adult Literacy Rate (1985) Male 40% (1985) Female 35%

## HAITI

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	27,980 <u>1/</u>	27,301 <u>2/</u>	29,471
Loan	-	-	-
Grant	27,980	27,301	29,471
Economic Support Fund	-	-	10,000
Loan	-	-	-
Grant	-	-	10,000
Other*	-	-	-
<b>TOTALS</b>	27,980	27,301	39,471
P.L. 480 **	22,089	14,353	24,710
Title I	-	-	12,000
Title II	22,089	14,353	12,710
<b>TOTALS</b>	50,069	41,654	64,181

1/Includes 1,951 in reobligations of prior year funds.

2/Includes 20 in no-year funds.

\*\*See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	20.0*	24.0*	24.8*
Foreign National	33.0	33.0	36.0
<b>TOTALS</b>	53.0	57.0	60.8

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\*Includes 2 IDIs in FY 1989; 1 IDI and 1 parttime in FY 1990 and FY 1991.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	64	42	106	54	86	140	50	81	131
Regional <sup>e</sup>	33	1	34	105	0	105	100	0	100
Third Country Participants									
Bilateral <sup>d</sup>	0	0	0	0	2	2	0	2	2
Regional <sup>e</sup>	0	0	0	0	0	0	0	0	0
<b>TOTALS</b>	97	43	140	159	88	247	150	83	233

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## HAITI

### Introduction

Haiti faces staggering economic and social problems as it prepares for a series of elections throughout 1990. Haiti is the least developed country in the Western Hemisphere. With a per capita income of \$360 a year, the vast majority of the 6.3 million Haitians live in poverty. Per capita income has declined 20% since 1980. The infant mortality rate is 92 per 1,000 births, and only about 37% of the population is literate. The United States has strong humanitarian and social interests in Haiti, and strongly supports the country's move toward installing a popularly elected civilian president in February 1991. Haiti's close proximity to the United States, trade and business ties, and mutual interest in controlling illegal narcotics also are important to the United States.

Haiti's economy declined in 1989. Export earnings fell, particularly from coffee and the assembly sector. Public sector credit expansion led to a rekindling of inflation at a 12% rate in 1989. In response, the Government of Haiti (GOH) in September 1989 reached a standby agreement with the International Monetary Fund which calls for revenue and expenditure measures to reduce inflationary pressures, arrest the deterioration of the balance of payments, and promote private sector confidence and investment.

Immediately after the Haitian elections were aborted in 1987, United States assistance to the GOH was suspended while assistance through private and voluntary organizations (PVOs) was continued. This policy was confirmed by legislation enacted in December, 1987. In 1989, Congress authorized a P.L. 480 Title II program for the the Avril Government in recognition of progress made toward democratization. A.I.D. signed a \$10 million emergency P.L. 480 Title II program for wheat in August 1989. FY 1990 legislation continues to prohibit aid to the GOH, unless certain conditions are met. For FY 1991, A.I.D. would renew assistance to the GOH, only if a democratically elected civilian government is installed, following the completion of a just, unhindered electoral process. U.S. assistance to Haiti through private and non-governmental organizations will continue in any case.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s development goal is to build a prosperous, stable, and democratic Haiti. The United States will continue its core development assistance strategy in Haiti primarily through private voluntary and non-governmental organizations. The core program concentrates on four areas: sustainable hillside agriculture; health, child survival and family planning; the private sector; and basic education.

A.I.D. is playing an active role in helping Haiti move toward democracy. For the 1990 elections, A.I.D. has programmed \$500,000 from local currency. To help strengthen democratic institutions, A.I.D. committed \$750,000 in 1988 and 1989 to promote the rule of law, improve the administration of justice, and monitor human rights. A separate \$700,000 local currency grant is being made in FY 1990 to the Human Resources Development Center for civic education activities.

Agriculture employs 70% of the work force and is the most important sector of the Haitian economy. A.I.D.'s strategy focuses on two main activities: promotion of sustainable production on hillsides, and expansion of market opportunities for small farmers. A.I.D.'s major agricultural program is the Agroforestry II project which is building on the highly successful Agroforestry Outreach project. Almost 50 million tree seedlings have been produced and distributed to 230,000 farmers. To address the continuing decline in coffee production, A.I.D.'s FY 1990 Coffee Revitalization project will help adapt and extend improved technologies to small producers. Local currency has been programmed for natural resource management to support soil conservation, watershed management, irrigation rehabilitation, coffee rust control and improved food crop production.

The health program concentrates on child survival services, with an emphasis on increasing immunization coverage. Through two large PVO projects that reach almost one million people in under-served rural areas and urban slums, and with close donor coordination in the national vaccination program, immunization coverage of children under two years old has doubled in the past three years. Polio is now on the verge of eradication in Haiti. A model cost recovery element of the Expanded Urban Health project will reduce recurrent costs of the project by 20%. A variety of acquired immune deficiency syndrome (AIDS) prevention and control activities are being implemented by PVOs in the largest centers in Haiti. A Drug Awareness and Prevention program is assessing the extent and severity of drug abuse in Haitian cities and is developing education programs to curtail the growing problem. Under an initiative financed by the Private Sector Family Planning project, government attention has been focused on population issues, and a national population policy is now being developed. Under the same project, a contraceptives marketing component is being expanded and is expected to be sustainable when A.I.D. assistance to the project ends.

Haiti cannot achieve broad-based, sustainable economic growth without a strong private sector. A.I.D. is supporting the private sector through an integrated program of policy dialogue, export promotion, credit institution development and management training. The program encompasses the industrial, agro-industrial, financial and informal sectors and focuses on the generation of foreign exchange, income and employment. A.I.D. also has provided technical assistance to the Consultative Mixed Committee for Industrial Development, which conducts policy dialogue to improve government policies and create a more favorable environment for investment. This committee has helped in the development of a new investment code and trade liberalization, including the elimination of export taxes, a reduction in the number of items requiring import licenses, and the revision of the customs duty structure.

A.I.D. supports the provision of credit to small and micro-entrepreneurs through the Haitian Development Foundation, the expansion of shelter lending through the Haitian Mortgage Bank, and development financing for industrial and agro-industrial projects through the Development Finance Corporation. These three institutions, with A.I.D. assistance, have created more than 15,000 jobs. A.I.D. assists Haiti's Management and Productivity Center as well. This Center provides managerial, financial, marketing and entrepreneurial training for the Haitian private sector, including micro-entrepreneurs, mid-managers, and entrepreneurs.

To help improve basic education, A.I.D. provides support to a new private foundation which helps improve the quality of education for Haiti's primary school students. This project has assisted more than 60,000 primary students. Through the use of local currency funds, A.I.D. is collaborating with Mission Alpha, a local PVO, to provide non-formal literacy training to the disadvantaged in urban and rural areas. The project expects to reach more than 40,000 Haitians in the next three years. A.I.D. provides training in the United States and third countries for economically and socially disadvantaged Haitians. More than 250 participants will receive training in 1989 and 1990. Almost half of these trainees have been women.

#### Other Donors

Total economic assistance commitments to Haiti from other donors during FY 1989 was about \$206 million, including \$72.6 million in bilateral and \$133.4 million in multilateral aid. About 75% of the bilateral aid is channeled through the GOH, and about 25% through PVOs. A number of donors including France, Canada, Germany, the European Economic Community (EEC) and the United Nations Development Program are supporting activities which directly complement A.I.D.'s core program. The national vaccination program is jointly supported by United Nations Children's Fund, Pan American Health Organization (PAHO), Rotary International and A.I.D. A donors' conference to support the national AIDS program resulted in pledges by PAHO, Canada, EEC, A.I.D., and others that will totally fund the Haitian Interim AIDS Plan of Action. The World Bank is negotiating to provide \$45 million to the GOH for the improvement of public primary education. In sectors where A.I.D. is not an active player, such as transportation, mining, tourism, energy, and communications, other donors are taking the lead.

#### FY 1991 Program

In FY 1991, A.I.D. is requesting \$29.5 million in Development Assistance, \$10.0 million in Economic Support Funds (ESF), \$12.0 million in P.L. 480 Title I and \$12.7 million in P.L. 480 Title II food to sustain the core programs and help stabilize the Haitian economy.

In FY 1991 A.I.D. will develop a new project to help control the spread of AIDS in Haiti. The Population and Family Health project will build upon the success of the Private Sector Family Planning project and will significantly expand the coverage of PVO population programs. A new five-year \$6.0 million Policy and Administrative Reform project will be initiated to improve the policy environment affecting private sector growth and efficient administration of national resources. The \$10 million ESF balance-of-payments program will support the economic reform program of a newly elected civilian government and facilitate the efforts to achieve economic growth. The \$12.0 million P.L. 480 Title I Program for the purchase of wheat will support the government's stabilization program. Title II resources will continue to be concentrated on school feeding, maternal and child health and community development activities. An innovative commodity storage and tracking system is being developed to improve program efficiency and effectiveness. Approximately \$3.0 million of bulk refined vegetable oil will be monetized in FY 1991 to support the food distribution programs of Cooperative for American Relief Everywhere (CARE) and the Adventist Development and Relief Agency (ADRA).

Mission Director: Gerald Zarr



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HAITI

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
521-0000		PROGRAM DEVELOPMENT AND SUPPORT											
	EH G	73	C	---	---	1,211	1,184	20	43	90	90	100	
	FN G	73	C	---	---	3,941	3,723	344	406	308	300	250	
	HE G	73	C	---	---	913	770	336	226	355	400	150	
	PN G	73	C	---	---	383	326	33	72	61	75	100	
	SD G	73	C	---	---	2,517	2,428	98	126	181	200	250	
		PROJECT TOTAL:		---	---	8,965	8,431	831	873	995	1,065	850	940
521-0062		SPECIAL DEVELOPMENT ACTIVITIES											
	SD G	68	C	---	---	2,468	2,417	150	183	200	170	200	150
		PROJECT TOTAL:		---	---	2,468	2,417	150	183	200	170	200	150
521-0091		RURAL HEALTH DELIVERY SYSTEM											
	HE G	79	87	19,756	15,951	15,951	15,862	---	31	---	---	---	---
		PROJECT TOTAL:		19,756	15,951	15,951	15,862	---	31	---	---	---	---
521-0092		AGRICULTURAL DEVELOPMENT SUPPORT II											
	FN G	78	87	3,808	3,718	3,718	3,482	---	---	---	---	---	---
		PROJECT TOTAL:		3,808	3,718	3,718	3,482	---	---	---	---	---	---
521-0104		RESOURCES TRAINING CENTER											
	EH G	80	84	1,600	1,623	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		1,600	1,623	---	---	---	---	---	---	---	---
521-0122		AGROPCRESTRY OUTREACH - PVO											
	FN G	81	89	27,000	26,996	21,910	17,582	5,085	5,827	---	3,586	---	---
		PROJECT TOTAL:		27,000	26,996	21,910	17,582	5,085	5,827	---	3,586	---	---
521-0124		FAMILY PLANNING OUTREACH											
	PN G	81	87	13,948	10,682	10,416	9,444	---	417	---	---	---	---
		PROJECT TOTAL:		13,948	10,682	10,416	9,444	---	417	---	---	---	---
521-0138		CINEC - OPG											
	EH G	80	85	2,297	2,297	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		2,297	2,297	---	---	---	---	---	---	---	---
521-0143		MANAGEMENT OF MALARIA											
	HE G	82	87	13,400	9,938	9,680	9,597	---	83	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HAITI

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 CBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
				PROJECT TOTAL:	13,400	9,938	9,680	9,597	---	83	---	---
521-C149				SECONDARY ROADS DEVELOPMENT								
	FN G	83	87	12,500	8,491	8,378	8,378	---	---	---	---	---
				PROJECT TOTAL:	12,500	8,491	8,378	8,378	---	---	---	---
521-C154				DEVELOPMENT FINANCE CORPORATION								
	ES G	83	91	6,800	6,800	6,677	---	108	---	---	---	---
	SD G	83	91	3,200	3,456	2,099	366	876	350	1,300	640	800
				PROJECT TOTAL:	10,000	10,256	8,899	7,019	366	984	350	1,300
521-C155				COMMUNITY WATER SYSTEM DEVELOPMENT								
	FN G	84	89	6,000	6,000	5,582	5,004	375	577	43	418	---
	HE G	84	89	2,000	2,000	2,000	---	---	1,100	---	900	---
				PROJECT TOTAL:	8,000	8,000	7,582	5,004	375	1,677	43	1,318
521-C156				LOCAL RESOURCE DEVELOPMENT								
	FN G	85	86	1,000	1,000	999	647	---	226	---	126	---
				PROJECT TOTAL:	1,000	1,000	999	647	---	226	---	126
521-C159				URBAN HEALTH & COMMUNITY DEV II OFG								
	DG G	84	88	200	200	200	---	---	89	---	111	---
	HE G	84	83	4,300	4,300	4,220	3,221	80	890	---	189	---
				PROJECT TOTAL:	4,500	4,500	4,420	3,221	80	979	---	300
521-C163				HAITIAN NATIONAL MORTGAGE BANK								
	ES G	84	91	1,750	1,100	1,100	909	---	77	---	114	---
	SD G	84	91	650	1,078	---	---	578	128	---	300	500
				PROJECT TOTAL:	2,400	2,178	1,100	909	578	205	---	414
521-C167				TECHNICAL CONSULTANCIES AND TRAINING								
	ES G	83	92	5,000	3,960	3,745	3,689	---	12	---	---	---
	FN G	83	92	3,709	3,709	1,297	673	534	488	800	1,000	500
				PROJECT TOTAL:	8,709	7,669	5,042	4,362	534	500	800	1,000
521-C169				NGO SUPPORT I								
	ES G	83	83	3,969	3,969	---	---	---	---	---	---	---

\* Refers to the planned program summary sheet.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HAITI

CP 91

PROJECT NO. PROJECT TITLE	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
PROJECT TOTAL:					3,969	3,969	---	---	---	---	---	---	---
521-C176		INTERIM SWINE REPOPULATION											
	FN G	83	87	7,938	7,817	7,813	6,650	---	706	---	457	---	---
PROJECT TOTAL:					7,938	7,817	7,813	---	706	---	457	---	---
521-C179		CRAFTS EXPORT CENTER											
	SD G	85	91	3,400	3,400	1,929	1,701	350	---	550	700	310	500
PROJECT TOTAL:					3,400	3,400	1,929	---	1,701	350	---	550	700
521-C181		NGO SUPPORT II											
	ES G	84	91	4,596	4,600	4,600	4,151	---	65	---	---	---	---
	SD G	84	91	2,953	3,412	840	---	853	1,011	819	1,000	900	1,000
PROJECT TOTAL:					7,549	8,012	5,440	---	4,151	853	1,076	819	1,000
521-C182		NGO SUPPORT III											
	ES G	85	87	3,561	2,758	2,758	2,693	---	24	---	---	---	---
PROJECT TOTAL:					3,561	2,758	2,758	---	24	---	---	---	---
521-C183		MANAGEMENT AND PRODUCTIVITY CENTER											
	EM G	85	90	4,100	4,100	3,105	2,431	474	775	521	500	---	394
PROJECT TOTAL:					4,100	4,100	3,105	2,431	474	775	521	500	---
521-C186		INVESTMENT AND EXPORT PROMOTION											
	SD G	86	91	7,700	7,268	4,319	2,605	649	1,232	1,200	1,000	1,100	1,500
PROJECT TOTAL:					7,700	7,268	4,319	2,605	649	1,232	1,200	1,000	1,100
521-C188		NGO SUPPORT V											
	EM G	87	88	1,268	1,268	1,268	764	---	240	---	264	---	---
	ES G	87	88	634	634	634	111	---	523	---	---	---	---
	PN G	87	88	500	170	170	---	---	20	---	41	---	---
PROJECT TOTAL:					2,402	2,072	875	---	783	---	305	---	---
521-C189		PRIVATE SECTOR FAMILY PLANNING											
	PN G	86	90	8,250	10,379	4,867	818	2,173	2,176	3,214	3,000	---	2,312
PROJECT TOTAL:					8,250	10,379	4,867	818	2,173	2,176	3,214	3,000	---
521-C190		INCENTIVES TO IMPROVE PRIMARY EDUC											

\* Refers to the planned program summary sheet.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HAITI

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	EH G	86	92	15,000	16,687	7,043	4,112	4,703	1,938	1,083	5,000	2,400	4,000
		PROJECT TOTAL:		15,000	16,687	7,043	4,112	4,703	1,938	1,083	5,000	2,400	4,000
521-0191		TARGETED WATERSHED MANAGEMENT											
	FN G	86	91	15,000	15,000	6,637	2,595	3,498	3,846	2,200	4,500	2,072	---
		PROJECT TOTAL:		15,000	15,000	6,637	2,595	3,498	3,846	2,200	4,500	2,072	---
521-0192		LOCAL RESOURCES DEVELOPMENT II											
	FN G	86	89	1,000	968	749	499	219	99	---	300	---	70
		PROJECT TOTAL:		1,000	968	749	499	219	99	---	300	---	70
521-0193		STRENGTHENING COFFEE COOP. II (CLUSA)											
	FN G	85	88	1,800	1,800	1,779	979	---	228	---	572	---	---
		PROJECT TOTAL:		1,800	1,800	1,779	979	---	228	---	572	---	---
521-0194		MOBILIZING MOTHERS FOR CHILD SURVIVAL											
	CS G	85	86	5,400	5,400	5,400	3,913	---	761	---	600	---	126
		PROJECT TOTAL:		5,400	5,400	5,400	3,913	---	761	---	600	---	126
521-0206		VCL AGS FOR CHILD SURVIVAL											
	CS G	87	92	13,000	13,000	4,000	1,008	2,125	1,129	2,899	4,500	3,300	5,500
	FN G	87	92	200	200	---	---	200	200	---	---	---	---
	HE G	87	92	8,800	8,800	3,044	---	544	992	1,737	1,500	1,750	2,500
		PROJECT TOTAL:		22,000	22,000	7,044	1,008	2,869	2,321	4,636	6,000	5,050	8,000
521-0211		OAS SPECIAL FUND											
	SD G	87	87	100	100	100	---	---	100	---	---	---	---
		PROJECT TOTAL:		100	100	100	---	---	100	---	---	---	---
521-0216		COFFEE REVITALIZATION											
	FN G	90	94	---	5,210	---	---	---	---	882	400	1,300	1,000
		PROJECT TOTAL:		---	5,210	---	---	---	---	882	400	1,300	1,000
521-0217		AGROFORESTRY II											
	FN G	90	95	---	30,000	---	---	---	---	2,700	2,000	5,649	5,000
		PROJECT TOTAL:		---	30,000	---	---	---	---	2,700	2,000	5,649	5,000
521-0218		EXPANDED URBAN HEALTH SERVICES											

\* Refers to the planned program summary sheet.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HAITI

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHD	PROJECT PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
	CS G	89	94	---	2,840	---	---	1,040	45	1,000	1,500	800	1,200
	DG G	89	94	---	850	---	---	150	10	700	500	---	340
	HE G	89	94	6,000	6,000	---	---	1,175	---	2,300	1,500	1,200	1,400
	PROJECT TOTAL:				6,000	9,690	---	2,365	55	4,000	3,500	2,000	2,940
521-C219	*FAMILY HEALTH AND POPULATION												
	PM G	91	95	---	10,000	---	---	---	---	---	---	1,900	1,000
	PROJECT TOTAL:				---	10,000	---	---	---	---	---	1,900	1,000
521-C221	*AWARENESS AND PREVENTION OF DRUG ABUSE												
	HE G	88	88	486	649	486	---	---	71	163	400	---	100
	PROJECT TOTAL:				486	649	486	---	71	163	400	---	100
521-C222	*POLICY AND ADMIN REFORM												
	FN G	91	95	---	1,000	---	---	---	---	---	---	400	150
	SD G	91	95	---	5,000	---	---	---	---	---	---	2,000	1,000
	PROJECT TOTAL:				---	6,000	---	---	---	---	---	2,400	1,150
521-C224	*AIDS CONTROL												
	DG G	91	95	---	5,000	---	---	---	---	---	---	1,000	500
	PROJECT TOTAL:				---	5,000	---	---	---	---	---	1,000	500
521-C226	*ECONOMIC RECOVERY ASSISTANCE												
	ES G	91	91	---	10,000	---	---	---	---	---	---	10,000	10,000
	PROJECT TOTAL:				---	10,000	---	---	---	---	---	10,000	10,000
521-0227	CLASP II												
	EH G	90	93	---	700	---	---	---	---	200	100	200	150
	FN G	90	93	---	400	---	---	---	---	100	50	100	75
	HE G	90	93	---	950	---	---	---	---	350	200	300	250
	SD G	90	93	---	350	---	---	---	---	150	50	100	150
	PROJECT TOTAL:				---	2,400	---	---	---	800	400	700	625
521-C232	ELECTION SUPPORT												
	SD G	90	90	---	2,000	---	---	---	---	2,000	2,000	---	---
	PROJECT TOTAL:				---	2,000	---	---	---	2,000	2,000	---	---
521-C640	PIIC												
	EH G	86	90	1,125	1,125	1,065	503	---	445	60	100	---	77

\* Refers to the planned program summary sheet.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HAITI

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
FN G		86	90	300	800	300	150	500	73	---	577	---	---
HE G		86	90	1,220	1,320	---	---	920	155	---	400	---	300
PN G		86	90	408	483	---	---	408	156	75	200	---	52
SD G		86	90	---	10	---	---	---	---	10	---	---	---
PROJECT TOTAL:				3,553	3,738	1,365	653	1,828	829	145	1,277	---	429
CCOUNTRY TOTALS:				248,126	309,716	172,434	132,038	27,980	29,005	27,301	43,190	39,471	43,936
GRANTS:				248,126	309,716	172,434	132,038	27,980	29,005	27,301	43,190	39,471	43,936
LOANS:				---	---	---	---	---	---	---	---	---	---

\* Refers to the planned program summary sheet.  
 C Level of effort activity.  
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PROGRAM: Haiti

PLANNED PROGRAM SUMMARY SHEET

Title Population and Family Planning		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 521-0219		Population 1,900	ED. & HR	Sel. Act.	FY 91	1,900	Life of Project Funding 10,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 91	FY 95	FY96

Purpose: To increase access to voluntary family planning services.

**Project Description:** The project will build on its successful predecessor, Private Sector Family Planning (521-0189) and will seek to institutionalize two important elements of that project, contraceptive social marketing (CSM) and voluntary surgical contraception (VSC). VSC services will be expanded, and joint activities with the public sector such as contracting by private voluntary organizations (PVOs) for VSC services provided by surgeons in public hospitals will be explored. A major component of the project will be information, education and communication (IEC), to address the problem of abandonment of contraceptive methods due to myths and rumors, inadequate education about methods, side effects, etc. Community networks to channel acceptors to services will also be established, and joint efforts with the public sector will be considered in areas not served by PVOs. Efforts to galvanize private sector population interest groups, and to continue population policy dialogue with concerned Government officials will also be major elements of the project.

**Sustainability:** The contraceptive social marketing activity will achieve self-sustainability, following prototypes in other countries of the Caribbean and Africa. The VSC activity, which involves a surgical procedure, will not be self-sustaining, but is a highly cost-effective method of contraception when couple-years of protection are considered. The project will establish nominal fees for VSC procedures to defray costs and to assure the voluntary nature of the services.

**Relationship of Project to AID Country Strategy:** The project supports A.I.D.'s health/population sector objective of establishing a viable, primary health care system to expand family planning access and reduce infant mortality, and is consistent with A.I.D.'s policy of maximizing use of private sector resources and institutions.

**Host Country and Other Donors:** The World Bank and the Inter-American Development Bank are planning health sector projects with family planning components which complement A.I.D.'s project activities. The Government of Haiti will contribute \$700,000 in local currency counterpart funds to support the project.

**Beneficiaries:** The primary beneficiaries of the project will be members of economically active families for whom contraceptives will be made available, and the family planning acceptors reached in the VSC and CSM portions of the project. Disadvantaged families will benefit from decreased levels of fertility, longer birth intervals and decreases in infant mortality.

**Major Outputs:**

- A nationwide contraceptive social marketing system
- Readily accessible clinical and non-clinical family planning services, including VSC
- Widely available IEC materials for field workers
- Private population interest groups participating in population dialogue

AID-Financed inputs	Life-of-Project (\$000)
Technical Assistance	2,500
Training and Education	1,000
Equipment and Supplies	1,000
Contraceptive Commodities	2,000
Local Institution Costs	3,000
Evaluation	300
Construction/Renovation	200
<b>Total:</b>	<b>10,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				To be determined
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	1,900	8,100	10,000	

PROGRAM: Haiti

PLANNED PROGRAM SUMMARY SHEET

Title Policy and Administrative Reform		Funding Source DA	AG, RD & N 400	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 521-0222		Population	ED. & HR	Sel. Act. 2,000	FY 91 2,400	Life of Project Funding 6,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	<input checked="" type="checkbox"/> NEW				Initial Obligation FY 91	Estimated Final Obligation FY 95	Estimated Completion Date of Project FY 96

**Purpose:** To improve the policy environment affecting private sector growth and efficient administration of national resources.

**Project Description:** This five year project will provide support for policy analysis as a basis of policy reform aimed at promotion private sector development. An improved macroeconomic and regulatory environment in Haiti is the single most important factor in the promotion of broad-based economic growth. Policies enacted in late 1989 have been developed without adequate underlying analysis and have been counterproductive to economic growth; policies prior to this time were deficient in several areas related to investment enhancement. Through policy analysis, this project complements the activities of multilateral development agencies by providing economic analysis to support sound economic decision making. It is anticipated that through policy analysis, a whole range of macroeconomic and regulatory policies which constrain private enterprise growth will be influenced to support streamlined legal and regulatory procedures for business and more efficient use of resources.

**Sustainability:** Since this project will be implemented through existing institutions to enhance their policy analysis activities, there will be no requirement for additional funding beyond the life-of-project funding. Capacity will be developed in these institutions and can be used in the future by A.I.D. or other donors to support additional policy analysis initiatives. Since macroeconomic and regulatory decision making, the project outputs will, by their very nature, lead to savings by GOH revenues, as well as broad-based economic growth.

**Relationship of Project to AID Country Strategy:** The project supports A.I.D's private sector objectives of private sector

growth and increased exports; it will also work toward broad-based economic growth and job creation.

**Host Country and Other Donors:** The project will build upon and complement macroeconomic policy efforts of the IMF's Enhanced Structural Adjustment Facility and World Bank initiatives in privatization, trade liberalization and administrative reform.

**Beneficiaries:** Beneficiaries of the project would include those receiving jobs as a result of economic growth, especially unskilled and semi-skilled labor; the poor who will bear less of an inflationary burden on their limited incomes; investors who will face an improved investment climate; and, recipients of improved service delivery by parastatals and government ministries.

**Major Outputs:**

- Empirical modelling of major macroeconomic policy alternatives showing impact on the consumer, GOH expenditures and revenues;
- New policies regulating trade and investment, conducive to enhance economic growth;
- Streamlined systems for customs processing, tax collection and administration of GOH regulations governing private business.

**AID-Financed Inputs:**

**LOP TOTAL (\$000)**

Technical Assistance	3,600
Training and Education	600
Equipment and Supplies	700
Local Institution Costs	900
Evaluation/Audit	200
<b>TOTAL</b>	<b>6,000</b>

160

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	2,400	3,600	6,000	To be determined



PROGRAM: HAITI

PLANNED PROGRAM SUMMARY SHEET

Title AIDS Control		Funding Source DA	AG, RD & N	Health AIDS 1,000	PROPOSED OBLIGATION (In thousands of dollars)		
Number 521-0224		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 91	Life of Project Funding 5,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 91	Estimated Final Obligation FY 95
							Estimated Completion Date of Project FY 96

**Purpose:** To support the efforts of private voluntary organizations (PVOs), the National AIDS Commission, and the Government of Haiti (GOH) to reduce the rate of transmission of the AIDS virus in Haiti.

**Project Description:** The project will provide support to Haitian organizations involved in activities to prevent the transmission of HIV. A.I.D. will assist various private groups whose activities include protection of the blood supply, IEC, condom provision, and AIDS surveillance. The project will expand successful activities begun under the Expanded Urban Health project and begin other activities where A.I.D. has comparative advantage. While most of the project activities will assist private organizations, pilot activities will be started to support selected GOH AIDS control activities. The major components of the project will be:

- small grants to PVOs;
- support for selected activities of the National AIDS Commission and the GOH;
- provision of condoms through commercial and non-commercial channels;
- operation research; and
- surveillance and monitoring systems.

**Sustainability:** PVOs will carry out the majority of AIDS prevention and control efforts of this project. It is expected that research and development activities associated with the development of messages and educational materials will be financed by the project. Recurrent costs associated with the implementation of prevention and control programs will be low cost, and affordable to PVOs such that PVOs will assume all program implementation costs by the project completion date.

**Host Country and Other Donors:** This project is complementary to other donor and host government programs. At the recent WHO donors' conference on AIDS in Haiti, the donor community pledged \$11 million in support of AIDS prevention and control efforts in the country. A donor coordination council meets on a regular basis to coordinate resources pledged to support AIDS prevention and control efforts.

**Beneficiaries:** The primary beneficiaries will be the people at high risk who will be targeted by this project's prevention and control activities. The entire Haitian population will benefit from this project if the AIDS epidemic can be significantly slowed or halted.

<b>Major Outputs:</b>	<u>All Years</u>
Grants to PVOs	6
People receiving AIDS prevention education	500,000
Condoms distributed/sold	10,000.000
National AIDS monitoring system established	X
Operations research activities completed	10
<b>AID-Financed Inputs:</b>	<u>LOP (\$000)</u>
Technical Assistance	1,000
Training and Education	2,000
Contraceptives	500
Institutional Support	1,000
Operations Research	200
Surveillance and Monitoring	200
Evaluation/Audit	100
<b>TOTAL</b>	<b>5,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				To be determined
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	1,000	4,000	5,000	

PROGRAM: HAITI

PLANNED PROGRAM SUMMARY SHEET

Title Economic Recovery Assistance		Funding Source ESF 10,000	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 91	10,000	Life of Project Funding 10,000
Number 521-0226	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 91	FY 91	FY 91

**Purpose:** To support the Government of Haiti's (GOH) economic reform program and facilitate the efforts of a newly elected civilian government toward economic growth.

**Project Description:** A.I.D. balance of payments (BOP) assistance to Haiti totalled \$51 million in FY 1986 and FY 1987. Since the failed elections of November 1987, when our BOP assistance was terminated and overall assistance levels were curtailed, the economy has deteriorated dramatically. The loss of foreign assistance and the decline of exports are also partially responsible for a significant worsening in the BOP and foreign exchange availability.

In September 1989, in response to the deteriorating situation, the GOH agreed to a 15-month IMF Stand-by Facility which calls for revenue and expenditure measures and should help reduce inflationary pressures, arrest the deterioration of the balance of payments, and promote private sector confidence and investment.

Presidential elections are scheduled for late 1990, with the democratically elected government to be installed in February of 1991. The new president is likely to inherit an economic situation which, even if stable, will not be very strong. Rapidly disbursing BOP assistance will be needed to fuel the efforts of the new government to promote economic growth.

Compliance with monetary and fiscal targets, steps toward further trade liberalization, and reforms to encourage private investment are likely to be part of the program. The Central Bank will deposit an equivalent amount of local currency into a special account.

Assistance will depend on GOH compliance with the Stand-by and follow-up steps with the IMF toward an Enhanced Structural Adjustment Facility (ESAF) and with the World Bank for the

resumption of concessionary macroeconomic program lending.

Local currencies will be used primarily for budget support and for mutually agreed project activities, including counterpart costs for other-donor projects. Project activities will emphasize labor intensive development, small enterprise and democratization.

**Sustainability:** Balance of payments support will be provided to the GOH to support the country's economic recovery in FY 1991. The funds will be deposited in a special account and will be used to finance import of petroleum products and external debt service. Conditionality will support financial stabilization and the resumption of export-led growth. These actions will assist GOH's efforts at self-sustaining development.

**Relation of Project to A.I.D. Country Strategy:** The program directly supports A.I.D.'s broad and overarching objective of building a prosperous, stable and democratic Haiti.

**Host Country and Other Donors:** The program will complement the September 1989 IMF Stand-by agreement and the anticipated resumption of lending by the IMF and World Bank. Counterpart local currency will also help improve utilization of other-donor project assistance.

**Beneficiaries:** All Haitians will benefit from an improved economy and a democratic government. Local currency activities will benefit target populations of A.I.D. and other donor projects.

**Major Outputs:** Economic Stabilization/Growth All Years  
X

**A.I.D.-Financed Inputs:** Life-of-Project  
(\$000)  
Balance of Payments/Budget Support 10,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				NONE
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	10,000	- 0 -	10,000	



HONDURAS

Total U.S. Aid \$ 1,378 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 55.5% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 36.08 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(2061) 810  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) 0.7%  
 Government Budgetary Expenditures as a % of GNP...(1988) 32.2%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1986) 888 (1987) 946 (1988) 1,038  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1986) -279 (1987) -282 (1988) -324

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 0.9 Months of Imports (1988)  
 External Public Debt as % of GNP...(1987) 70.6%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1988) 317  
 As % of Total Export Earnings..... (1988) 30.8%

POPULATION

Total Population...(Thousands, Mid 1989) 5,103  
 Population Growth Rate...(1970) 2.5% (1978) 3.6% (1990) 3.0%  
 Population (1989) By Age Group:  
 (0-14yrs) 45.0% (15-64yrs) 52.2% (65+ yrs) 2.8%  
 Married Women Aged 15-44 yrs. Using Contraception...(1984) 34.9%  
 Total Fertility Rate...(1970) 7.1 (1989) 5.0

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %  
 % of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %  
 Percentage of Total Adult Population Employed Full Time  
 ( . ) . %  
 Proportion of Labor Force in Agriculture...(1988) 53%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -183(86) -74(87) -130  
 Total Imports(\$ Millions, US) (1985) 1,060(86) 1,060(87) 1,087  
 Of Which % From U.S. ....(1988) 39%  
 Major Imports(1988)CHEMICALS;PETROLEUM;MACHINERY  
 Total Exports(\$ Millions, US) (1985) 877(86) 986(87) 957  
 Of Which % to U.S. ....(1988) 51%  
 Major Exports(1988)BANANAS;COFFEE;SEAFOOD  
 Trading Partners: UNITED STATES; JAPAN; GERMANY, FEDER

AGRICULTURE

Agricultural Production as % of GDP...(1988) 26%  
 Self-sufficiency Ratio  
 Food: 86% (1985)  
 Agriculture: 147% (1985)  
 Ag. Exports:(1988)BANANAS; COFFEE; SHRIMP  
 Ag. Imports:(1988) WHEAT; MILK; SOYBEANS

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1987) 2061  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 65.0 Male 63.3 Female 66.8  
 (1970) Total 50.6 Male 48.7 Female 54.1  
 Infant Deaths in First Yr of Life per 1000 Live Births (1989) 64  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 84% (1988) Measles 76% (1988)  
 Diphtheria(DPT3) 74% (1988) Polio(3) 70% (1988)

Population with Reasonable Access to Safe Water Supply  
 (1988) 70%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1985) Total 102.0 Male 103.0 Female 102.0  
 Secondary (1985) Total 33.0 Male 31.0 Female 36.0  
 Post Secondary (1985) Total 10.0 Male . Female .  
 Adult Literacy Rate (1986) Male 49% (1986) Female 51%

HONDURAS

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	37,716 <u>1/</u>	34,370 <u>3/</u>	36,933
Loan	-	-	-
Grant	37,716	34,370	36,933
Economic Support Fund	15,000	130,017 <u>2/</u>	80,000
Loan	-	-	-
Grant	15,000	130,017	80,000
Other*	-	-	-
<b>TOTALS</b>	<b>52,716</b>	<b>164,387</b>	<b>116,933</b>
P.L. 480 <u>4/</u>	21,216	17,670	15,601
Title I	18,000	12,000	12,000
Title II	3,216	5,670	3,601
<b>TOTALS</b>	<b>73,932</b>	<b>182,057</b>	<b>132,534</b>

1/ Includes 90 reobligations of prior year funds.  
 2/ Includes 70,000 in FY 1989 ESF Carryover.  
 3/ Includes 160 in No-year funds.  
 4/ See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	61.35	66.8	66.8 *
Foreign National	46	45	45 **
<b>TOTALS</b>	<b>107.35</b>	<b>111.8</b>	<b>111.8</b>

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\* Includes 4 RHUDO, 3 IDIs, and 1 part-time.

Includes 21 IG personnel.

\*\* Includes 9 IG personnel.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	304	306	610	225	270	495	273	308	581
Regional <sup>e</sup>	96	9	105	122	15	137	110	15	125
Third Country Participants									
Bilateral <sup>d</sup>	5	94	99	3	8	11	4	6	10
Regional <sup>e</sup>	2	21	23	0	10	10	0	10	10
<b>TOTALS</b>	<b>407</b>	<b>430</b>	<b>837</b>	<b>350</b>	<b>303</b>	<b>653</b>	<b>387</b>	<b>339</b>	<b>726</b>

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## HONDURAS

### Introduction

Buttressing Honduras' fledgling democracy and promoting its economic development have been an important part of the U.S. effort to bring lasting peace to the Central American region. The third successive free and democratic election of a civilian government in November 1989 was an unprecedented, momentous event in the history of Honduras.

During the last several years, many positive socioeconomic changes have brought significant benefits to the people of Honduras. The Government of Honduras (GOH) has utilized U.S. economic assistance to dramatically improve life expectancy, reduce infant mortality, increase primary school enrollment, create jobs, expand the availability of trained manpower, and strengthen democratic institutions. Despite these achievements, Honduras is still one of the poorest countries in the hemisphere.

Although the Honduran economy registered 4% real growth in 1988, there were clear signs of steady deterioration in 1989. Serious problems remain, including a large fiscal deficit, an overvalued exchange rate, increasing inflation, lack of foreign exchange and decreasing private sector confidence.

The promise of the return of significant assistance flows from the major donors, including the World Bank and the International Monetary Fund (IMF), did not materialize in 1989 when the GOH failed to reach agreement with donors on continuing its economic adjustment program. Given the pressures of a hotly contested election year, the GOH lacked the political will to undertake needed measures. Meanwhile, Honduras has accumulated large arrears to the major international financial institutions and to some bilateral donors. For lack of a sound GOH economic reform program, A.I.D. did not move forward with \$70 million in FY 1989 Economic Support Fund (ESF) resources to support Honduras' balance of payments. Those resources, however, remain available to support a meaningful stabilization and adjustment program of the new government taking office in January 1990.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s assistance strategy continues to be based on the principal goals of the Central America Initiative which was begun in 1984 to provide expanded resources to the region to address fundamental economic, social and political problems identified by the National Bipartisan Commission on Central America. This strategy supports the Agency-wide objectives of broad based, sustainable growth, human capacity development, and political and economic pluralism. A.I.D. continues to use Development Assistance (DA), ESF, and P.L. 480 resources to:

- (1) stabilize Honduras' economy and to encourage structural adjustments. The public sector budget deficit was brought down

from 6.2% of gross domestic product (GDP) in 1987 to 5.4% in 1988, although this progress was unfortunately reversed in 1989. On the other hand, the imbalanced exchange regime was further liberalized in 1989 to the point that more than 60% of trade now occurs outside the overvalued official rate of 2 lempiras to the dollar;

- (2) continue the provision and improvement of basic social services. The results of Honduras' sustained, good performance in the social sectors are noteworthy. Infant mortality has dropped to 62 deaths per 1,000 live births, down from 87/1,000 in 1984. Measles, DPT, and polio immunization coverage for children less than five years of age maintained impressive levels of over 72%, 73%, and 82%, respectively in 1989. A.I.D.-financed oral rehydration salts are available in over 95% of the health clinics of the Ministry of Health. Life expectancy increased from 53 years in 1972 to 62 years by 1988. Contraceptive users increased from 27% of couples in 1981 to 42% in 1988. Primary school enrollment has reached 85%, a 20% enrollment increase in the last four years;
- (3) provide access to technology and services to over 16,000 small and medium-sized agricultural and industrial producers. The real value added through A.I.D.-assisted agricultural programs showed a marked increase from \$15 million in 1987 to over \$39 million in 1988. Much of this increase directly reflects increases in farmers' incomes;
- (4) privatize state-owned enterprises. Since A.I.D. assistance in this area started in 1986, 11 major divestitures have been completed. As a result of these privatizations, investment has increased by \$3 million, employment increased by 900, and Honduras' foreign debt has been decreased by \$27 million; and
- (5) strengthen the institutions whose functions are vital to a sustained democratic system of government. This included significant support for Honduras' 1989 presidential election process.

#### Other Donors

A.I.D. continues to work with the GOH to bring about the return of assistance flows from the other major donors, i.e., the World Bank, the IMF and the Government of Japan to support macroeconomic reforms necessary to achieve a stable, growing economy. In focusing our future ESF cash transfer resources on sectoral policy reforms, we will coordinate very closely with the World Bank in its sectoral development program plans.

## FY 1991 Program

For FY 1991 A.I.D. is requesting \$80.0 million in Economic Support Funds, \$36.9 million in Development Assistance, and \$15.6 million in P.L. 480 resources in support of the program outlined below.

The new government's commitment to sounder macroeconomic policies is expected to lead to reactivation of IMF and World Bank support and to attract other important donors. Beginning in FY 1991, it is envisioned that the IMF will assume leadership for stabilization, permitting A.I.D. to focus increasingly its ESF cash transfer assistance on supporting policy reforms in three sectors: (1) agriculture, (2) trade and investment, and (3) finance. Support for agriculture will foster the growth of the sector by arresting the decline in real prices, enhancing the efficient and environmentally sound use of agricultural and forested lands, and improving access to and the functioning of credit, marketing, and other institutional mechanisms. Support for trade and investment will lead to more vigorous and effective participation in the economy by the private sector, increase exports (especially of nontraditional products), and create greater employment opportunities. Assistance to the financial sector will fuel the growth of the economy by rationalizing the operation of the credit system, thereby encouraging savings and making more credit available to efficient private activities.

Several new project activities will be initiated. The Agricultural Development Program will help Honduras to assess, plan, and implement programs which increase investment and production, expand private ownership of land, and strengthen agricultural sector services. The Privatization II project will continue assistance to help reduce the drain on resources caused by state-owned enterprises which perennially operate at a loss. The Investment and Export Promotion project will build upon the lessons and successes of a prior A.I.D. project to increase investments and exports in Honduras.

Assistance for Honduran primary health and education programs will continue, as will support for democracy through assistance to the judiciary, the congress, municipal governments, and the Peace Scholarships program. The \$12.0 million P.L. 480 Title I program will provide critically needed food imports, and through self-help measures, it will support policy reforms to increase agricultural production. The Title II Maternal and Child Health and School Feeding programs will continue to help meet the nutritional needs of especially vulnerable segments of the population.

Mission Director: John A. Sanbrailo



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HONDURAS

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
522-C000	PROGRAM DEVELOPMENT AND SUPPORT											
	EH G	73	C	---	---	---	---	---	26	20	20	19
	FN G	73	C	---	---	6,545	---	309	208	191	159	200
	HE G	73	C	---	---	1,385	---	17	24	26	20	15
	PN G	73	C	---	---	527	---	42	40	34	20	20
	SD G	73	C	---	---	2,445	---	23	445	59	200	240
	PROJECT TOTAL:				---	11,002	---	391	743	330	419	494
522-C168	NATURAL RESOURCES MANAGEMENT											
	FN G	80	87	3,900	3,900	3,900	---	267	---	---	---	---
	FN L	80	87	12,252	12,252	12,252	---	1,690	---	---	---	---
	PROJECT TOTAL:				16,152	16,152	16,152	1,957	---	---	---	---
522-C173	SMALL FARMER TITLING AND SERVICES											
	FN G	82	87	3,125	3,125	3,125	---	340	---	41	---	---
	FN L	82	87	10,000	10,000	10,000	---	2,539	---	1,181	---	---
	PROJECT TOTAL:				13,125	13,125	13,125	2,879	---	1,222	---	---
522-C176	SMALL FARMER COFFEE IMPROVEMENT											
	FN G	81	90	4,750	4,750	4,250	---	752	500	1,030	---	423
	FN L	81	90	16,000	16,000	16,000	---	234	---	675	---	89
	PROJECT TOTAL:				20,750	20,750	20,250	986	500	1,705	---	512
522-C207	EXPORT DEVELOPMENT AND SERVICES											
	ES G	84	89	1,550	1,550	1,550	---	833	---	265	---	19
	FN G	84	89	2,400	2,400	2,400	---	367	---	265	---	164
	FN L	84	89	7,200	7,200	7,200	---	2,313	---	298	---	115
	SD G	84	89	3,550	5,200	3,550	1,650	677	---	2,847	---	---
	SD L	84	89	7,150	7,150	7,150	---	1,629	---	3,184	---	---
	PROJECT TOTAL:				21,850	23,500	21,850	5,819	---	6,859	---	298
522-C209	SMALL FARMER LIVESTOCK											
	FN G	83	86	3,000	3,000	3,000	---	85	---	13	---	---
	FN L	83	86	10,000	10,000	10,000	---	167	---	200	---	---
	PROJECT TOTAL:				13,000	13,000	13,000	252	---	213	---	---
522-C214	RURAL TRAILS/ACCESS ROADS II											
	FN G	85	88	1,315	1,315	1,315	---	130	---	796	---	---
	FN L	85	88	18,685	18,685	18,685	---	5,494	---	3,048	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HONDURAS

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				20,000	20,000	20,000	10,532	---	5,624	---	3,844	---	
522-0216	HEALTH SECTOR II												
	CS G	88	94	30,270	30,770	4,022	---	4,465	2,408	2,300	4,638	3,355	3,913
	HE G	88	94	24,000	20,900	3,809	---	1,540	1,580	3,040	4,124	2,600	1,000
	PN G	88	94	3,030	3,030	1,245	---	1,785	395	---	475	---	300
PROJECT TOTAL:				57,300	54,700	9,076	---	7,790	4,783	5,340	9,237	5,955	5,213
522-0241	SMALL BUSINESS DEVELOPMENT II												
	FN G	88	92	5,000	5,000	3,779	---	100	786	1,121	2,612	---	1,219
	SD G	88	92	10,000	10,000	3,696	---	759	2,644	609	2,114	2,500	1,800
PROJECT TOTAL:				15,000	15,000	7,475	---	859	3,430	1,730	4,726	2,500	3,019
522-0246	FORESTRY DEVELOPMENT												
	FN G	88	93	15,959	15,959	2,131	20	2,000	949	2,000	3,020	3,000	4,200
	FN L	88	93	4,041	4,041	4,041	---	---	161	---	1,050	---	690
PROJECT TOTAL:				20,000	20,000	6,172	20	2,000	1,110	2,000	4,070	3,000	4,890
522-0249	AGRICULTURE RESEARCH FOUNDATION												
	ES G	84	93	2,650	2,650	2,650	2,242	---	394	---	14	---	---
	FN G	84	93	17,350	17,350	12,534	8,946	2,200	1,712	1,000	2,161	1,616	2,200
PROJECT TOTAL:				20,000	20,000	15,184	11,188	2,200	2,106	1,000	2,175	1,616	2,200
522-0252	SMALL FARMER ORGANIZATIONS STRENGTHENING												
	ES G	85	91	4,200	4,200	4,200	94	---	944	---	2,228	---	450
	FN G	85	91	8,800	9,925	3,300	2,081	5,500	1,483	---	2,260	1,125	1,200
	FN L	85	91	3,000	3,000	3,000	2,000	---	1,000	---	---	---	---
PROJECT TOTAL:				16,000	17,125	10,500	4,175	5,500	3,427	---	4,488	1,125	1,650
522-0257	HUMAN RESOURCE DEV COUNCIL (CADERH)-OPG												
	EM G	84	90	6,325	6,325	3,203	2,051	1,500	769	1,622	1,468	---	605
PROJECT TOTAL:				6,325	6,325	3,203	2,051	1,500	769	1,622	1,468	---	605
522-0266	FOPRIDEH INSTITUTIONAL STRENGTHENING												
	SD G	85	86	500	500	500	341	---	99	---	60	---	---
PROJECT TOTAL:				500	500	500	341	---	99	---	60	---	---
522-0268	IRRIGATION DEVELOP												
	ES G	86	92	6,000	6,000	6,000	188	---	2,326	---	1,658	---	1,050

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HONDURAS

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHD	PROJECT- PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES
	FN G	86	92	12,500	12,500	2,000	828	2,090	1,265	2,500	1,140	3,000	1,500
	FN L	86	92	4,000	4,000	4,000	348	---	1,363	---	2,187	---	102
	PROJECT TOTAL:			22,500	22,500	12,000	1,364	2,090	4,954	2,500	4,985	3,000	2,652
522-C269	STRATEGIC PLANNING AND TECHNICAL SUPPORT												
	FN G	85	86	2,500	2,500	2,500	945	---	349	---	346	---	300
	SD G	85	86	1,500	1,500	1,500	699	---	39	---	192	---	176
	PROJECT TOTAL:			4,000	4,000	4,000	1,644	---	388	---	538	---	476
522-C273	PRIMARY EDUCATION EFFICIENCY												
	EM G	86	92	21,316	21,316	9,211	3,340	4,000	3,952	3,480	2,935	---	2,860
	EM L	86	92	3,534	3,534	3,534	626	---	465	---	476	---	490
	ES G	86	92	2,650	2,650	2,650	847	---	854	---	450	---	499
	PROJECT TOTAL:			27,500	27,500	15,395	4,813	4,000	5,271	3,480	3,861	---	3,849
171 522-C286	PRIVATE SECTOR POPULATION PROGRAM												
	PN G	85	88	9,810	9,810	9,810	6,901	---	2,644	---	---	---	---
	PROJECT TOTAL:			9,810	9,810	9,810	6,901	---	2,644	---	---	---	---
522-C289	PRIVATIZATION OF STATE-OWNED ENTERPRISES												
	ES G	86	87	1,900	1,900	1,900	247	---	1,254	---	297	---	16
	SD G	86	87	2,100	2,100	2,100	1,415	---	455	---	146	---	84
	PROJECT TOTAL:			4,000	4,000	4,000	1,662	---	1,709	---	443	---	100
522-C292	LAND USE PRODUCTIVITY ENHANCEMENT												
	FN G	89	95	36,000	36,000	---	---	4,000	132	3,420	3,300	4,000	3,900
	PROJECT TOTAL:			36,000	36,000	---	---	4,000	132	3,420	3,300	4,000	3,900
522-C296	STRENGTHENING DEMOCRATIC INSTITUTIONS												
	ES G	87	90	14,300	14,300	3,930	1,032	5,370	3,319	5,000	5,617	---	2,670
	SD G	87	90	1,700	1,700	1,700	1,265	---	319	---	116	---	---
	PROJECT TOTAL:			16,000	16,000	5,630	2,297	5,370	3,638	5,000	5,733	---	2,670
522-C312	*INVESTMENT AND EXPORT PROMOTION												
	FN G	91	96	---	6,000	---	---	---	---	---	---	1,500	500
	SD G	91	96	---	14,000	---	---	---	---	---	---	1,500	1,500
	PROJECT TOTAL:			---	20,000	---	---	---	---	---	---	3,000	2,000
522-C324	SHELTER SECTOR PROGRAM												

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HONDURAS

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 85 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
	SD G	87	94	1,500	4,000	1,600	132	---	442	---	648	500	379
		PROJECT TOTAL:			1,500	4,000	1,600	132	---	442	---	648	379
522-C325	POLICY ANALYSIS & IMPLEMENTATION												
	ES G	87	92	7,000	10,000	6,000	51	1,000	944	---	1,164	3,000	1,500
	FN G	87	92	1,000	6,000	1,000	141	---	151	3,000	780	---	1,200
	SD G	87	92	4,000	4,000	1,000	173	3,000	876	---	980	---	1,050
		PROJECT TOTAL:			12,000	20,000	8,000	365	4,000	1,971	3,000	2,924	3,750
522-C329	HONDURAS PEACE SCHOLARSHIPS												
	EH G	87	90	946	946	946	591	---	322	---	33	---	---
	ES G	87	90	27,550	19,691	8,261	1,383	7,630	4,710	3,800	5,485	---	3,385
	FN G	87	90	1,010	1,010	1,010	329	---	652	---	29	---	---
	PN G	87	90	183	183	183	69	---	77	---	27	---	10
		PROJECT TOTAL:			29,689	21,830	10,400	2,372	7,630	5,761	3,800	5,574	3,395
522-C331	ECONOMIC SUPPORT PROGRAM												
	ES G	87	87	20,000	20,000	20,000	---	---	5,000	---	15,000	---	---
		PROJECT TOTAL:			20,000	20,000	20,000	---	5,000	---	15,000	---	---
522-C334	RURAL TRAILS AND ACCESS ROADS III												
	FN G	90	95	---	20,000	---	---	---	---	2,500	975	3,000	4,041
		PROJECT TOTAL:			20,000	---	---	---	---	2,500	975	3,000	4,041
522-C336	*AGRICULTURAL DEVELOPMENT PROGRAMS												
	FN G	91	95	---	11,000	---	---	---	---	---	---	2,000	250
		PROJECT TOTAL:			11,000	---	---	---	---	---	---	2,000	250
522-C338	ASSIST TO THE CONTROLLER GEN OF THE REP												
	EH G	83	83	495	495	495	---	---	60	---	301	---	---
		PROJECT TOTAL:			495	495	495	---	60	---	301	---	---
522-C340	MUNICIPAL DEVELOPMENT												
	FN G	90	96	---	5,000	---	---	---	---	500	---	1,308	---
	SD G	90	96	---	5,000	---	---	---	---	500	495	1,500	1,200
		PROJECT TOTAL:			10,000	---	---	---	---	1,000	495	2,808	1,200
522-C358	ECONOMIC STABILIZATION AND RECOVERY III												
	ES G	90	90	---	120,000	---	---	---	---	120,000	120,000	---	---

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C Level of effort activity.

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For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HONDURAS

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES		
PROJECT TOTAL:					---	120,000	---	---	---	120,000	120,000	---	---	
522-0361	SD G	89	90	INT'L EXECUTIVE SERVICE CORPS-OPG 950 950	---	---	450	125	500	550	---	275		
PROJECT TOTAL:					950	950	---	---	450	125	500	550	---	275
522-0362	FN G	89	89	INTEGRATED PEST MGT 750 750	---	---	750	605	---	145	---	---		
PROJECT TOTAL:					750	750	---	---	750	605	---	145	---	---
522-0363	SD G	89	90	CHAMBER OF COMMERCE - CORTES(OPG) 675 675	---	---	300	107	375	240	---	220		
PROJECT TOTAL:					675	675	---	---	300	107	375	240	---	220
173 522-0364	ES G	90	94	HONDURAS PEACE SCHOLARSHIPS II --- 15,000	---	---	---	---	1,217	750	2,000	1,750		
PROJECT TOTAL:					---	15,000	---	---	1,217	750	2,000	1,750		
522-0365	ES G	91	94	*STRUCTURAL ADJUSTMENT PROGRAM --- 200,000	---	---	---	---	---	---	75,000	50,000		
PROJECT TOTAL:					---	200,000	---	---	---	---	75,000	50,000		
522-0367	SD G	91	95	*PRIVATIZATION PHASE II --- 6,000	---	---	---	---	---	---	800	100		
PROJECT TOTAL:					---	6,000	---	---	---	---	800	100		
522-0369	PN G	89	94	PRIVATE SECTOR POP PROGRAM II 16,000 16,000	---	---	1,131	446	4,660	3,030	3,210	3,300		
PROJECT TOTAL:					16,000	16,000	---	---	1,131	446	4,660	3,030	3,210	3,300
522-0998	ES G	89	89	C A ENERGY CONSERVATION 1,000 1,000	---	---	1,000	---	---	1,000	---	---		
PROJECT TOTAL:					1,000	1,000	---	---	1,000	---	---	---		

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: HONDURAS

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES		
COUNTRY TOTALS:					442,971	847,687	258,819	123,859	52,716	66,885	164,387	210,889	116,933	103,188
GRANTS:					347,109	751,825	162,957	62,923	52,716	49,830	164,387	198,590	116,933	101,702
LOANS:					95,862	95,862	95,862	60,936	---	17,055	---	12,299	---	1,486

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

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PROGRAM: HONDURAS

PLANNED PROGRAM SUMMARY SHEET

Title Investment and Export Promotion		Funding Source DA	AG, RD & N 1,500	Health	PROPOSED OBLIGATION <i>(In thousands of dollars)</i>		
Number 522-0312		<input checked="" type="checkbox"/> NEW	ED. & HR	Sol. Act.	FY 91 3,000	Life of Project Funding 20,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING		Population		1,500	Initial Obligation FY 91	Estimated Final Obligation FY 96	Estimated Completion Date of Project FY 97

Purpose: Assist Honduras to increase investment in diversified export production and improve the efficiency of the sector, thereby increasing sustainable nontraditional export earnings and related employment.

Project Description: The project builds upon the lessons and successes of a prior A.I.D. project (522-0207) in Honduras. The project will continue to change and stimulate an economy, which had been principally based on import substitution and dependence upon a few export crops, towards a more diversified export led economy. The Foundation for the Development of Exports and Investment (FIDE) will expand its investment promotion network to attract new investment in apparel, agro-processing, furniture, etc., and assist local exporters to improve their efficiency and market responsiveness. The Honduran Federation of Agricultural Exporters (FPX) will work to expand nontraditional agricultural production in specific areas of greatest potential, and promote the sale of Honduran products overseas. The Ministry of Economy (MOE) will help resolve policy issues affecting the export sector, promote new export production and support the one stop export documentation center (CENTREX). The Honduran Bankers and Insurers Association (AHIBA) and the Central Bank of Honduras (CBH) will provide bank training and improve bank supervision to facilitate the growth of domestic capital required for export growth.

Sustainability: Of the interventions described above, investment and export promotion will be permanent activities which will require permanent support to continue after the life of this project. While export promotion activities should generate user fees, investment promotion will, in all likelihood, not operate on a cost recovery basis. In most countries, investment promotion is usually funded under the auspices of the government. The project will explore means to secure this funding.

Relationship to A.I.D. Country Strategy: The project supports private sector efforts to contribute to the Central America Initiative's goals of structural reforms and sustained economic growth. It is key to A.I.D.'s export promotion and employment objectives.

Host Country and Other Donor Participation: The project builds on the GOH's investment and development and diversification plans. The host country contribution will finance local technical assistance and increase non-traditional export credit lines. The project complements the United Nation's International Trade Commission's (ITC) export promotion programs and the export development programs of the Interamerican Development Bank.

Beneficiaries: Export promotion and assistance to apparel and agro-processing sectors should provide substantial opportunities for new employment for women and semi-skilled labor. Approximately 22,500 new jobs will be created.

<u>Major Outputs:</u>	All Years
Increase in export earnings	\$200,000,000
Export-oriented investment	\$50,000,000
Jobs Created	22,500
Companies shifting to export markets	50
Viable Investment and Export Institutions	2

<u>A.I.D. Financed Inputs:</u>	LOP
	(\$000)
Training	2,400
Commodities	2,600
Technical Assistance	4,500
Credit	10,000
Evaluations/Audits	500
Total	20,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, 1989				To be determined
Estimated Fiscal Year 1990				
Estimated Through September 30, 1990				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	3,000	17,000	20,000	

Title AGRICULTURAL DEVELOPMENT PROGRAM		Funding Source DA	AG, RD & N 2,000	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 522-0336		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 1991 2,000	Life of Project Funding 11,000
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				Initial Obligation FY 1991	Estimated Final Obligation FY 1995
							Estimated Completion Date of Project FY 1996

**Purpose:** To improve Honduran capability in the analysis and implementation of technical programs, including those initiated as a result of reform of sectoral and macroeconomic policies.

**Project Description:** The project will carry out investment, marketing and targeted food assistance programs. Short and long-term technical assistance and limited commodities (such as computers and vehicles) will be provided to institutions charged with administering technical programs and expected policy reforms. Particular emphasis will be placed on providing long-term technical assistance: to the Honduran Coffee Institute for its export promotion, diversification, quality control, and producer services programs (such as research and feeder roads); to the National Agrarian Institute, Cadaster and Registry agencies for land titling and transfer programs; to the Honduran Marketing Institute for food security planning, development of a commodity exchange, and privatization of state storage facilities. Short-term technical assistance and training resources will be channeled to improve the administration and management of agricultural credit, land financing and taxation, agricultural extension and other programs.

**Sustainability:** The technical assistance and training provided under this project will enable Honduran agricultural sector agencies to improve their orientation toward increasing rural investment and the market responsiveness of private sector agricultural producers. The technical programs will reduce expenditures and the development of user supported, sustainable implementation mechanisms.

**Relationship to A.I.D. Country Strategy:** The project is consistent with the Central America Initiative goals of structural reform for rapid and sustained economic growth and broader sharing in the benefits of that growth, as well as the objectives of increasing agricultural production and exports.

Improving producer oriented services, and the access to factor, input and output markets are all components of the sector and country development strategies. The project will complement the policy reforms formulated and supported under the Policy Analysis and Implementation Project (522-0325) and the Structural Adjustment Program (522-0365).

**Host Country and Other Donors:** Honduran and donor institutions are committed to the reactivation of the national economy and the rural economy in particular. The World Bank is providing short and long-term technical assistance to Honduran agricultural institutions for the purpose of formulating strategies for greater program efficiency. The Inter-American Development Bank, the Inter-American Institute for Cooperation in Agriculture, and the Government of Canada all are supporting improvements in agricultural sector program planning and implementation.

**Beneficiaries:** The principal beneficiaries of this project will be rural Hondurans engaged in the agricultural production, processing and marketing chain. Other beneficiaries will be the extremely poor urban population. An estimated 100,000 beneficiaries will be assisted over the life of the project.

**Major Outputs:**

- Improved agricultural sector services;
- Increased agricultural investment and production;
- Expanded private land ownership;
- Privatized government agricultural enterprises

**A.I.D.-Financed Inputs:**

	LOP (\$000)
Technical Assistance	5,000
Training	3,500
Commodities	2,500
<b>Total</b>	<b>11,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	2,000	9,000	11,000	



PROGRAM: HONDURAS

PLANNED PROGRAM SUMMARY SHEET

Title STRUCTURAL ADJUSTMENT PROGRAM		Funding Source ESF 75,000	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 522-0365		Population	ED. & HR	Sel. Act.	FY 1991 75,000	Life of Project Funding 200,000	
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	<input checked="" type="checkbox"/> NEW				Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 1991	FY 1994	FY 1994

Purpose: To support substantive Honduran policy initiatives or reforms in sectors offering ample potential for increased productivity, exports, and employment.

Project Description: The Structural Adjustment Program (SAP) will support policy reforms in three sectors: (1) agriculture and rural development; (2) trade and investment; and (3) finance as stabilization goals are achieved. Through improving the performance of these sectors, the SAP will foster increased investment, employment, production, exports, and economic growth. The agricultural component will support better pricing, land use, credit, marketing, and institutional policies with the objective of raising the sectoral growth rate. By supporting lowering effective protection, by making protection more uniform across sectors, and by supporting privatization, the trade and investment component will improve productive efficiency and encourage private investment. The financial component will channel more credit to efficient private activities through rationalizing and scaling down public sector operations and through fostering more efficient resource mobilization and credit allocation according to market principles.

Sustainability: This dollar cash transfer will stimulate long-term improvements in the institutional and financial capacity of the Government of Honduras to plan and execute policy initiatives or reforms in order to increase productivity, exports, and employment. The associated reforms will accelerate the attainment of growth that can be sustained independently of external concessionary assistance.

Relationship to A.I.D. Country Strategy: The project is a critical element of A.I.D.'s strategy to support increased production, employment, and export earnings thus advancing the Central America Initiative's goal of structural reform for rapid and sustained economic growth.

Host Country and Other Donors: Honduran authorities have indicated an understanding of and commitment to rationalizing the structural policies inhibiting increased productivity, exports, and employment. This activity will directly support their initiatives in this area. The design and implementation of the SAP will be coordinated with programs supported by International Monetary Fund, World Bank, Interamerican Development Bank, Japan and other multilateral and bilateral donors.

Beneficiaries: Project beneficiaries will be widespread as the SAP will serve to expand the economy, and increase incomes and the availability of goods throughout Honduras. The project will initially benefit those who work in the agricultural and export sectors.

Major Outputs:

- Average annual growth rate of GDP of at least 4 percent.
- Average annual growth rate of agricultural GDP of at least 3.5 percent.
- Average annual growth rate of nontraditional exports of at least 10 percent.

A.I.D. Financed Inputs:

Cash grant: \$200,000,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	75,000	125,000	200,000	

PLANNED PROGRAM SUMMARY SHEET

Title PRIVATIZATION II		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)			
Number 522-0367		<input checked="" type="checkbox"/> NEW <input type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING	Population	ED. & HR	Sel. Act. 800	FY 1991 800	Life of Project Funding 6,000	
						Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
						FY 1991	FY 1995	FY 1996

**Purpose:** To continue supporting Honduran initiatives to broaden privatization of state-owned enterprises.

**Project Description:** This project will build upon the lessons learned and successes of the Privatization of State-Owned Enterprises Project (522-0289). It will continue this process and streamline procedures for privatizations and debt swaps that were established under that pilot project. The project will provide technical assistance to Honduras to privatize selected companies and other parastatal organizations or state controlled monopolies. In accordance with political consideration surrounding each enterprise, some companies will be divested, and management of others shifted to management contracts, leasing or private contracts. The project will also work with the Government to limit the growth of new state-owned enterprises. By shifting activities that can be performed more efficiently by the private sector away from the public sector, and discouraging the growth of the state-owned enterprise sector the project will encourage economic growth and employment generation and help decrease the drain of these enterprises on the public sector budget.

**Sustainability:** The project will support an activity that is finite i.e., the privatization of companies or services. Thus, the project itself does not have to leave an institution in place that is self-sustaining and instead will focus on carrying out privatization as effectively and efficiently as possible.

**Relationship to A.I.D. Country Strategy:** The proposed project supports the Mission's efforts to privatize government owned industry and services thus advancing the Central America Initiative's goal of basic structural reforms for rapid and sustained economic growth. It also will provide a vehicle for decreasing the budget deficit and increasing employment.

**Host Country and Other Donor Participation:** This project is consistent with the GOH's priorities and development plans. It is expected that the Host Country will provide \$10 million in local currency equivalent to support the project. These funds will finance locally available technical assistance, legal services and a fund established to make severance payments to workers whose companies have been privatized. To date, no other major donors are involved in privatization efforts.

**Beneficiaries:** Immediate project beneficiaries will be those workers who obtain jobs due to increased production from companies that have been turned over to the private sector and existing workers who might have lost their job had the companies not been made private. The economy in general also will benefit from a substantial reduction in the foreign debt with commercial banks and companies that are better managed and have sustained growth.

Projected Major Outputs:	All Years
Net reduction foreign debt (\$million)	100
Overall production increase (\$millions)	80
New Foreign Exchange Generation (\$millions)	50
Number of divestitures	25
Number of leases	5
Management contracts	10
Direct employment generation (person-years)	2,500
A.I.D. financed inputs	LOP (\$000)
Technical Assistance	4,800
Commodities	600
Training	600
TOTAL	6,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				To be determined.
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	800	5,200	6,000	



JAMAICA

Total U.S. Aid \$ 1,080 Million (1956-88)  
 Ratio of U.S. Aid To Total ODA 56.8% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 50.73 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 960  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) -1.5%  
 Government Budgetary Expenditures as a % of GNP...(1986) 41.4%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1980) 1,191 (1981) 1,343 (1982) 1,467  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1980) -415 (1981) -405 (1982) -501

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 3.3 Months of Imports (1987)  
 External Public Debt as % of GNP...(1987) 139%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 437  
 As % of Total Export Earnings..... (1987) 26.6%

POPULATION

Total Population...(Thousands, Mid 1989) 2,485  
 Population Growth Rate...(1970) 1.3% (1978) 1.0% (1990) 1.1%  
 Population (1989) By Age Group:  
 (0-14yrs) 35.5% (15-64yrs) 57.8% (65+ yrs) 6.7%  
 Married Women Aged 15-44 yrs. Using Contraception...(1983) 51.4%  
 Total Fertility Rate...(1970) 5.3 (1989) 3.1

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %  
 % of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %  
 Percentage of Total Adult Population Employed Full Time  
 ( . ) . %  
 Proportion of Labor Force in Agriculture...(1980) 31%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) -207(86) 53(87) 8  
 Total Imports(\$ Millions, US) (1985) 1,380(86) 1,278(87) 1,563  
 Of Which % From U.S. ....(1987) 64%  
 Major Imports(1987)PETROLEUM;MACHINERY;FOOD  
 Total Exports(\$ Millions, US) (1985) 1,173(86) 1,332(87) 1,571  
 Of Which % to U.S. ....(1987) 48%  
 Major Exports(1987)BAUXITE;ALUMINA;SUGAR  
 Trading Partners: UNITED STATES; UNITED KINGDOM; CANADA

AGRICULTURE

Agricultural Production as % of GDP...(1987) 6%  
 Self-sufficiency Ratio  
 Food: 77% (1985)  
 Agriculture: 69% (1985)  
 Ag. Exports:(1987)Sugar; Fruit & vegs; Tobacco  
 Ag. Imports:(1987) Meat products; Dairy products; Oilcrops & prod

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2555  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 76.5 Male 74.6 Female 78.3  
 (1970) Total 66.5 Male 64.8 Female 68.3  
 Infant Deaths in First Yr of Life per 1000 Live Births (1989) 17  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 96% (1988) Measles 68% (1988)  
 Diphtheria(DPT3) 82% (1988) Polio(3) 83% (1988)

Population with Reasonable Access to Safe Water Supply

(1983) 73%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1982) Total 104.7 Male 100.2 Female 101.3  
 Secondary (1982) Total 88.1 Male . Female .  
 Post Secondary (1980) Total 4.7 Male . Female .  
 Adult Literacy Rate (1981) Male 67% (1981) Female 78%

JAMAICA

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	51,620 <u>1/</u>	14,011	15,642
Loan	-	-	-
Grant	51,620	14,011	15,642
Economic Support Fund	25,000	4,978	17,000
Loan	-	-	-
Grant	25,000	4,978	17,000
Other <sup>a</sup>			
TOTALS	76,620	18,989	32,642
P.L. 480 **	43,527	34,185	33,600
Title I	37,300	30,000	30,000
Title II	6,227	4,185	3,600
TOTALS	120,147	53,174	66,242

1/Includes 1,320 in reobligations of prior year funds.

\*\*See Main Volume P.L. 480 Table for program breakout and emergency assistance.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	24	24	25.8*
Foreign National	14	17	17
TOTALS	38	41	42.8

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\*Includes 3 HIG, 1 IDI and 1 parttime.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	12	93	105	5	44	49	5	47	52
Regional <sup>e</sup>	77	8	85	108	110	218	85	110	195
Third Country Participants									
Bilateral <sup>d</sup>	0	5	5	0	0	0	0	0	0
Regional <sup>e</sup>	0	0	0	0	0	0	0	0	0
TOTALS	89	106	195	113	154	267	90	157	247

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY. <sup>c</sup>Technical: non-degree seeking.

<sup>b</sup>Academic: degree seeking. <sup>d</sup>Participants funded under bilateral programs.

<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

Introduction

Independent since 1962, Jamaica is a vibrant parliamentary democracy and is a member of the British Commonwealth. The United States has a strong interest in the economic health and political well being of Jamaica based on geographic proximity, significant trade and investment relationships, shared regional security concerns, and a common commitment to democracy. The Government of Jamaica (GOJ) has fostered broad-based economic development, and policy reforms in recent years have provided the basis for a market-oriented economy with emphasis on exports.

The United States is a major trading partner of Jamaica. Nearly two-thirds of the island's imports come from the United States and almost half of its exports go to U.S. markets. The GOJ supports efforts to eliminate illicit drug trafficking and to curb domestic marijuana production. These actions are in line with U.S. concerns and are important to Jamaica's development.

Policy reforms in the areas of taxation, exchange rates and private sector activities led to gross domestic product (GDP) annual growth rates averaging near 4% in the late 1980s. However, in September 1988, the devastating effects of Hurricane Gilbert curtailed growth and Jamaica's fiscal deficit as a percentage of GDP increased from 5.4% in 1987-1988 to over 13% in 1988-1989. Expansion of money aggregates has continued, and although monetary policy has tightened, interest rates have risen sharply. Inflation for 1989 is expected to exceed 10%.

The main constraint to an improved fiscal and monetary situation is Jamaica's \$4 billion external debt. Even after rescheduling, debt payments require over 40% of the value of exports.

Jamaica's economic outlook, although fragile, remains bright. Exports of non-traditional products, in addition to bauxite and alumina, are expected to continue to grow. Tourism, an important source of foreign exchange, is rebounding from hurricane damage, and rapid progress is evident in the recovery of the agricultural sector. A devaluation of the Jamaican dollar, in tandem with other stabilization measures currently under way, will further Jamaica's socio-economic development efforts.

A.I.D. Development Strategy and Accomplishments to Date

The overall thrust of the A.I.D. strategy is to help Jamaica build on its successful economic stabilization efforts in order to put the economy back on a path of sustained, balanced growth. To do this, the program emphasizes increased productivity, export promotion, expansion of foreign and domestic investment, development of the tourist industry, agricultural production, and structural reforms necessary for broad-based growth. To help the GOJ develop human capacity, A.I.D. sponsors programs in primary education, skills training, basic health services, family planning, drug education, and low-cost housing. A.I.D. assistance for hurricane relief and reconstruction will be completed in FY 1990.

Policy dialogue associated with A.I.D. balance of payments and project support has focused on tax reform, the broadening of capital markets, and

privatization. Results have been impressive. For example, A.I.D. assistance helped the GOJ develop a rational general consumption tax policy which is expected to be implemented in 1990. Divestment of nine government-owned hotels led to increased investments in the tourism sector. Poorly targetted food subsidies have been reduced.

In the agriculture sector, A.I.D.'s strategy focuses on increasing productivity in order to increase production of crops for domestic consumption and exports. Assistance to small farmers seeks to raise incomes of one of the poorest segments of Jamaican society and to preserve fragile watersheds through increased planting and better management of perennial tree crops. A.I.D. is also providing assistance to protect and preserve natural resources through the development of a national park system in Jamaica. Examples of the impact of A.I.D. assistance in the agricultural sector include some 2,000 small farmers who are being served by an irrigation system rehabilitated with A.I.D. resources, and over 800 farmers who are using improved cultivation practices. In addition, over 100 miles of rural roads have been rehabilitated, and thousands of jobs have been created directly and indirectly through A.I.D.-sponsored projects.

A.I.D.'s private sector strategy is designed to increase exports, diversify businesses, and divest state-owned enterprises, particularly in the tourism, export-feeder industries and financial markets sectors. Assistance to micro-enterprises focuses on employment creation and their expansion into formal enterprises. Since 1986, over 2,500 small enterprises have received credit under A.I.D.-financed programs. Also, the A.I.D.-assisted GOJ Economic Development Agency has promoted 117 projects totalling over \$150 million in investments.

In health, A.I.D. assists the GOJ in improving the financing of the health care system and developing a system to track and control acquired immune deficiency syndrome (AIDS) and other sexually transmitted diseases. A.I.D. also supports the divestment of hospital support services, privatized management arrangements, the introduction of hospital user fees, and improved pharmaceutical procurement and utilization in order to use scarce public sector resources more effectively. In addition, A.I.D. sponsors population and family planning activities to improve access to and quality of voluntary family planning services.

In the education sector, A.I.D. seeks to provide skills training and improve the quality of primary and management education. A.I.D. assists the GOJ in policy analysis to optimize the allocation of scarce capital resources and has been instrumental in assisting community groups participate in improving the educational facilities at the local level. With A.I.D. assistance, over 300,000 primary school students and teachers have received textbooks and teaching materials, 108 teachers have been trained, and 150 classrooms have been built or refurbished. A.I.D. also finances drug abuse prevention activities to assist community groups increase the awareness of the dangers of drug abuse among Jamaican youth and to expand the information base on the abuse of illicit drugs.

A.I.D.'s Housing Guaranty sector lending programs seek to develop a self-sustaining system for shelter and related services delivery for low-income groups. In recent years, A.I.D.-assisted housing programs have benefited over 19,700 Jamaicans.

To strengthen democratic institutions, A.I.D. has focused on the improvement of the human and physical resources of the judicial system. Over 15 courthouses have been renovated, and nearly 400 judges, prosecutors and other court personnel have been trained.

#### Other Donors

A.I.D. is the largest bilateral donor of economic assistance to Jamaica. The International Monetary Fund and the World Bank are the largest multilateral donors and provide significant balance of payments and infrastructure improvement assistance. A.I.D. coordinates closely with representatives of these organizations in pursuing its policy dialogue agenda. The Federal Republic of Germany and the Canadian International Development Agency have assisted in developing the small and micro-enterprise sector, primarily through the provision of credit to A.I.D.-created organizations.

#### FY 1991 Program

A.I.D. is proposing \$15.6 million in development assistance (DA), \$17.0 million in Economic Support Funds (ESF), \$33.6 million in P.L. 480 Title I and II food assistance. The ESF program will support macroeconomic policy reforms, including those required to ensure stabilization, reduced fiscal deficits, less distorting tax systems and an improved environment for private sector activity.

P.L. 480 Title I assistance will assure a supply of essential food commodities at stable prices. It complements the ESF program by reducing pressures on Jamaica's scarce foreign exchange resources while encouraging policy reforms through appropriate self-help measures. The P.L. 480 Title II program will continue to be carried out through the Jamaican Agricultural Development Foundation. The proceeds which the program generates are used to improve the food situation in Jamaica through grants, loans and related assistance to the private sector.

A.I.D.'s DA program will include a new initiative to improve the allocation of land resources. The program also will promote the efficient use of water resources and support increased agricultural research and improved pre- and post-harvest export services. In health and family planning, A.I.D. proposes a Population and Family Planning Services II project to focus on sustainability of family planning programs. In the education sector, A.I.D. will support primary education assistance and improvement of selected secondary level institutions which provide skills training and in-plant training programs. To continue stimulating private sector expansion in the inner city, A.I.D. proposes the Inner Kingston II project in FY 1991, the design of which builds upon evaluations of the predecessor project. The Central America Scholarship Program II will continue to target special groups such as low-income skilled workers, women, rural youth with leadership potential, and managers for participant training.

Mission Director: William R. Joslin



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTMD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
532-C000		PROGRAM DEVELOPMENT AND SUPPORT											
	EH G	55	85	3,101	3,094	3,094	---	57	---	2	---	---	
	FN G	55	85	1,598	1,493	1,493	---	207	---	---	---	---	
				PROJECT TOTAL:	4,699	4,587	4,587	264	---	2	---	---	
532-C029		SPECIAL DEVELOPMENT ACTIVITIES											
	SD G	66	C	---	---	1,540	1,354	140	61	140	140	200	
				PROJECT TOTAL:	---	---	1,540	1,354	140	61	140	200	
532-C060		AGRICULTURAL MARKETING											
	FN G	81	88	2,847	2,700	2,700	---	61	---	1,000	---	1,000	
	FN L	81	88	13,800	13,800	13,800	---	9,767	---	1,436	---	597	
				PROJECT TOTAL:	22,647	16,500	16,500	9,828	---	1,511	---	2,500	
532-C064		HEALTH MANAGEMENT IMPROVEMENT											
	HE G	81	86	3,017	3,017	3,017	---	559	---	792	---	1,666	
	HE L	31	86	2,554	2,554	2,554	---	6,561	---	994	---	700	
				PROJECT TOTAL:	11,571	11,571	11,571	7,120	---	1,786	---	2,366	
532-C065		ENERGY SECTOR ASSISTANCE											
	SD G	81	85	300	261	---	---	---	---	---	---	---	
	SD L	81	85	2,400	2,400	2,400	---	6,254	---	2,041	---	---	
				PROJECT TOTAL:	2,700	2,661	2,400	6,254	---	2,041	---	---	
532-C067		LOW-COST SHELTER DEVELOPMENT											
	HE G	82	89	50	50	---	---	---	---	12	---	---	
	SD G	82	89	2,531	2,531	2,131	1,590	400	404	---	340	197	
				PROJECT TOTAL:	2,581	2,581	2,131	1,590	400	404	---	352	
532-C069		POPULATION & FAMILY PLANNING SERVICES											
	PN G	82	91	10,711	10,710	9,008	6,159	403	1,701	630	1,500	447	
				PROJECT TOTAL:	10,711	10,710	9,008	6,159	403	1,701	630	1,500	
532-C079		TECHNICAL CONSULTATIONS AND TRAINING											
	ES G	79	89	14,720	15,720	14,720	12,613	1,000	1,047	---	1,500	560	
	SD G	79	89	14,500	9,500	8,500	6,467	1,000	1,216	---	1,500	317	
				PROJECT TOTAL:	29,220	25,220	23,220	19,080	2,000	2,263	---	3,000	
532-C082		AGRICULTURAL EDUCATION											

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC	PROJECT-PLANNED	-THROUGH FY 88 OBLIGA-TIONS	EXPEN-DITURES	-ACTUAL FY 89 OBLIGA-TIONS	EXPEN-DITURES	-ESTIMATED FY 90 OBLIGA-TIONS	EXPEN-DITURES	-PROPOSED FY 91 OBLIGA-TIONS	EXPEN-DITURES
	FN G	84	90	3,560	3,560	3,000	1,551	---	461	560	788	---	760
	FN L	84	90	6,500	6,500	6,500	1,009	---	1,120	---	2,000	---	1,000
		PROJECT TOTAL:		10,060	10,060	9,500	2,560	---	1,581	560	2,788	---	1,760
532-C033		BASIC SKILLS TRAINING											
	EH G	83	90	4,900	4,850	3,950	3,109	400	83	500	1,000	---	658
	EH L	83	90	8,500	8,500	8,500	4,052	---	2,224	---	1,800	---	424
		PROJECT TOTAL:		13,400	13,350	12,450	7,161	400	2,307	500	2,800	---	1,082
532-C035		VOLUNTARY SECTOR DEVELOPMENT											
	EH G	83	88	2,021	2,021	2,022	1,790	---	232	---	---	---	---
	FN G	83	88	775	775	---	---	---	---	---	---	---	---
	HE G	83	88	774	774	---	---	---	---	---	---	---	---
	PL G	83	88	100	100	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		3,670	3,670	2,022	1,790	---	232	---	---	---	---
532-C091		PRIVATE DEVELOPMENT BANK											
	FN L	84	88	3,500	3,500	3,500	1,945	---	---	---	750	---	---
	SD G	84	88	1,100	800	800	739	---	41	---	20	---	---
	SD L	84	88	17,500	10,000	10,000	4,762	---	2,771	---	2,467	---	---
		PROJECT TOTAL:		22,100	14,300	14,300	7,446	---	2,812	---	3,237	---	---
532-C095		BOARD OF REVENUE ASSISTANCE											
	EH G	83	89	3,000	1,535	1,535	910	---	350	---	275	---	---
	EH L	83	89	4,522	4,522	---	---	---	---	---	---	---	---
	ES G	83	89	1,100	1,100	---	---	1,100	---	---	550	---	550
	SD G	83	89	3,000	1,965	1,965	1,179	---	738	---	48	---	---
		PROJECT TOTAL:		11,622	9,122	3,500	2,089	1,100	1,088	---	873	---	550
532-C097		SMALL FARM PRODUCTION AND MARKETING (CPG)											
	FN G	83	85	1,060	1,060	1,060	730	---	272	---	58	---	---
		PROJECT TOTAL:		1,060	1,060	1,060	730	---	272	---	58	---	---
532-C101		HILLSIDE AGRICULTURE											
	FN G	87	93	10,000	10,000	2,200	173	800	778	1,250	800	1,042	1,000
		PROJECT TOTAL:		10,000	10,000	2,200	173	800	778	1,250	800	1,042	1,000
532-C105		JADF TECHNICAL SUPPORT AND INVESTMENT											
	FN G	85	85	1,000	1,000	1,000	768	---	232	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
PROJECT TOTAL:				1,000	1,000	1,000	768	---	232	---	---	---
532-C107		AGRICULTURAL COOPERATIVE DEVEL.										
	FN G	84	85	500	500	323	323	---	---	---	---	---
PROJECT TOTAL:				500	500	323	323	---	---	---	---	---
532-C108		NATL DEV FOUNDATION EXPANSION CPG										
	FN G	84	88	200	300	300	146	---	86	---	68	---
	SD G	84	83	670	570	---	---	---	---	19	---	---
PROJECT TOTAL:				370	870	300	146	---	86	---	87	---
532-C113		HILLSIDE ASSESMENT										
	FN G	85	85	600	600	600	375	---	43	---	80	---
PROJECT TOTAL:				600	600	600	375	---	43	---	80	---
532-C117		URBAN SECTOR TECHNICAL ASSISTANCE										
	SD G	85	85	900	900	900	426	---	262	---	176	---
PROJECT TOTAL:				900	900	900	426	---	262	---	176	---
532-C120		INNER KINGSTON IMPROVEMENT										
	SD G	86	90	10,000	10,000	7,231	4,346	2,251	1,276	518	2,300	---
	SD L	86	90	5,000	5,000	5,000	381	---	676	---	1,500	---
PROJECT TOTAL:				15,000	15,000	12,231	4,727	2,251	1,952	518	3,800	---
532-C122		PRIVATE SECTOR PRGM OF FAMILY PLAN- OPG										
	PN G	85	87	448	448	448	264	---	99	---	84	---
PROJECT TOTAL:				448	448	448	264	---	99	---	84	---
532-C123		CROP DIVERSIFICATION										
	FN G	85	91	10,645	11,406	9,051	4,546	855	1,453	1,000	1,700	500
	FN L	85	91	7,355	3,095	8,095	5,389	---	2,117	---	589	---
PROJECT TOTAL:				18,000	19,501	17,146	9,935	855	3,570	1,000	2,289	500
532-C126		PRIMARY EDUCATION ASSISTANCE										
	EH G	85	89	11,300	6,950	6,550	3,115	400	1,147	---	2,688	---
PROJECT TOTAL:				11,300	6,950	6,550	3,115	400	1,147	---	2,688	---
532-C128		AGRICULTURAL RESEARCH										

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES
	FN G	85	92	7,600	7,600	2,350	231	1,350	526	640	750	800	800
		PROJECT TOTAL:		7,600	7,600	2,350	231	1,350	526	640	750	800	800
532-C129		UWI MANAGEMENT EDUCATION											
	EM G	87	93	2,450	3,850	1,200	237	1,250	536	300	1,000	500	1,000
		PROJECT TOTAL:		2,450	3,850	1,200	237	1,250	536	300	1,000	500	1,000
532-C135		EXPORT DEVELOPMENT & INVESTMENT PROMOTIO											
	FN G	90	93	---	4,000	---	---	---	---	800	100	500	1,000
	SD G	90	93	---	3,000	---	---	---	---	1,500	200	1,350	1,000
		PROJECT TOTAL:		---	7,000	---	---	---	---	2,300	300	1,850	2,000
532-C146		PRODUCTION & EMPLOYMENT IX - BOP											
	ES G	89	89	22,100	22,100	---	---	22,100	---	---	22,100	---	---
		PROJECT TOTAL:		22,100	22,100	---	---	22,100	---	---	22,100	---	---
532-C147		PTIIC											
	EM G	87	89	2,700	4,300	900	4	1,600	242	---	1,000	---	954
	FN G	87	89	600	1,000	200	72	400	205	---	323	---	---
		PROJECT TOTAL:		3,300	5,300	1,100	76	2,000	447	---	1,323	---	954
532-C148		PROTECTED AREAS RESOURCE CONSERVATION											
	FN G	89	91	---	1,751	---	---	551	---	600	250	600	500
		PROJECT TOTAL:		---	1,751	---	---	551	---	600	250	600	500
532-C149		TECHNICAL SUPPORT FOR SHELTER & URBAN SE											
	SD G	89	92	3,000	3,400	---	---	600	---	375	600	700	1,000
		PROJECT TOTAL:		3,000	3,400	---	---	600	---	375	600	700	1,000
532-C150		*TECHNICAL VOCATIONAL TRAINING											
	EM G	91	95	---	3,500	---	---	---	---	---	---	700	200
		PROJECT TOTAL:		---	3,500	---	---	---	---	---	---	700	200
532-C151		*INNER KINGSTON DEVELOPMENT II											
	SD G	91	94	---	5,000	---	---	---	---	---	---	1,000	200
		PROJECT TOTAL:		---	5,000	---	---	---	---	---	---	1,000	200
532-C152		HEALTH SECTOR INITIATIVE											

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
	HE G	89	95	---	5,000	---	968	---	200	200	850	650
		PROJECT TOTAL:		---	5,000	---	968	---	200	200	850	650
532-C153		AIDS/STD PREVENTION & CONTROL										
	DG G	83	93	2,210	2,210	250	250	15	300	200	500	500
	HE G	88	93	290	735	290	---	8	445	200	---	---
		PROJECT TOTAL:		2,500	2,945	540	250	23	745	400	500	500
532-C154		PRODUCTION AND EMPLOYMENT X										
	ES G	90	90	---	4,978	---	---	---	4,978	4,978	---	---
		PROJECT TOTAL:		---	4,978	---	---	---	4,978	4,978	---	---
532-C155		PRIMARY EDUCATION ASSISTANCE II										
	EH G	90	95	---	4,000	---	---	---	600	50	750	800
		PROJECT TOTAL:		---	4,000	---	---	---	600	50	750	800
532-C156		MICROENTERPRISE DEVELOPMENT										
	FN G	90	93	---	650	---	---	---	220	50	250	300
	SD G	90	93	---	1,350	---	---	---	300	50	400	650
		PROJECT TOTAL:		---	2,000	---	---	---	520	100	650	950
532-C157		FOOD AID SUPPORT AND MONITORING										
	FN G	89	94	---	2,550	---	300	---	500	200	550	500
		PROJECT TOTAL:		---	2,550	---	300	---	500	200	550	500
532-C158		HURRICANE RECONSTRUCTION										
	CS G	89	89	1,254	1,254	---	1,254	---	---	1,254	---	---
	EH G	89	89	695	695	---	695	---	---	695	---	---
	FN G	89	89	15,745	15,745	---	15,745	---	---	15,745	---	---
	HE G	89	89	4,061	4,061	---	4,061	---	---	4,061	---	---
	PN G	89	89	8,245	8,245	---	8,245	---	---	8,245	---	---
		PROJECT TOTAL:		30,000	30,000	---	30,000	---	---	30,000	---	---
532-C161		DRUG ABUSE PREVENTION										
	EH G	89	91	154	400	---	154	---	50	100	100	100
		PROJECT TOTAL:		154	400	---	154	---	50	100	100	100
532-C162		CARIBBEAN JUSTICE IMPROVEMENT										
	ES G	89	89	800	800	---	800	1	---	300	---	100

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\* Refers to the planned program summary sheet.  
 C Level of effort activity.  
 FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.  
 For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				500	800	---	---	800	1	---	300	---	100
532-C163													
	*												
	PN G	91	97	---	7,000	---	---	---	---	---	1,000	100	
PROJECT TOTAL:				---	7,000	---	---	---	---	---	1,000	100	
532-C164													
	*												
	ES G	91	91	---	17,000	---	---	---	---	---	17,000	17,000	
PROJECT TOTAL:				---	17,000	---	---	---	---	---	17,000	17,000	
532-C165													
	FN G	89	95	---	7,000	---	2,177	---	600	500	850	1,000	
PROJECT TOTAL:				---	7,000	---	2,177	---	600	500	850	1,000	
532-C167													
	*												
	FN G	91	95	---	5,000	---	---	---	---	---	500	50	
PROJECT TOTAL:				---	5,000	---	---	---	---	---	500	50	
532-C168													
	FN G	90	92	---	1,750	---	---	---	250	200	---	---	
	SD G	90	92	---	250	---	---	---	250	200	---	50	
PROJECT TOTAL:				---	2,000	---	---	---	500	400	---	50	
532-C169													
	EH G	90	94	---	4,400	---	---	---	500	50	850	600	
	FN G	90	94	---	1,100	---	---	---	600	50	200	200	
PROJECT TOTAL:				---	5,500	---	---	---	1,100	100	1,050	800	
532-C185													
	FN G	89	89	5,000	5,000	---	5,000	---	---	5,000	---	---	
PROJECT TOTAL:				5,000	5,000	---	5,000	---	---	5,000	---	---	
532-9103													
	FN G	86	C	---	---	631	299	137	257	86	250	150	
PROJECT TOTAL:				---	---	631	299	137	257	86	250	150	
532-9104													
	PN G	86	C	---	---	---	---	---	---	70	75	53	
PROJECT TOTAL:				---	---	---	---	---	---	70	75	53	

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: JAMAICA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				---	---	---	---	---	70	75	53	50	
532-9105				PROGRAM DEVELOPMENT AND SUPPORT									
	EH G	86	C	---	---	699	549	139	204	85	170	100	
PROJECT TOTAL:				---	---	699	549	139	204	85	170	100	
532-9106				PROGRAM DEVELOPMENT AND SUPPORT									
	SD G	86	C	---	---	681	428	95	245	142	200	180	
PROJECT TOTAL:				---	---	681	428	95	245	142	200	180	
532-9108				PROGRAM DEVELOPMENT AND SUPPORT									
	HE G	86	C	---	---	202	128	---	70	---	4	50	
PROJECT TOTAL:				---	---	202	128	---	70	---	4	50	
COUNTRY TOTALS:				287,563	347,835	168,890	99,667	76,620	28,801	18,989	98,970	32,642	44,484
GRANTS:				203,932	270,964	96,541	59,547	76,620	15,422	18,989	87,664	32,642	40,226
LOANS:				83,631	76,871	72,349	40,120	---	13,379	---	11,306	---	4,258

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column: All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized data. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

PROGRAM: JAMAICA

PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Technical/Vocational Education		DA			FY 91	700	Life of Project Funding 3,500
Number	532-0150	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING		700	FY 91	FY 95	FY 96

**Purpose:** To increase the capacity of skill training institutions to effectively and efficiently meet the skilled labor requirements of the economy.

**Project Description:** This Project will consist of three components: a) continuing assistance to GOJ formal technical high schools and non-formal institutions to include training, equipment and instructional material; b) assistance to the Ministry of Education so that it may better plan, monitor and evaluate the overall performance of Jamaica's educational system; and c) policy incentives to increase the role of the private sector in skills training. Experience with the Basic Skills Training Project (532-0083) and its evaluation confirm the continued need for skills training and increased private sector involvement in such training. The primary constraint is the absence of an incentive system to encourage the private sector to participate. To do this, the project will build on tax and employment regulations currently under revision. It will also assist private sector organizations to get effectively involved in skills training activities.

**Sustainability:** Sustainability will be assured through: a system of payroll taxes levied on the private sector in support of skills training, a new incentive program for private sector involvement in skills training, and GOJ budget revenues, if necessary. Management sustainability is being developed under current projects and will continue to receive support. Institutional sustainability will be enhanced through policy reform and coordination of GOJ skills training efforts by the Ministry of Education.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D. aims to improve educational opportunities and to assure that education meets skills training needs in Jamaica. AID strategy also encourages private sector growth. The project will assist

the GOJ to meet labor force requirements, provide more and better avenues of upward social and economical mobility and increase the real and monetary resource base for skills training by increasing the role of the private sector.

**Host Country and Other Donors:** The GOJ is carrying out policy studies to rationalize formal and non-formal skills training and to enhance private sector participation in skill training programs. The Interamerican Development Bank and the Canadian and Dutch governments have supported skills training programs in Jamaica and are expected to continue to do so.

**Beneficiaries:** Approximately 5,000 youths (60% of whom will be women) will have marketable skills as a result of the project. The project will also benefit 200 private sector firms with better trained workers and 100 private and public sector staff who will be able to better plan, operate and evaluate training programs. The economy as a whole will benefit from an improved labor supply.

Major Outputs:	All Years
Number of skills training centers providing cost effective programs	18
Number of private sector firms participating in skills training programs	50
Number of Persons trained to monitor programs	100
Increase in private sector contributions for skills training programs	10%

A.I.D.-Financed Inputs:	Life of Project(\$000)
Technical Assistance	900
Training	500
Commodities	1,500
Local Costs	600
Total	3,500

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	700	2,800	3,500	



PROGRAM: JAMAICA

PLANNED PROGRAM SUMMARY SHEET

Title Inner Kingston Development Project Phase II		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 532-0151		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation FY 91 1,000	Life of Project Funding 5,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					1,000	Estimated Final Obligation FY 94	Estimated Completion Date of Project FY 95

**PURPOSE:** To promote investments in the inner city of Kingston and expand the generation of jobs by the private sector.

**PROJECT DESCRIPTION:** This project is a follow on to the Inner Kingston Development project. The FY 1989 evaluation of the latter recommended an expansion of the scale and level of investment of initial activities based on a strategic plan of the project area. This plan, which encompasses a complete analysis of changing market circumstances and opportunities in Inner Kingston, is being developed by the principal implementing agency for the Project - the Kingston Restoration Company (KRC).

In this Phase II project, KRC will focus on rehabilitating vacant and deteriorated structures for industrial and commercial development with lease or sale at market rates to private companies interested in expanding their operations. The project will expand KRC efforts to encourage private owners to invest in and improve their properties and to encourage public entities to lease or sell properties for private sector development. Community development and restoration grant programs initiated by KRC will be continued. Finally, KRC's street improvement program will be extended to cover other key access routes in the downtown area.

**Sustainability:** KRC is preparing a five-year strategic plan which will lay out its investment and operating plans based on expected inflows of capital. KRC plans to raise funds from development fees, net income property operations income, sales of property, and capital contributions. The projected income flow should enable KRC to play an aggressive development role downtown over the next five years but will require a reduction in KRC's capital base. This strategy is appropriate given

KRC's objectives and the timeframe over which it is projected KRC could achieve its objectives.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D.'s country strategy emphasizes the expansion of exports to generate jobs and the development of the private sector through increased privatization. The project is consistent with the latter part of this strategy.

**Host Country and Other Donors:** The initial Inner Kingston project was planned in coordination with GOJ efforts in the area and other donor projects in downtown Kingston such as the West Kingston Markets Project being supported by the Interamerican Development Bank (IDB).

**Beneficiaries:** The project will benefit directly about 7,500 persons, including persons who will obtain new jobs and their families.

<b>Major Outputs:</b>	<u>All Years</u>
Net Additional Permanent Jobs created	1,000-1,500
Number of Sq. Ft. built or rehabilitated	75 - 100,000

<b>A.I.D.-Financed Inputs:</b>	<u>Life of Project(\$'000)</u>
Grants to KRC for purchase, lease, and property development	4,000
Technical Assistance and Training	500
Other Local Costs	500
<b>Total</b>	<b>5,000</b>

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U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		<b>Future Year Obligations</b>	<b>Estimated Total Cost</b>	
Proposed Fiscal Year 1991	1,000	4,000	5,000	

PROGRAM: JAMAICA

PLANNED PROGRAM SUMMARY SHEET

Title Population and Family Planning Project Services II		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 91	1,000	Life of Project Funding 7,000
Number 532-0163	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING		1,000			FY91	FY 97	FY 98

**Purpose:** The Project purpose is twofold: to increase the quantity and quality of family planning services in Jamaica; and to assist the GOJ in developing self-financing, sustainable family planning services.

**Project Description:** The Project builds on the successful activities and the FY 90 evaluation of the Population and Family Planning Services I. The Project will continue to provide contraceptive supplies while emphasizing the critical areas of sustainability and financing. The seven-year Project will include the following components: (i) Sustainability of Family Planning Program, to assist the GOJ in developing and implementing self-financing family programs. This will be done by introducing new products in the Contraceptive Retail Sales Program, revising pricing policies, introducing fees for services provided and developing private/public partnership in financing and providing family planning services; (ii) Program Planning and Monitoring, which will assist the National Family Planning Board (NFPB) to develop and implement a management information system and special demographic surveys; (iii) Family Planning Services Expansion, which will increase the number of family planning services by the GOJ and private sector organizations through strengthened outreach and service capacity; and (iv) Institutional Strengthening, to improve the capability of the NFPB in managing, coordinating, and sustaining the national family planning program, through policy analysis, decentralization of the program to the parish level, and strengthened management systems.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D.'s Country Development Strategy Statement (CDSS) emphasizes the objective of improving access to voluntary family planning services as an essential component of assistance to Jamaica. The project is consistent with this objective.

**Host Country and Other Donors:** The GOJ's population policy seeks to achieve replacement level fertility by 1990 and to stabilize the population at 3.0 million by the year 2,000. The World Bank and the United Nations Fund for Population Activities are other donors in the sector. The Planning Institute of Jamaica coordinates overall donor activities.

**Beneficiaries:** Direct beneficiaries include the estimated 320,000 men and women of reproductive age of low to middle socioeconomic status who voluntarily practice family planning and utilize public and private services.

Major Outputs:	All Years
Strategy for financing family planning services in place.	X
NFPB management information system in place.	X
Demographic/knowledge, attitude, and practice (KAP) surveys completed.	3
New private sector family planning service delivery points.	20
Percent increase in sales revenue generated from contraceptive retail sales program.	20%
Strengthened decentralized NFPB program capacity in place.	X

A.I.D.-Financed Inputs:	Life of Project(\$000)
Technical Assistance	750
Training	750
Commodities	3,500
Local Costs	2,000
Total	7,000

194

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	1,000	6,000	7,000	

PROGRAM: JAMAICA

PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Production and Employment XI		ESF 17,000			FY 91	17,000	Life of Project Funding 17,000
Number	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					FY 91	FY 91	FY 91

**Purpose:** To provide immediate balance of payments assistance to support continued economic growth and structural adjustments, policy reforms, and stabilization measures undertaken by the Government of Jamaica (GOJ).

**Project Description:** The Economic Support Fund (ESF) grant of \$25.0 Million will help the GOJ in meeting its foreign exchange requirements. The gains made toward expanding the industrial base and promoting tourism and non-traditional exports continue, and have boosted foreign exchange earnings. Jamaica has made good progress in removing constraints to more rapid and more widely shared economic development. Privatization efforts have accelerated following the February 1989 election, and nearly all government-owned hotels now have been sold. Yet, the need for sustained grant funding in support of these efforts continues. Recovery from the damage of the 1988 hurricane is still incomplete, and efforts to return to the pre-hurricane growth path have required major economic sacrifices, including stringent fiscal policies. Continuation of these policies, simultaneous with a declining Jamaican dollar and rising interest rates, is placing additional pressure on the government to intervene more actively than in the past. U.S. balance of payments grants are critical to the Government to maintain its pro-market policy stance.

As in the past, funds will be used to service debt. The GOJ will also deposit an equivalent amount of Jamaican dollars in a special account locally as general budgetary support for use in high priority development sectors.

**Sustainability:** The current economic policy dialogue stresses the need for continued fiscal actions, including a smooth transition to the new general consumption tax, improved control over expenditures, further reductions in poorly targeted food subsidies, and a continued lessening of government's direct

economic role. A closer integration of monetary and fiscal policies will receive greater emphasis in upcoming dialogue in the face of the declining value of the Jamaican dollar. The \$17 million cash transfer will strengthen and further consolidate ongoing and past reforms in the areas of privatization, capital markets, foreign exchange, and tax, tariff, and customs policies. These actions will improve Jamaica's prospects for self-sustaining development.

**Relationship of Project to A.I.D. Country Strategy:** To provide economic stability and encourage structural reforms, A.I.D.'s strategy in Jamaica recognizes the need for continuing grant-funded balance of payments assistance in substantial amounts.

**Host Country and Other Donors:** The principal donors providing balance of payments support to Jamaica — A.I.D., the International Monetary Fund and the World Bank — agree that the GOJ will require additional support if it is to meet its debt obligations while maintaining a moderate rate of growth. A.I.D. will continue to coordinate closely with these donors in implementing balance of payments support programs.

**Beneficiaries:** As the program seeks to help the GOJ in stabilizing the economy, it will benefit the entire population, including the unemployed, consumers and small producers.

<b>Major outputs:</b>	<u>All Years</u>
Policies encouraging fiscal constraint	X
Reduction of the role of public sector in economy	X
Improved economic stability	X

<b>A.I.D.-Financed Inputs:</b>	<u>Life of Project(\$000)</u>
Balance of payments/budget support	17,000

195

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	17,000	-0-	17,000	

PLANNED PROGRAM SUMMARY SHEET

Title		Funding Source	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Agricultural Land Markets		DA	500		FY 91	500	Life of Project Funding 5,000
Number	532-0167	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	Initial Obligation	Estimated Final Obligation
<input type="checkbox"/> GRANT	<input type="checkbox"/> LOAN	<input type="checkbox"/> CONTINUING				FY 91	FY 95
							Estimated Completion Date of Project FY 96

**Purpose:** To stimulate capital formation in agriculture and increase economic incentives to expand agricultural productivity.

**Project Description:** The Project will have three components. The first will aim at improving the effectiveness of the current land market system. A baseline survey will be conducted to fully define the problems in the existing system and to identify constraints that have the greatest impact on agriculture production. The relationship between the land market's effectiveness and the economics of agricultural production and rural development will be examined in order to identify those constraints that can best be dealt with under the other components of the Project. The first output of this component will be a priority list of policy, legal, institutional and technical constraints upon which the GOJ and A.I.D. can then focus their resources. It is anticipated that this will include new legislation, institutional strengthening, and introduction of new technologies related to land market transactions. The second component will expand upon on-going activities with the GOJ in streamlining policies and systems for increasing private access to land by divesting Government lands. The project will finance analyses and pilot efforts to address some of the most difficult land issues in Jamaica, including squatters and disputed family holdings. The third component will concentrate on better agricultural land use management.

**Sustainability:** The support for divestment and new, cost effective technologies and streamlined systems will result in a more efficient and sustainable private land market based on fees-for-services.

**Relationship of Project to A.I.D. Country Strategy:** A.I.D.'s agriculture strategy in Jamaica focuses on increasing

production and productivity of crops produced for domestic consumption and exports. Two of the constraints to increasing production and raising agriculture productivity are the large amounts of unused or underutilized lands and the inefficient management at both the institutional and farm levels of this vital agricultural resource. Better access to land is a critical issue in improving shelter and the delivery of urban services, and this Project will be closely coordinated with other A.I.D. projects.

**Host Country and Other Donors:** The GOJ has placed increased emphasis on transferring unused lands to private producers, and has initiated discussions with USAID and other donors on this topic. The Interamerican Development Bank is currently assisting in the provision of land titles to small farmers, but it is only dealing with a small part of the sector.

**Beneficiaries:** The primary beneficiaries will be the 150,000 small and medium size farmers in Jamaica who will be able to access land and other productive resources as a result of this Project.

<b>Major Outputs:</b>	<u>All Years</u>
An efficient and equitable private land market established.	X
Divestment of unused/underutilized GOJ lands to private producers.	X

<b>A.I.D.- Financed Inputs:</b>	<u>Life-of-Project(\$000)</u>
Technical Assistance	2,325
Training/Education	675
Equipment/Supplies	1,800
Other Costs	200
<b>Total</b>	<b>5,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	500	4,500	5,000	

LATIN AMERICA  
AND CARIBBEAN  
REGIONAL

## LAC REGIONAL

PROGRAM SUMMARY (\$000)			
Category	FY 1989 <u>1/</u> (Actual)	FY 1990 <u>4/</u> (Estimated)	FY 1991 <u>7/</u> (Request)
Development Assistance	52,669 <u>2/</u>	64,792 <u>5/</u>	52,486
Loan	--	--	--
Grant	52,669	64,792	52,486
Economic Support Fund	19,301 <u>3/</u>	10,999 <u>6/</u>	23,000
Loan	--	--	--
Grant	19,301	10,999	23,000
Other*	--	--	--
<b>TOTALS</b>	71,970	75,791	75,486
P.L. 480	--	--	--
Title I	--	--	--
Title II	--	--	--
<b>TOTALS</b>	71,970	75,791	75,486

1/ Includes 19,737 DA and 8,625 ESF for Central American Regional programs.

2/ Includes 1,506 in reobligation of prior year funds.

3/ Includes 3,992 in FY 1988 ESF carryover and 100 in reobligation of prior year funds.

4/ Includes 27,600 DA and 4,500 ESF for programs in Central America.

5/ Includes 190 in no year funds.

6/ Includes 1,441 in FY 1989 ESF carryover.

7/ Includes 22,500 DA and 8,000 ESF for programs in Central America.

## LAC REGIONAL

### Introduction

The Latin America and Caribbean (LAC) Regional program differs from the A.I.D. bilateral programs in the LAC region in that management and funding are at the Washington level. The overriding focus of the regional program is support for A.I.D. field mission strategies and programs, with all projects designed to strengthen A.I.D.'s development efforts throughout the region. Projects included in the LAC Regional program have one or more of the following characteristics: they are implemented in more than one country; they may strengthen regional institutions; they may test and transfer on a pilot basis innovative technologies, which, if proven successful, can be introduced to bilateral programs; they may be managed more effectively and efficiently from Washington than the field; they enable A.I.D. to support programs in the advanced developing countries in which A.I.D. does not maintain a regular bilateral program; they provide A.I.D. the mechanisms to implement, on a regionwide basis, activities of special concern or high priority.

To achieve more effective management, A.I.D. has decided to combine the Central America (CA) Regional program with the LAC Regional Program. While all CA and LAC Regional projects will be managed and implemented as one program, the merger does not in any way diminish the importance of the Central American countries to the United States.

### A.I.D. Development Strategy and Accomplishments to Date

The regional program supports the three A.I.D. development goals in the LAC region: (1) basic reforms leading to rapid broad-based and sustainable economic growth, (2) human capacity development and (3) promotion of democracy, freedom and respect for human rights.

Several programs in agriculture, the private sector and environmental management are designed to ensure sustained economic growth. Important problem identification and analysis work has been carried out in several field missions. Of particular note is the assistance to Haiti, Costa Rica and Bolivia on their agricultural sector strategy and support for the regional natural resource conservation and management strategy for the Regional Office for Central America Programs (ROCAP); the regional stock-taking of non-traditional export programs for 10 countries; the environmental studies of screwworm fly eradication in Belize and Guatemala; and the land tenure markets studies in Guatemala and Ecuador.

The regional program supports private sector activities in three basic areas: policy and program development and monitoring; private sector outreach and public sector information and liaison; and field mission support for various activities including project design and evaluation. In 1989, this program has provided technical assistance to 10 countries, including debt restructuring in Paraguay, industrial linkages in Guatemala, private sector planning in Honduras, tourism assessment in Belize, and import and export assessment in Guatemala. In order to foster long-term economic growth, A.I.D. is extending the Caribbean

Project Development Fund (CPDF) into Central America in FY 1990. The CPDF advises and assists small and medium-sized entrepreneurs seeking investment financing by evaluating and appraising potential projects and then identifying financial resources.

Two new training programs began in FY 1989: Financial Management Improvement and Advanced Training in Economics. The uneven quality of public sector financial management capability is being addressed by the financial management project. The second project will train economists to the Masters and PhD level, enhancing the capacity of the LAC nations to design and implement coherent economic policies. During the first year of this project, six students began training, with an additional 24 training programs planned for the second year.

Environmental deterioration and loss of biodiversity are important areas of concern to the regional program. Extensive support has been provided to field missions. There are currently seven biodiversity projects being implemented, with five additional activities in the design stage. A major accomplishment involves the development and implementation of management plans for coastal and marine reserves in Belize, Haiti and Costa Rica. In addition, starting in FY 1990, A.I.D. has set aside \$3.0 million for an environmental climate change initiative. The initiative will focus on policy dialogue, training, leveraging other donor support, and developing grassroots support. Brazil and Mexico are key countries where assistance will concentrate on deforestation. Another program, Parks in Peril, will begin in FY 1990 with \$2.0 million devoted to establishing on-site protection and implementing management plans for 20 high priority parks to protect critically threatened ecosystems in Latin America and the Caribbean.

A key focus of the regional program is to ensure that A.I.D.'s assistance has direct impact on improving the well-being of the population throughout the LAC region. For example, in the health sector the prime objective is to support mission bilateral programs through projects and activities which contribute to achievement of better primary health care service delivery and improved child survival. Accomplishments include providing technical assistance to missions for the development of health management and administration programs. Seven country health care financing studies have been completed and eight clinical training programs designed. Regional programs in Central America have contributed to the reduction in the incidence of malaria by 30% from 1985 to 1987 and to the drop in infant mortality rates from 66 per 1000 in 1982 to 55 in 1987.

An increasingly important dimension of A.I.D.'s regional program is support for improving the administration of justice (AOJ) and democracy initiatives. Specific objectives include strengthening judicial systems and legislatures, improving electoral processes and human rights, developing and strengthening regional institutions to improve the administration of justice, fostering broader citizen participation, encouraging a more professional free press, and improving civilian-military relations. Over the past year, support was provided to



the Costa Rican-based Latin American Institute for the Prevention of Crime and Treatment of the Offender (ILANUD) which trained nearly 900 participants in democratic principles, human rights and judicial ethics. Two U.S. private and voluntary organizations (PVOs), OEF International and the Partners of the Americas, trained over 6,300 community-level participants in democratic processes and organizational skills. In AOJ, a new technical requirements contract responds to increased demand from Missions and the Regional Administration of Justice Office in Costa Rica for assistance in designing, managing, and evaluating AOJ projects.

In Central America, an important project aimed at strengthening the competence and independence of the media, is gaining wide acceptance and participation by Central American print and broadcast media professionals and owners. Its activities include skills training; production of Spanish language textbooks, a professional journal and a media directory; creation of a regional professional association; and a master's degree program at Florida International University, primarily for journalism educators. Another important program in Central America has provided at a reduced cost to university students over 770,000 Spanish-language textbooks through the Regional Technical Aids Center in Mexico City. The project is an excellent vehicle for promoting positive views of the United States, and of private enterprise, free markets and democratic pluralism on campuses where exposure to such views has become somewhat limited in recent times.

Two new projects in FY 1990 will provide support to strengthen legislative capacity in the region and to promote broader citizen participation in democratic processes. The former will include extensive training, some commodity support, and technical assistance for the region's legislatures. The second project will focus on democracy education for children and youth.

A major thrust of A.I.D.'s efforts to foster democracy in the LAC region is the peace scholarship initiative. This program sends LAC leaders to the United States for varying periods of time for both training and for exposure to U.S. values and way of life. Over the last 12 months under this program nearly 400 participants have been sent to the United States for both long-term and short-term programs. By September 30, 1989, over 11,200 students had initiated training under the Central American American Peace Scholarship program, exceeding the 8,500 target set for that date.

An important regional program, which supports directly the goal of strengthening democratic institutions, is the American Institute for Free Labor Development (AIFLD). AIFLD's objective is to strengthen LAC democratic trade union organizations through enlightened and responsible free trade union leadership. Between 200 and 300 labor leaders are trained every year, both in the United States and in the field.

A vital aspect of the regional program is making resources available for A.I.D.'s development programs in the advanced developing countries (ADC) in the region, currently Colombia, Mexico, Brazil, Chile, Argentina,

Paraguay and Uruguay. The goal of the ADC programs is to facilitate the advanced developing country's own development efforts consistent with other key U.S. foreign policy objectives. A significant percentage of these programs is carried out through PVOs.

#### Other Donors

The major health projects are implemented through the Pan American Health Organization in a multi-donor context. Otherwise, other-donor coordination and collaboration takes place primarily through the bilateral A.I.D. missions and the advanced developing country programs.

#### FY 1991 Program

The FY 1991 program under the LAC Regional will continue to support country programs and to emphasize institution strengthening, human resource development and sustainability. A.I.D. requests both Development Assistance (DA) and Economic Support Funds (ESF), totalling \$52.5 million and \$23.0 million, respectively, to finance the program. Of this total, \$30.5 will be devoted to programs in Central America, \$22.5 under DA and \$8.0 in ESF.

DA funds will continue to support various categories of training - peace scholarship recipients, labor leaders, financial management staff, economists, workers in the narcotics awareness field, and leaders in the advanced developing countries. Support will continue for sustained agricultural production programs, biodiversity activities, natural resources and environmental management, environmental climate change, the private sector, program evaluations, family planning assistance, acquired immune deficiency syndrome (AIDS) programs, PVOs, human rights initiatives, labor activities, and ADC programs. A significant portion of the funds are for the Caribbean and Latin America Scholarship Program II (CLASP II), the follow-on to the popular and successful Peace Scholarships program (\$18.3 million), for democracy strengthening activities (\$1.0 million), and for AIFLD (\$8.0 million). For CLASP II, regional funding is for program monitoring and evaluation, the Cooperative Association of States for Scholarships component of the program administered by Georgetown University, and the Leadership Center for the Americas. One new project is proposed for FY 1991, Socio-Economic Data Improvement. This project will assist missions to collect and improve the quality of critical data needed to measure social and economic progress of LAC countries.

Under the ESF program, emphasis will be on democratic initiatives (\$20.8 million), particularly training, administration of justice, and strengthening democratic institutions. These activities will focus on strengthening judiciaries, legislatures, electoral processes, and improving the human rights climate in the region. ESF resources for the ADC training program (\$1.1 million) will emphasize technology transfer and institutional networks. The ESF program includes \$900,000 for AIFLD.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CENTRAL AMERICA REGIONAL

CP 91

PROJECT NO. PROJECT TITLE + G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
597-C000		PROGRAM DEVELOPMENT AND SUPPORT											
CS G	86	89	---	---	95	12	35	41	---	35	---	42	
EH G	86	89	---	---	1,433	1,221	26	172	---	50	---	16	
ES G	86	89	---	---	762	590	---	172	---	---	---	---	
FN G	86	89	---	---	2,234	1,617	---	484	---	100	---	33	
HE G	86	89	---	---	506	318	60	154	---	60	---	34	
PN G	86	89	---	---	1,008	956	30	41	---	41	---	---	
SD G	86	89	---	---	809	686	37	125	---	35	---	---	
	PROJECT TOTAL:				6,847	5,400	188	1,189	---	321	---	125	
597-C001		CARIBBEAN AND LA SCHOLARSHIP PROGRAM II											
EH G	85	89	86,000	69,563	56,237	36,068	13,327	13,279	---	10,000	---	10,217	
ES G	85	89	39,379	29,427	29,344	25,354	---	2,863	---	777	---	---	
	PROJECT TOTAL:				125,379	98,990	85,581	61,422	13,327	16,142	---	10,777	
597-C002		REG ADMINISTRATION OF JUSTICED PRCD											
ES G	85	89	15,637	25,000	11,928	8,959	3,700	3,054	---	2,500	---	1,115	
	PROJECT TOTAL:				15,637	25,000	11,928	8,959	3,700	3,054	---	2,500	
597-C003		STRENGTHENING DEMOCRACY											
ES G	85	90	---	11,999	9,486	7,818	2,425	1,626	75	1,500	---	967	
SD G			---	---	735	---	---	415	---	---	---	---	
	PROJECT TOTAL:				---	11,999	10,221	7,818	2,425	2,041	75	1,500	
597-C004		TRADE CREDIT INSURANCE PROGRAM											
ES G	85	86	20,000	20,000	20,000	---	---	---	---	---	---	---	
	PROJECT TOTAL:				20,000	20,000	20,000	---	---	---	---	---	
597-C005		CHILD SURVIVAL/ACCELERATED IMMUNIZATION											
CS G	86	88	3,548	3,548	4,548	447	---	1,519	---	1,401	---	1,181	
HE G			---	---	2,632	767	---	1,865	---	---	---	---	
	PROJECT TOTAL:				3,548	3,548	7,180	1,214	---	3,384	---	1,401	
597-C006		TECH DEVELOPMENT/TRANSFER IN HEALTH											
HE G	86	88	2,000	2,000	2,000	1,405	---	221	---	147	---	227	
	PROJECT TOTAL:				2,000	2,000	2,000	1,405	---	221	---	147	
597-C007		ESSENTIAL DRUGS & MALARIA											
HE G	86	88	6,627	5,860	5,860	2,106	---	1,925	---	1,754	---	75	

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CENTRAL AMERICA REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				6,627	5,860	5,860	2,106	---	1,925	---	1,754	---	75
597-0008		FREE LABOR DEVELOPMENT (AIFLD)											
	EM G	86	89	---	---	5,685	3,134	2,300	3,309	---	1,000	---	---
	ES G	86	89	---	---	51	51	---	---	---	---	---	---
	SD G	86	89	---	---	300	30	---	270	---	---	---	---
PROJECT TOTAL:				---	---	6,036	3,215	2,300	3,579	---	1,000	---	---
597-0012		COOPERATIVE COMMUNITY IMPROVEMENT											
	SD G	86	88	2,475	2,475	2,475	2,050	---	267	---	158	---	---
PROJECT TOTAL:				2,475	2,475	2,475	2,050	---	267	---	158	---	---
597-0014		MANAGEMENT LOGISTICS SYSTEM CENTER											
	PN G	86	86	250	250	250	30	---	220	---	---	---	---
PROJECT TOTAL:				250	250	250	30	---	220	---	---	---	---
597-0015		POPULATION INFORMATION CENTER OPG											
	PN G	86	88	1,360	1,360	1,360	351	---	484	---	525	---	---
PROJECT TOTAL:				1,360	1,360	1,360	351	---	484	---	525	---	---
597-0016		ASSISTANCE TO NDFS IN CENTRAL AMERICA											
	SD G	86	88	150	150	---	---	---	---	---	---	---	---
PROJECT TOTAL:				150	150	---	---	---	---	---	---	---	---
597-0018		INTL INVESTIGATIVE TRG ASSISTANCE PRDG											
	ES G	87	89	7,000	5,971	3,471	440	2,500	50	---	3,000	---	2,000
PROJECT TOTAL:				7,000	5,971	3,471	440	2,500	50	---	3,000	---	2,000
597-0019		POPULATION MANAGEMENT CENTER OPG											
	PN G	87	88	613	613	613	20	---	226	---	259	---	---
PROJECT TOTAL:				613	613	613	20	---	226	---	259	---	---
597-0022		RURAL DEVELOPMENT TECHNICAL SERVICES											
	FN G	88	89	1,780	1,780	796	---	984	219	---	650	---	650
PROJECT TOTAL:				1,780	1,780	796	---	984	219	---	650	---	650
597-0027		HEALTH TECHNICAL SERVICES SUPPORT											
	CS G	89	89	80	80	---	---	80	8	---	50	---	22

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CENTRAL AMERICA REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- ALTHOUGH PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	HE G	89	89	500	500	---	---	500	49	---	200	---	200
		PROJECT TOTAL:		530	530	---	---	580	57	---	250	---	222
597-C029		ISRAELI TECHNICAL ASSISTANCE											
	FN G	87	87	827	827	827	275	---	235	---	152	---	165
		PROJECT TOTAL:		827	827	827	275	---	235	---	152	---	165
597-C030		TRUJILLO PROPERTY ASSESSMENT											
	ES G	87	88	200	196	196	---	---	196	---	---	---	---
		PROJECT TOTAL:		200	196	196	---	---	196	---	---	---	---
597-C032		EHR TECHNICAL SERVICES											
	EM G	88	89	578	578	268	---	310	111	---	300	---	167
		PROJECT TOTAL:		578	578	268	---	310	111	---	300	---	167
597-C035		DEVELOPMENT OF ENVIRONMENTAL MGT SYSTEMS											
	FN G	88	89	1,227	1,227	1,154	---	73	769	---	300	---	158
		PROJECT TOTAL:		1,227	1,227	1,154	---	73	769	---	300	---	158
597-C037		FINANCIAL MANAGEMENT											
	EM G	88	89	904	1,854	101	---	800	233	---	400	---	268
		PROJECT TOTAL:		904	1,854	101	---	800	233	---	400	---	268
597-C038		LAND SECURITY											
	FN G	89	89	100	100	---	---	100	10	---	45	---	45
		PROJECT TOTAL:		100	100	---	---	100	10	---	45	---	45
597-C042		ADVANCED TRAINING IN ECONOMICS											
	EM G	89	89	500	500	---	---	500	81	---	200	---	219
		PROJECT TOTAL:		500	500	---	---	500	81	---	200	---	219
597-C047		GAS FOREIGN TRADE INFORMATION CENTER											
	SD G	89	89	---	---	---	---	175	17	---	100	---	58
		PROJECT TOTAL:		---	---	---	---	175	17	---	100	---	58
597-C052		CARIBBEAN PROJECT DEVELOPMENT FACILITY											
	SD G	89	89	400	400	---	---	400	40	---	200	---	140

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: CENTRAL AMERICA REGIONAL

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTND PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				400	400	---	---	400	40	---	200	---	140
COUNTRY TOTALS:				192,135	186,258	167,164	94,705	28,362	34,750	75	25,939	---	17,999
GRANTS:				192,135	186,258	167,164	94,705	28,362	34,750	75	25,939	---	17,999
LOANS:				---	---	---	---	---	---	---	---	---	

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.  
For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTMC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
597-C011												
597-C031												
597-9999												
598-0000												
598-C101												
598-C436												
598-G591												
598-C605												

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHO	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91. OBLIGA- TIONS	FY 91. EXPEN- DITURES
	SD G	79	89	---	---	4,383	3,943	246	140	---	500	---	46
		PROJECT TOTAL:		---	---	8,427	6,945	1,103	772	---	1,300	---	513
598-0616	INTERCOUNTRY TECHNOLOGY TRANSFER												
	CS G	84	C	---	---	1,000	83	500	714	640	1,000	450	343
	DG G	84	C	---	---	650	3	600	454	626	800	700	619
	EH G	84	C	---	---	2,098	1,526	1,230	586	1,280	1,000	1,311	1,496
	FN G	84	C	---	---	1,855	1,044	798	454	420	500	530	500
	HE G	84	C	---	---	3,915	2,860	800	1,000	959	1,100	512	594
	PN G	84	C	---	---	6,262	3,625	1,310	2,238	1,996	1,500	965	1,694
	SD G	84	C	---	---	3,783	2,634	1,060	857	1,707	1,000	1,832	1,870
		PROJECT TOTAL:		---	---	19,563	11,775	6,298	6,303	7,628	6,900	6,300	7,116
598-0619	PRIVATE SECTOR INITIATIVES												
	SD G	82	C	---	---	6,764	5,981	317	677	623	800	600	102
		PROJECT TOTAL:		---	---	6,764	5,981	317	677	623	800	600	102
598-0622	LAC TRAINING INITIATIVES I												
	EH G	82	85	10,511	10,227	10,227	9,846	---	---	---	---	---	---
	FN G	82	85	4,719	4,525	4,525	4,373	---	17	---	---	---	---
		PROJECT TOTAL:		15,230	14,752	14,752	14,219	---	17	---	---	---	---
598-0625	SMALL PROJECT ASSISTANCE PROGRAM												
	FN G	83	C	---	---	1,555	1,485	---	55	---	15	---	---
	SD G	83	C	---	---	---	---	---	---	---	5	---	---
		PROJECT TOTAL:		---	---	1,555	1,485	---	55	---	20	---	---
598-0626	CARIBBEAN BASIN SCHOLARSHIP FUND												
	ES G	83	83	7,500	7,476	7,476	7,338	---	138	---	---	---	---
		PROJECT TOTAL:		7,500	7,476	7,476	7,338	---	138	---	---	---	---
598-0632	TECHNOLOGY DEV AND TRANSFER IN HEALTH												
	HE G	85	88	3,240	3,212	3,212	1,935	---	1,230	---	47	---	---
		PROJECT TOTAL:		3,240	3,212	3,212	1,935	---	1,230	---	47	---	---
598-0634	PVO SECTOR POLICY AND PROGRAM DESIGN												
	SD G	85	89	450	308	218	218	20	2	---	18	---	---
		PROJECT TOTAL:		450	308	218	218	20	2	---	18	---	---

\* Refer to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.



SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- ALTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
593-0635		LAC EDUCATION INFORMATION NETWORK											
	EH G	85	88	933	867	867	---	282	---	---	---	---	
		PROJECT TOTAL:		983	867	867	---	282	---	---	---	---	
593-0636		LAC STATISTICS TRAINING CTR											
	SD G	85	88	1,000	701	701	---	62	---	192	---	---	
		PROJECT TOTAL:		1,000	701	701	---	62	---	192	---	---	
593-0638		TENURE SECURITY AND LAND MARKET RESEARCH 1/											
	FN G	85	91	1,070	1,793	865	200	543	348	353	375	112	
		PROJECT TOTAL:		1,070	1,793	865	200	543	348	353	375	112	
596-0640		LAC TRAINING INITIATIVES II											
	EH G	85	89	41,511	29,402	26,255	3,887	4,825	---	4,000	---	4,387	
	ES G	85	89	804	3,049	1,599	1,448	120	---	711	---	678	
	FN G	85	89	2,446	1,686	1,486	629	220	---	400	---	461	
		PROJECT TOTAL:		44,761	34,137	29,340	5,964	5,165	---	5,111	---	5,526	
598-0642		REGIONAL ADMINISTRATION OF JUSTICE 1/											
	ES G	85	95	12,200	23,800	2,030	3,167	1,146	2,756	3,000	6,800	3,136	
	SD G	85	95	---	3,000	---	---	---	355	---	---	---	
		PROJECT TOTAL:		12,200	23,800	2,030	3,167	1,146	3,111	3,000	6,800	3,136	
598-0643		LAC ACCELERATED IMMUNIZATION											
	CS G	86	90	18,540	10,854	6,000	2,263	357	1,591	6,630	---	2,117	
	HE G	86	90	20,600	813	227	657	85	---	146	---	341	
		PROJECT TOTAL:		39,140	11,667	6,227	2,920	442	1,591	6,776	---	2,458	
598-0644		INTL INVESTIGATIVE TRG ASSISTANCE PROG 1/											
	ES G	86	91	13,350	21,648	5,628	1,875	2,350	---	7,670	6,000	2,103	
		PROJECT TOTAL:		13,350	21,648	5,628	1,875	2,350	---	7,670	6,000	2,103	
599-0645		CARIBBEAN JUSTICE IMPROVEMENT											
	ES G	86	88	10,000	8,000	8,000	---	2,143	---	2,000	---	1,079	
		PROJECT TOTAL:		10,000	8,000	8,000	---	2,143	---	2,000	---	1,079	
593-0647		ANDEAN PEACE SCHOLARSHIP PROGRAM											
	EH G	87	90	2,200	2,298	2,198	---	1,290	100	400	---	233	
	ES G	87	90	3,333	2,933	332	1,091	---	---	500	---	590	

\* Refers to the planned program summary sheet.  
 C Level of effort activity.  
 FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.  
 For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
	FN G	87	90	860	1,298	460	60	400	---	438	500	---	500
	HE G	87	90	400	568	200	99	100	---	262	100	---	200
		PROJECT TOTAL:		6,793	7,097	3,190	867	1,591	1,290	800	1,500	---	1,523
598-0649		REG NARCOTICS DEMAND REDUCTION											
	EH G	87	91	470	820	300	149	170	---	150	300	200	171
		PROJECT TOTAL:		470	820	300	149	170	---	150	300	200	171
598-0650		COLOMBIA NARCOTICS DEMAND REDUCTION											
	EH G	87	91	500	1,000	500	200	150	200	150	300	200	100
		PROJECT TOTAL:		500	1,000	500	200	150	200	150	300	200	100
598-0651		MEXICO NARCOTICS DEMAND REDUCTION											
	EH G	87	91	800	1,900	800	53	400	690	300	400	400	357
		PROJECT TOTAL:		800	1,900	800	53	400	690	300	400	400	357
598-0652		TROPICAL BONT TICK PILOT ERADICATION											
	FN G	87	87	3,499	3,499	1,924	200	---	154	---	100	---	---
		PROJECT TOTAL:		3,499	3,499	1,924	200	---	154	---	100	---	---
598-0654		RURAL DEVELOPMENT TECHNICAL SERVICES <sup>1/</sup>											
	FN G	88	C	4,820	4,820	355	---	456	121	1,022	700	1,220	700
		PROJECT TOTAL:		4,820	4,820	355	---	456	121	1,022	700	1,220	700
593-0657		HEALTH TECHNICAL SERVICES SUPPORT <sup>1/</sup>											
	CS G	89	92	2,860	2,860	---	---	117	12	1,127	500	610	500
	DG G	89	92	550	550	---	---	100	8	100	150	100	42
	FN G	89	92	400	600	---	---	---	---	600	250	---	150
	HE G	89	92	6,190	6,190	---	---	842	82	2,142	900	1,200	1,000
		PROJECT TOTAL:		10,000	10,200	---	---	1,059	102	3,969	1,800	1,910	1,692
598-0656		FINANCIAL MANAGEMENT <sup>1/</sup>											
	EH G	89	91	1,075	2,839	---	---	1,075	107	860	500	904	628
		PROJECT TOTAL:		1,075	2,839	---	---	1,075	107	860	500	904	628
598-0659		EHR TECH SERVICES <sup>1/</sup>											
	EH G	88	92	525	1,661	129	---	396	60	468	400	668	400

<sup>1/</sup> Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:					525	1,661	129	---	396	60	468	400	668	400
593-C660		ACC TRAINING												
	EH G	90	94	---	2,500	---	---	---	---	---	---	500	300	
	ES G	90	94	---	6,800	---	---	---	---	---	---	1,070	800	
	FN G	90	94	---	779	---	---	---	---	479	250	300	250	
	SD G	90	94	---	400	---	---	---	---	321	250	---	---	
PROJECT TOTAL:					---	10,479	---	---	---	800	500	1,870	1,350	
598-C661		CARIBBEAN AND LA SCHOLARSHIP PROGRAM II												
	EH G	90	94	---	91,650	---	---	---	---	19,332	---	18,000	---	
	ES G	90	94	---	230	---	---	---	---	---	---	230	---	
PROJECT TOTAL:					---	91,880	---	---	---	19,332	---	18,230	---	
598-C662		NATIONAL ENDOWMENT FOR DEMOCRACY (NED/CH)												
	ES G	89	88	1,000	1,000	1,000	100	---	500	---	---	---	---	
PROJECT TOTAL:					1,000	1,000	1,000	100	---	900	---	---	---	
598-C663		REGIONAL CIVIC PARTICIPATION 1/												
	ES G	90	94	---	7,000	---	---	---	---	---	---	1,300	---	
	SD G	90	94	---	1,000	---	---	---	---	150	---	---	---	
PROJECT TOTAL:					---	8,000	---	---	---	150	---	1,300	---	
598-C670		CHILE CIVIC PARTICIPATION												
	SD G	90	91	---	900	---	---	---	---	300	---	600	---	
PROJECT TOTAL:					---	900	---	---	---	300	---	600	---	
598-C770		REGIONAL LEGISLATIVE MANAGEMENT TRAINING 1/												
	ES G	90	93	---	21,000	---	---	---	---	---	---	2,000	---	
	SD G	90	93	---	1,000	---	---	---	---	950	500	---	---	
PROJECT TOTAL:					---	22,000	---	---	---	950	500	2,000	---	
598-C772		PRIVATE SECTOR INSTITUTIONAL REFORM												
	SD G	89	93	1,800	4,730	---	---	1,800	748	1,800	1,500	1,130	951	
PROJECT TOTAL:					1,800	4,730	---	---	1,800	748	1,800	1,500	1,130	951
598-C774		ADVANCED TRAINING IN ECONOMICS 1/												
	EH G	89	92	---	3,500	---	---	500	50	1,000	800	1,500	650	

\* Refers to the planned program summary sheet.  
C/Level of effort activity.

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For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT AUTHO	PROJECT PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:					---	3,500	---	---	500	50	1,000	800	1,500	650
598-0776	OAS FOREIGN TRADE INFORMATION SERVICE	SD G	89	90	275	459	---	---	275	27	184	200	---	191
PROJECT TOTAL:					275	459	---	---	275	27	184	200	---	191
598-0777	CHILE LEGISLATIVE ASSISTANCE CENTER	SD G	89	91	---	1,200	---	---	500	50	300	300	400	450
PROJECT TOTAL:					---	1,200	---	---	500	50	300	300	400	450
598-0779	CARIBBEAN PROJECT DEVELOPMENT FACILITY	SD G	89	91	100	900	---	---	100	10	350	250	450	340
PROJECT TOTAL:					100	900	---	---	100	10	350	250	450	340
598-0780	ENVIRONMENTAL SUPPORT PROJECT <sup>1/</sup>	FN G	90	95	6,675	6,675	---	---	---	---	1,231	---	1,000	---
		HE G	90	95	---	300	---	---	---	---	---	---	---	---
		SD G	90	95	5,625	5,625	---	---	---	---	311	---	300	---
PROJECT TOTAL:					12,300	12,600	---	---	---	---	1,542	---	1,300	---
598-0781	*SOCIAL INDICATORS / DATA IMPROVEMENT <sup>1/</sup>	SD G	91	94	---	2,975	---	---	---	---	---	---	500	450
PROJECT TOTAL:					---	2,975	---	---	---	---	---	---	500	450
598-0782	PARKS IN PERIL	FN G	90	90	---	1,978	---	---	---	---	1,978	1,000	---	978
PROJECT TOTAL:					---	1,978	---	---	---	---	1,978	1,000	---	978
598-0783	CENTRAL AM DEV COORDINATION COMMISSION <sup>1/</sup>	ES G	90	90	---	498	---	---	---	---	498	---	---	---
PROJECT TOTAL:					---	498	---	---	---	---	498	---	---	---
598-0784	ENVIRONMENT/GLOBAL CLIMATE CHANGE	FN G	90	91	---	6,700	---	---	---	---	2,700	---	4,000	---
		SD G	90	91	---	300	---	---	---	---	300	---	---	---
PROJECT TOTAL:					---	7,000	---	---	---	---	3,000	---	4,000	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: LAC REGIONAL

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88		-ACTUAL FY 89		-ESTIMATED FY 90		-PROPOSED FY 91			
					OBLIGA- TIONS	EXPEN- DITURES	OBLIGA- TIONS	EXPEN- DITURES	OBLIGA- TIONS	EXPEN- DITURES	OBLIGA- TIONS	EXPEN- DITURES		
COUNTRY TOTALS:					207,488	353,436	282,827	220,189	43,608	40,197	75,716 <sup>2/</sup>	59,411	75,486 <sup>3/</sup>	38,717
GRANTS:					207,488	353,436	282,827	220,189	43,608	40,197	75,716	59,411	75,486	38,717
LOANS:					---	---	---	---	---	---	---	---	---	---

<sup>1/</sup> For FY 1990 and FY 1991, these projects include funding for Central America.

<sup>2/</sup> Includes 27,600 DA and 4,500 ESF for programs in Central America.

<sup>3/</sup> Includes 27,500 DA and 8,000 ESF for programs in Central America.

\* Refers to the planned program summary sheet.  
Clevel of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.  
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PROGRAM: LAC Regional

PLANNED PROGRAM SUMMARY SHEET

Title Socioeconomic Data Improvement Project		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 1991	500	Life of Project Funding 2,975
Number 598-0781	<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act. 500	Initial Obligation FY 1991	Estimated Final Obligation FY 1994	Estimated Completion Date of Project FY 1995
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

Purpose: To assist countries in the Latin American and Caribbean region to develop and implement effective methodologies for collecting, analyzing, reconciling and utilizing data on the economic and social welfare of low income groups.

Project Description: Recent studies commissioned by the LAC Bureau show that much of the economic and social data now being compiled is inconsistent within the countries and is difficult to compare between countries. It is often outdated by several years and fails to reflect a historical perspective necessary to carry out effective trend analyses. Also, there is an absence of important data variables for most countries in the region. Some of these variables pertain to the environment, wage levels for low-income workers, the extent of poverty, income and wealth distribution, and gender issues. These overall shortcomings in data prevent robust and comprehensive analysis, and thus preclude well informed and effective policy and program decisions.

This project attempts to address these deficiencies through providing technical assistance to host country institutions to improve their data collection, analysis and utilization process, and to support subject specific studies on socio-economic phenomena. Policy dialogue on socio-economic trends will also be a key component of the project.

Sustainability: As institutions are strengthened through this project, the prospects for the continuation of improved data systems are increased. With the accompanying policy dialogue, and as the returns to improved data collection and analysis are made more visible, it is anticipated that the host countries will sustain and improve upon the project effort.

Relationship to A.I.D. Strategy: The promotion of broad-based economic growth is central to A.I.D.'s development strategy. "Spreading the benefits of growth" is a specific goal of the LAC

Bureau and of the Agency. Because this project is focused on tracking the economic and social welfare of low income groups, it is consistent with A.I.D. strategy objectives.

Host Country and Other Donors: Since this is a regional project, counterpart funds are not required. A.I.D. will be the sole source of funds for this project.

Beneficiaries: The project intends that the ultimate beneficiaries are people among the lowest income groups living in the LAC region. The immediate beneficiaries will be host country policy makers and mid-level managers and technicians who collect, reconcile, analyze, utilize and disseminate social and economic data for tracking and measuring development progress.

Major Program Outputs from

All Countries  
Abstracts of socioeconomic data  
Completed studies, analyses  
and economic models

All Years  
(\$000)

A.I.D. Financed Inputs

A.I.D./W Funding  
Technical Services  
Consultants  
Travel and per diem  
Evaluations and Audits

Life of Project  
(\$000)

Subtotal	2,475
Mission Buy-Ins	500
GRAND TOTAL	2,975

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30, Estimated Fiscal Year				To be determined.
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	500	2,475	2,975	



PANAMA

Total U.S. Aid \$ 605 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 56.1% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 14.98 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 2,240  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) 2.4%  
 Government Budgetary Expenditures as a % of GNP...(1986) 33.8%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1984) 1,714 (1985) 1,553 (1986) 1,730  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1984) -340 (1985) -155 (1986) -221

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 0.6 Months of Imports (1988)  
 External Public Debt as % of GNP...(1987) 72.6%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 383  
 As % of Total Export Earnings..... (1987) 6.5%

POPULATION

Total Population...(Thousands, Mid 1989) 2,373  
 Population Growth Rate...(1970) 3.0% (1978) 2.4% (1990) 2.1%  
 Population (1989) By Age Group:  
 (0-14yrs) 35.7% (15-64yrs) 59.4% (65+ yrs) 4.9%  
 Married Women Aged 15-44 yrs. Using Contraception...(1984) 58.2%  
 Total Fertility Rate...(1970) 5.4 (1989) 3.1

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %  
 % of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %  
 Percentage of Total Adult Population Employed Full Time  
 ( . ) . %  
 Proportion of Labor Force in Agriculture...(1980) 32%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1985) 24(86) 187(87) 93  
 Total Imports(\$ Millions, US) (1985) 1,711(86) 1,599(87) 1,649  
 Of Which % From U.S. ....(1988) 51%  
 Major Imports(1987)CAPITAL GOODS;PETROLEUM PRODS;CONSUMER GOODS  
 Total Exports(\$ Millions, US) (1985) 1,735(86) 1,787(87) 1,742  
 Of Which % to U.S. ....(1988) 67%  
 Major Exports(1987)BANANAS;SHRIMP;COFFEE  
 Trading Partners: UNITED STATES; JAPAN; VENEZUELA

AGRICULTURE

Agricultural Production as % of GDP...(1986) 9%  
 Self-sufficiency Ratio  
 Food: 109% (1985)  
 Agriculture: 110% (1985)  
 Ag. Exports:(1987)Fruit & vegs; Coffee,green &; Sugar  
 Ag. Imports:(1987) Fruit & vegs; Dairy products; Meat products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2444  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 72.9 Male 70.9 Female 75.1  
 (1970) Total 65.5 Male 64.0 Female 66.5  
 Infant Deaths in First Yr of Life per 1000 Live Births (1989) 23  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCC) 90% (1988) Measles 75% (1988)  
 Diphtheria(DPT3) 74% (1988) Polio(3) 74% (1988)

Population with Reasonable Access to Safe Water Supply

(1983) 62%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1985) Total 89.2 Male . Female .  
 Secondary (1985) Total 56.5 Male 54.8 Female 58.2  
 Post Secondary (1985) Total 22.7 Male 18.5 Female 27.0  
 Adult Literacy Rate (1985) Male 89% (1985) Female 88%



PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	--	--	--
Loan	--	--	--
Grant	--	--	--
Economic Support Fund	--	530,125 <sup>1/</sup>	--
Loan	--	530,125	--
Grant	--	--	--
Other*	--	--	--
<b>TOTALS</b>	--	530,125	--
P.L. 480	254	42	--
Title I	--	--	--
Title II	254	42	--
<b>TOTALS</b>	254	530,167	--

<sup>1/</sup> Subject to approval by Congress

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY (Actual)	FY (Estimated)	FY (Request)
U.S. National			
Foreign National			
<b>TOTALS</b>			

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY (Actual)			FY (Estimated)			FY (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>									
Regional <sup>e</sup>									
Third Country Participants									
Bilateral <sup>d</sup>									
Regional <sup>e</sup>									
<b>TOTALS</b>									

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## PANAMA

### Introduction

Significant but temporary external assistance from the United States and other donors will be required to rebuild Panama's economy. Furthermore, the new, elected government faces an enormous challenge to restructure an oversized public sector corrupted by military regimes. Also the country's basic infrastructure is in a state of extreme deterioration.

- Panama's economy declined by 16% in 1988 and experienced no growth in 1989.
- Total external arrears at the end of 1989 amounted to about \$2.4 billion, of which some \$1.8 billion is owed to commercial banks and \$540 million to multilateral financial institutions.
- Massive borrowing by the Noriega regime against the Panamanian banking system and loss of confidence of depositors led to restriction on cash withdrawals and lending on domestic accounts. Leading international banks and businesses shifted their assets to other countries.
- An estimated \$1.7 billion have been pulled out of the Panamanian banking system over the nearly 30 months of political crisis, creating a credit shortage which adversely affects all productive sectors of the economy. Bank credit to Panama's private sector is 20% below the 1986 level.
- Limited resources and increased public sector payrolls have caused serious fiscal deficits and the deterioration of essential public infrastructure (roads, utilities, schools, and health centers).
- The public sector ballooned with extraordinary numbers of politically motivated appointments, toward the end including members of Noriega's paramilitary "dignity battalions."
- Unemployment has more than doubled since 1987, now in the 25-30% range in urban areas.

In spite of these present difficulties, Panama has excellent potential for economic recovery and long-term growth. The Endara Government has a reservoir of support which it can draw on to clean up the economic chaos left behind by the Noriega regime. The Government has completed ministerial and sub-cabinet level appointments, and announced a realistic economic program which emphasizes: (a) reconstruction of housing and the restoration of essential services; (b) implementation of a short-term jobs program to reduce unemployment and repair public infrastructure; (c) increasing the liquidity of the banking system and renewing the productivity of Panama's private sector; (d) concluding new financial arrangements with international creditors; (e) rebuilding

a weak judicial system; and (f) improving public efficiency of and public confidence in governmental institutions. With the implementation of this program, the Government is confident that international capital flows and banking/financial services will return to Panama.

#### A.I.D. Development Strategy

A.I.D. will be a key contributor to the overall U.S. Government strategy to help the Endara Government stabilize the economy and rebuild a basis for renewed, sustainable growth. The focus of the U.S. Government strategy is to support the Endara Government's economic program by reinforcing the confidence of the private sector and creating trade and investment opportunities for Panama.

A.I.D.'s immediate role involves providing urgent humanitarian and economic recovery assistance. This assistance will help rebuild housing, provide an emergency public works program, support public sector efficiency and honesty, strengthen the administration of justice, and rehabilitate small businesses.

To follow up this immediate assistance, the Administration has requested additional offset funds for FY 1990. As part of this broad assistance package, A.I.D. plans to provide economic assistance focusing on encouraging economic policy reform, economic reactivation, employment generation, private sector investment, democratic institution strengthening, normalizing relations with international financial institutions, infrastructure repair, human capital development, public sector restructuring, and other important development needs.

#### FY 1991 Program

While A.I.D. is not requesting any additional assistance for FY 1991, A.I.D. expects to continue to implement the economic recovery program begun this year.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PANAMA

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
525-0000		PROGRAM DEVELOPMENT AND SUPPORT											
	EM G	64	C	---	---	1,880	1,654	---	---	---	---	---	---
	FN G	64	C	---	---	4,042	3,766	---	---	---	---	---	---
	HE G	64	C	---	---	---	---	---	---	---	---	---	---
	PN G	31	C	---	---	---	---	---	---	---	---	---	---
	SD G	64	C	---	---	13,857	13,737	---	---	---	---	---	---
		PROJECT TOTAL:		---	---	19,779	19,157	---	---	---	---	---	---
525-G222		AGRICULTURAL COOPERATIVE MARKETING											
	FN G	84	89	2,300	1,406	1,406	1,131	---	105	---	---	---	---
	FN L	84	89	5,900	1,578	---	---	---	---	---	---	---	---
		PROJECT TOTAL:		8,200	2,984	1,406	1,131	---	105	---	---	---	---
525-C227		AGRICULTURAL TECHNOLOGY TRANSFER											
	FN G	82	85	1,500	1,170	1,170	871	---	33	---	---	---	---
	FN L	82	85	6,000	4,051	4,051	3,881	---	---	---	---	---	---
		PROJECT TOTAL:		7,500	5,221	5,221	4,752	---	33	---	---	---	---
525-C247		AG POLICY FORMULATION AND MANAGEMENT											
	FN G	84	91	55,000	3,366	3,366	3,098	---	183	---	---	---	---
		PROJECT TOTAL:		55,000	3,366	3,366	3,098	---	183	---	---	---	---
525-C250		DEVELOPMENT POLICY STUDIES											
	SD G	35	86	1,583	1,583	1,583	1,399	---	---	---	---	---	---
		PROJECT TOTAL:		1,583	1,583	1,583	1,399	---	---	---	---	---	---
525-C258		PRIVATE SECTOR SCHOLARSHIP FOUND., OPG											
	EM G	84	89	1,750	1,750	1,750	1,477	---	51	---	---	---	---
	SD G	84	87	1,250	1,250	1,250	821	---	6	---	---	---	---
		PROJECT TOTAL:		3,000	3,000	3,000	2,298	---	57	---	---	---	---
525-C261		PRIVATE EXPORT FINANCE											
	SD G	86	92	200	200	200	136	---	---	---	---	---	---
		PROJECT TOTAL:		200	200	200	136	---	---	---	---	---	---
525-C275		INDUSTRIAL RELATIONS SERVICES											
	EM G	35	30	646	646	646	489	---	157	---	---	---	---
		PROJECT TOTAL:		646	646	646	489	---	157	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PANAMA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHG PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES		
525-0281														
	FN G	85	87	947	947	471	---	92	---	---	---	---		
				947	947	471	---	92	---	---	---	---		
525-0285														
	FN G	86	87	1,028	750	300	---	150	---	300	---	---		
				1,028	750	300	---	150	---	300	---	---		
525-0292														
	EM G	87	87	200	200	96	---	77	---	---	---	---		
				200	200	96	---	77	---	---	---	---		
525-0295														
	ES G	90	90	30,125	---	---	---	---	30,125	30,125	---	---		
				30,125	---	---	---	---	30,125	30,125	---	---		
525-0296														
	ES G	90	90	---	500,000	---	---	---	500,000 <sup>1/</sup>	200,000	---	300,000		
				---	500,000	---	---	---	500,000	200,000	---	300,000		
525-1000														
	EM G	87	88	6,225	5,225	---	---	---	---	---	---	---		
	FN G	87	88	718	718	---	---	---	---	---	---	---		
	HE G	87	88	438	438	---	---	---	---	---	---	---		
	PN G	87	88	219	219	---	---	---	---	---	---	---		
				7,600	7,600	---	---	---	---	---	---	---		
				COUNTRY TOTALS:	116,029	556,900	43,698	33,327	---	4,355	530,125	230,425	---	300,000
				GRANTS:	104,129	551,271	39,647	29,446	---	4,355	530,125	230,425	---	300,000
				LOANS:	11,900	5,629	4,051	3,881	---	---	---	---	---	---

<sup>1/</sup> Subject to approval by Congress.

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.



PERU

Total U.S. Aid \$ 1,366 Million (1946-88)  
 Ratio of U.S. Aid To Total ODA 35.1% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 4.61 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 1,430  
 Average Annual Real Per Capita GNP Growth Rate.(1965-87) 0.2%  
 Government Budgetary Expenditures as a % of GNP...(1985) 21.1%  
 Total Expenditures and Net Lending (\$ Millions, US):  
 (1981) 4,359 (1982) 3,788 (1983) 3,067  
 Budgetary Deficit or Surplus (\$ Millions, US):  
 (1981) -764 ( . ) . ( . )

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 8.7 Months of Imports (1988)  
 External Public Debt as % of GNP...(1987) 28.0%  
 Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1987) 448  
 As % of Total Export Earnings..... (1987) 12.5%

POPULATION

Total Population...(Thousands, Mid 1989) 21,449  
 Population Growth Rate...(1970) 2.8% (1978) 2.6% (1990) 2.1%  
 Population (1989) By Age Group:  
 (0-14yrs) 38.6% (15-64yrs) 57.7% (65+ yrs) 3.7%  
 Married Women Aged 15-44 yrs. Using Contraception...(1986) 48.4%  
 Total Fertility Rate...(1970) 6.5 (1989) 3.8

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( . ) . %  
 % of Population Living Below Absolute Poverty Level  
 (1981) Total 35.0% Urban 25.0% Rural 75.0%  
 Percentage of Total Adult Population Employed Full Time  
 ( . ) . %  
 Proportion of Labor Force in Agriculture...(1985) 36%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1983) 39(84) 781(85) 986  
 Total Imports(\$ Millions, US) (1983) 3,728(84) 3,055(85) 2,710  
 Of Which % From U.S. ....(1988) 26%  
 Major Imports(1987)FOODSTUFFS;MACHINERY;TRANSPORT EQUIP  
 Total Exports(\$ Millions, US) (1983) 3,767(84) 3,836(85) 3,696  
 Of Which % to U.S. ....(1988) 29%  
 Major Exports(1986)COPPER;COFFEE;ZINC  
 Trading Partners: UNITED STATES; JAPAN; GERMANY, FEDER

AGRICULTURE

Agricultural Production as % of GDP...(1987) 11%  
 Self-sufficiency Ratio  
 Food: 86% (1985)  
 Agriculture: 90% (1985)  
 Ag. Exports:(1987)Coffee,green &; Fibers; Cotton lint  
 Ag. Imports:(1987) Sugar; Meat products; Dairy products

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1987) 2243  
 Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 63.5 Male 61.4 Female 65.6  
 (1970) Total 54.7 Male 53.0 Female 56.3  
 Infant Deaths in First Yr of Life per 1000 Live Births (1989) 69  
 Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 72% (1988) Measles 57% (1988)  
 Diphtheria(DPT3) 65% (1988) Polio(3) 66% (1988)  
 Population with Reasonable Access to Safe Water Supply  
 (1984) 63%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1982) Total 116.7 Male 121.6 Female 111.8  
 Secondary (1980) Total 51.4 Male 56.0 Female 46.7  
 Post Secondary (1980) Total 15.8 Male . Female .  
 Adult Literacy Rate (1985) Male 91% (1985) Female 78%

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	17,725 <u>1/</u>	12,003 <u>2/</u>	11,875
Loan	--	--	--
Grant	17,725	12,003	11,875
Economic Support Fund	2,000	3,286	3,100
Loan	--	--	--
Grant	2,000	3,286	3,100
Other*	141 <u>3/</u>		
<b>TOTALS</b>	19,866	15,289	14,975
P.L. 480 **	30,525	36,602	34,193
Title I	15,000	10,000	15,000
Title II	15,525	26,602	19,193
<b>TOTALS</b>	50,391	51,891	49,168

\*\*See Main Volume P.L. 480 Table for program breakout and emergency assistance.

1/ Includes 3,226 in reobligation of prior year funds  
2/ Includes 3 in no-year funds  
3/ International Disaster Assistance

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	22	20.6*	20.6*
Foreign National	45	45	45
<b>TOTALS</b>	67	65.6	65.6

<sup>a</sup>Total full time equivalent workyears of employment. Include HIC, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\*Includes 2 part time in FY 1990 and FY 1991

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants	53	161	214	51	163	214	34	148	182
Bilateral <sup>d</sup>	6	16	22	2	31	33	0	10	10
Regional <sup>e</sup>									
Third Country Participants									
Bilateral <sup>d</sup>	12	15	27	13	24	37	8	14	22
Regional <sup>e</sup>	0	9	9	0	26	26	0	13	13
<b>TOTALS</b>	71	201	272	66	244	310	42	185	227

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.  
<sup>b</sup>Academic: degree seeking.  
<sup>c</sup>Technical: non-degree seeking.  
<sup>d</sup>Participants funded under bilateral programs.  
<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).



## PERU

### Introduction

Important U.S. national interests are at stake in Peru. These interests include controlling illicit narcotics, maintenance of a democratic government, achieving economic stability and growth, and countering guerrilla and narco-terrorist threats to the country's democratic institutions. A major reorientation of Peru's misdirected economic policies is urgently needed, along with the country's reintegration into the international financial community, to reduce severe deterioration in the standard of living of most Peruvians. More aggressive action also is required to counter the growing influence of narcotics within the economy and to address the deteriorating security situation.

Peru's political and economic crisis is worsening although national elections in 1990 could produce a consensus on the policy changes needed to address the most severe constraints to recovery and growth. Current Government of Peru (GOP) policies have resulted in hyperinflation, declining productivity, rising unemployment, declining international reserves and scarcities in basic commodities. Per capita gross domestic product (GDP), which already is lower than in 1965, is expected to decrease by 15% in 1989. Malnutrition is on the increase, and preliminary estimates indicate that many urban families can only afford some 80% of their caloric requirements. Terrorists and narcotics traffickers have taken advantage of the economic deterioration, increasing their threat to political stability and democracy.

The current GOP policies have precluded mobilizing the external resources needed to reactivate the economy. The GOP's failure to achieve an accommodation with the World Bank, International Monetary Fund and other potential public and private donors, due to its policy of limiting debt payments, has halted most new economic assistance. GOP insistence on only repaying debt to net positive donors jeopardizes A.I.D.'s ability to influence Peruvian policy, as the country is regularly in arrears on payment of U.S. debt.

Peru is also on the front lines of the joint U.S. Government-Andean initiative to reduce cocaine production and trafficking. Nearly 60% of the world's coca leaf is produced in Peru.

### A.I.D. Development Strategy and Accomplishments to Date

Operating within the framework of U.S. foreign policy, A.I.D.'s primary role is to contribute to Peru's economic and social development. Proposed programs aim to achieve three goals: economic growth, human capacity development, and strengthening democratic institutions. A.I.D. also is contributing substantially to a fourth U.S. goal of eliminating cocaine production and trafficking in Peru.

Until such time as relationships are normalized with international financial institutions, A.I.D. activities to support the goal of economic stabilization will be limited to helping define policy options and strategies to achieve them, and to promoting a private and public sector dialogue on responsible economic policies.

The A.I.D. program contributes to important sectoral policy developments in health, agriculture and family planning, and has helped to prepare the policy framework and technology required for sustainable economic growth. A.I.D. activities contribute to narcotics control objectives by providing legal income-earning opportunities to farmers shifting out of coca production, and by building a constituency supporting more aggressive drug control programs through A.I.D.'s narcotics awareness project. CEDRO, a Peruvian organization assisted by A.I.D., has helped educate and inform Peruvians of the dangers and problems of narcotics production and abuse on their society. Recent surveys indicate that the effects of the narcotics industry in Peru is now a major concern of the Peruvian public. CEDRO's growing linkage with thousands of grass-roots community organizations is a key factor in this change in attitude.

Support for the Peruvian National Immunization Program is one of the principal components of the Child Survival Action project, which A.I.D. supports along with the Pan American Health Organization, United Nations Children's Fund, and Rotary Foundation International. The program has achieved remarkable success over the last five years, with protection from polio for children under one year of age rising from 28% in 1984 to 61% in 1989. For measles, the chief cause of mortality among vaccine preventable diseases, coverage has increased from 35% in 1984 to 57% in 1989.

Under the Agricultural Technology Transformation project, A.I.D. is supporting the participation of the private sector in generating and extending agricultural technologies that heretofore had been the domain of the public sector. Biodiversity and tropical forest management assistance is being pursued under the Central Selva Resource Management project. As agricultural policies improve, these long-term technology activities involving the private sector will result in increased productivity and in lower costs per unit of production.

The Central Selva Resource Management project also developed technologies for sustainable natural resource management and income generation. A grant to the Nature Conservancy Foundation will expand the concept of sustainable resource management and promote job creation among local population adjacent to the targeted areas in Peru's eastern jungle.

The National Confederation of Private Enterprises in Peru, which A.I.D. has supported since 1986, has become a leading voice and source of support of the Peruvian private sector. The Confederation has led an active policy dialogue with the Peruvian Government, opposing efforts to nationalize private commercial banks. Parallel efforts with the Central Bank have helped it attempt to hold the line on monetary expansion. Also, a pilot activity under the Administration of Justice project is under way in ten Lima criminal courts to implement an improved court management system. The project has a number of activities to provide basic counsel to poorer segments of the population, improve narcotics prosecutions, train court personnel, and develop a legal database. These efforts help strengthen democratic institutions by building confidence in the equitable administration of justice.

#### Other Donors

Because of Peru's posture regarding debt and its unsustainable economic policies, all international financial institutions and most large

bilateral donors have suspended or sharply reduced assistance to Peru. A number of donors continue small programs, carried out primarily by private and voluntary organizations (PVOs), in health, rural development, water and sanitation. A new A.I.D. program, to be initiated in FY 1990, will enable the GOP to develop sectoral programs, mobilize external support and coordinate donor resources.

#### FY 1991 Program

In FY 1991, A.I.D. is requesting \$11.9 million in Development Assistance, \$3.1 million in Economic Support Funds (ESF) and \$34.1 million in P.L. 480 (\$15.0 million for Title I and \$19.1 million for Title II).

If Peru's program in counternarcotics activities is adequate, it is eligible for a substantial increase in ESF assistance in FY 1991 as part of President Bush's Andean Counternarcotics Strategy. A.I.D. is prepared to help the new Peruvian government, to be elected in 1990, move away from coca dependence while achieving socio-political stability. ESF will be used for short-term economic stabilization measures; programs to promote sustained economic growth throughout the productive sectors of the economy; continued assistance for the cultivation of legitimate crops in areas where GOP agencies, supported by the United States, are active in drug interdiction and eradication efforts; as well as support for a parallel program of drug education and information.

Development Assistance will maintain sectoral activities that strengthen Peru's institutions and human resource base to carry out programs that more widely share the benefits of economic growth. A program to provide policy analysis and planning assistance will be initiated with the new government as it is expected to undertake an economic adjustment program consistent with Peru's needs. Programs in agriculture, rural development and nutrition will continue to improve productivity and alleviate hunger. A new activity is designed to strengthen the capacity of PVOs to use P.L. 480 food to promote longer-term commodity development. In the areas of health, child survival, population and acquired immune deficiency syndrome (AIDS) prevention, A.I.D. will work with both private and public sectors to prevent disease and early death, with an emphasis on child survival, and will expand the family planning program. Funding of the Andean Peace Scholarship Program and the Private Sector Management training will be completed. In addition, A.I.D. will support a constructive dialogue on appropriate economic policies between the private and public sectors.

The P.L. 480 program is a key component of the overall A.I.D. program. Malnutrition is increasing rapidly and reduced incomes are lowering many Peruvians' ability to procure adequate food. Title I programs will support needed agricultural sector reforms, and local currency will assist GOP efforts to implement self-help measures and to support priority agriculture, health and nutrition projects. Owing to the disastrous economic decline and growing food shortage, Title II resources will be increased substantially. Title II commodities will help meet existing spot food shortages and alleviate malnutrition through PVOs which are providing services to Peru's most nutritionally and economically vulnerable population.

Mission Director: Craig G. Buck

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PERU

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
527-G000		PROGRAM DEVELOPMENT AND SUPPORT											
	EM G	74	C	---	---	1,247	1,241	53	1	85	125	50	58
	FM G	74	C	---	---	7,566	7,235	112	243	500	567	450	500
	HE G	74	C	---	---	4,037	3,942	50	---	53	135	65	85
	PN G	74	C	---	---	738	722	123	87	100	112	100	110
	SD G	74	C	---	---	3,451	3,312	147	111	245	400	346	318
		PROJECT TOTAL:		---	---	17,039	16,452	485	442	983	1,339	1,011	1,071
527-G061		SPECIAL DEVELOPMENT ACTIVITIES											
	SD G	83	C	---	---	1,878	1,774	100	122	100	150	100	90
		PROJECT TOTAL:		---	---	1,878	1,774	100	122	100	150	100	90
527-C178		INTEGRATED REGIONAL DEVELOPMENT											
	FN G	79	83	1,600	1,600	---	---	---	---	---	---	---	
	FN L	79	83	14,000	14,000	13,863	13,415	---	49	---	---	---	
		PROJECT TOTAL:		15,600	15,600	13,863	13,415	---	49	---	---	---	
527-C192		AG RESEARCH, EXTENSION AND EDUCATION											
	FN G	80	87	10,650	10,650	10,643	10,016	---	519	---	---	---	
	FN L	80	87	9,000	9,000	8,968	8,900	---	68	---	---	---	
		PROJECT TOTAL:		19,650	19,650	19,611	18,916	---	587	---	---	---	
527-C221		RURAL WATER SYSTEMS AND ENV SANITATION											
	HE G	80	85	1,000	1,000	954	678	---	15	---	---	---	
	HE L	80	85	10,000	10,000	9,663	6,544	---	280	---	---	---	
		PROJECT TOTAL:		11,000	11,000	10,617	7,222	---	295	---	---	---	
527-C226		SMALL HYDRO DEVELOPMENT											
	FN G	81	84	587	587	531	527	---	4	---	---	---	
	FN L	81	84	8,663	8,663	8,543	8,329	---	94	---	---	---	
		PROJECT TOTAL:		9,250	9,250	9,074	8,856	---	98	---	---	---	
527-C230		INT FAMILY PLANNING AND HEALTH											
	HE L	81	85	4,000	4,000	---	---	---	---	---	---	---	
	PN G	81	85	10,900	9,925	9,841	8,219	---	1,145	---	477	---	
		PROJECT TOTAL:		14,900	13,925	9,841	8,219	---	1,145	---	477	---	
527-C238		AGRICULTURAL PLANNING AND INST DEV											
	FN G	83	89	6,650	6,650	6,057	5,090	593	274	---	200	---	86
	FN L	83	89	11,000	11,000	11,000	7,371	---	1,148	---	2,000	---	481

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PERU

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
PROJECT TOTAL:				17,650	17,650	17,057	12,461	593	1,422	---	2,200	---	567
527-0240		CENTRAL SELVA RESOURCE MANAGEMENT											
	FN G	82	87	4,800	4,800	4,777	4,724	---	50	---	---	---	---
	FN L	82	87	8,090	8,090	8,090	7,823	---	97	---	---	---	---
PROJECT TOTAL:				12,890	12,890	12,867	12,547	---	147	---	---	---	---
527-0244		UPPER HUALLAGA AREA DEVELOPMENT											
	ES G	81	91	5,200	11,300	5,400	3,499	1,300	253	1,500	1,600	2,500	1,550
	FN G	81	91	3,700	3,500	3,500	2,874	---	72	---	---	---	200
	FN L	81	91	15,000	15,000	15,000	14,032	---	145	---	---	---	---
PROJECT TOTAL:				27,900	29,800	23,900	20,405	1,300	470	1,500	1,600	2,500	1,750
527-0248		CARITAS FEEDING PROGRAM - OPG											
	FN G	84	87	525	525	525	224	---	301	---	---	---	---
	HE G	84	87	125	125	125	30	---	95	---	---	---	---
PROJECT TOTAL:				650	650	650	254	---	396	---	---	---	---
527-0265		PRIVATE SECTOR AG INVESTMENT PROMOTION											
	FN L	83	83	10,000	10,000	7,592	7,591	---	---	---	---	---	---
PROJECT TOTAL:				10,000	10,000	7,592	7,591	---	---	---	---	---	---
527-0269		PRIVATE SECTOR FAMILY PLANNING											
	PN G	86	91	13,000	4,937	4,937	2,548	---	2,336	---	53	---	---
PROJECT TOTAL:				13,000	4,937	4,937	2,548	---	2,336	---	53	---	---
527-0272		PRIVATE SECTOR MANAGEMENT IMPROVEMENT											
	EH G	85	91	7,000	7,000	4,096	1,878	740	1,345	671	1,400	623	730
PROJECT TOTAL:				7,000	7,000	4,096	1,878	740	1,345	671	1,400	623	730
527-0282		AGRICULTURAL TECH TRANS											
	ES G	87	92	2,700	2,700	2,700	322	---	2,134	---	244	---	---
	FN G	87	92	22,300	22,300	10,822	591	5,325	4,005	700	4,922	1,375	2,826
PROJECT TOTAL:				25,000	25,000	13,522	913	5,325	6,139	700	5,166	1,375	2,826
527-0285		CHILD SURVIVAL ACTION											
	CS G	87	91	18,107	18,107	7,614	175	2,773	1,804	3,648	7,200	3,570	6,500
	HE G	87	91	893	893	101	---	495	---	176	300	97	100

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PERU

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				19,000	19,000	7,715	175	3,268	1,804	3,824	7,500	3,667	6,600
527-C288	NARCOTICS EDUCATION AND PUBLIC AWARENESS												
	EH G	85	91	2,400	2,430	1,599	750	304	323	414	1,000	113	113
	ES G	85	91	1,600	2,200	1,600	813	---	610	600	177	600	1,100
PROJECT TOTAL:				4,000	5,230	3,199	1,563	304	933	1,014	1,177	713	1,213
527-C298	PRIV SECTOR POLICY PLAN AND INST DEV												
	SD G	85	91	7,350	7,350	5,196	2,839	1,279	1,640	329	1,119	522	806
PROJECT TOTAL:				7,350	7,350	5,196	2,839	1,279	1,640	329	1,119	522	806
527-C303	ADMINISTRATION OF JUSTICE												
	ES G	86	92	2,850	3,850	2,350	573	500	540	---	900	---	800
PROJECT TOTAL:				2,850	3,850	2,350	573	500	540	---	900	---	800
527-C308	PRIVATE SECTOR NUTRITION/CHILD SURVIVAL												
	HE G	86	86	914	914	914	622	---	89	---	180	---	23
PROJECT TOTAL:				914	914	914	622	---	89	---	180	---	23
527-C311	CHILD SURVIVAL												
	HE G	86	87	980	980	980	848	---	131	---	1	---	---
PROJECT TOTAL:				980	980	980	848	---	131	---	1	---	---
527-C313	ANDEAN PEACE SCHOLARSHIP PROGRAM												
	EH G	87	90	4,878	4,847	2,000	343	2,009	2,396	838	1,270	---	838
	ES G	87	90	1,280	606	406	13	200	59	---	534	---	---
	HE G	87	90	201	201	101	1	100	6	---	---	---	---
PROJECT TOTAL:				6,359	5,654	2,507	357	2,309	2,461	838	1,804	---	838
527-C316	NINOS CHILD SURVIVAL JOURNAL CPG												
	HE G	87	87	213	213	213	86	---	85	---	42	---	---
PROJECT TOTAL:				213	213	213	86	---	85	---	42	---	---
527-G317	MICRO ENTERPRISE PROMOTION DPG												
	SD G	87	87	179	179	179	---	---	---	---	80	---	99
PROJECT TOTAL:				179	179	179	---	---	---	---	80	---	99
527-G320	REFORESTRATION CARE - GPG												

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PERU

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEA- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES	
	FN G	88	89	230	230	100	---	130	104	---	90	---	36
	PROJECT TOTAL:			230	230	100	---	130	104	---	90	---	36
527-0321	CENTRAL SELVA RESOURCE MGT PHASE II												
	FN G	88	88	2,230	2,230	2,230	---	---	238	---	992	---	---
	FN L	88	88	1,680	1,680	1,680	---	---	71	---	309	---	---
	PROJECT TOTAL:			3,910	3,910	3,910	---	---	309	---	1,301	---	---
527-0323	PRISMA SUPPLEMENTAL FEEDING OPG												
	CS G	88	91	300	497	---	---	150	---	212	160	135	125
	FN G	88	91	38	38	---	---	---	---	---	5	---	10
	HE G	88	91	350	350	350	---	---	232	---	25	---	45
	PROJECT TOTAL:			688	885	350	---	150	232	212	190	135	180
527-0326	PRIVATE COMMERCIAL FAMILY PLANNING												
	PN G	89	93	---	1,900	---	---	---	---	300	75	500	625
	PROJECT TOTAL:			---	1,900	---	---	---	---	300	75	500	625
527-0327	AIDS PREVENTION												
	DG G	88	88	100	100	100	---	---	83	---	17	---	---
	PROJECT TOTAL:			100	100	100	---	---	83	---	17	---	---
527-0328	OPG ADRA/CFASA NUTRITION AND FFW												
	CS G	88	92	550	718	102	---	140	102	308	130	168	135
	FN G	88	92	632	782	178	---	100	203	354	160	150	140
	HE G	88	92	68	68	68	---	---	68	---	---	---	---
	PROJECT TOTAL:			1,250	1,568	348	---	240	373	662	290	318	275
527-0329	CRS-STRENGTHENING OF CARITAS/PERU												
	CS G	89	89	187	187	---	---	187	---	---	120	---	47
	FN G	89	89	310	310	---	---	310	68	---	202	---	40
	PROJECT TOTAL:			497	497	---	---	497	68	---	322	---	87
527-0330	FOOD ASSISTED INTEGRATED CEV - OPG												
	CS G	88	92	297	349	115	---	63	35	112	20	59	59
	FN G	88	92	368	448	85	---	75	68	208	100	80	100
	HE G	88	92	63	63	63	---	---	24	---	39	---	---
	PROJECT TOTAL:			728	860	263	---	138	127	320	159	139	159

\* Refers to the planned program summary sheet.

CLevel of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: PERU

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES		
527-C331														
	PN G	88	88	200	200	200	---	---	85	---	115	---		
				200	200	200	---	---	85	---	115	---		
527-C333														
	DG G	89	91	400	400	---	---	100	---	100	75	200		
	HE G	89	91	100	100	---	---	50	---	50	50	50		
				500	500	---	---	150	---	150	125	200		
527-C335														
	PN G	89	92	7,755	7,755	---	---	2,217	---	1,900	2,217	2,000		
				7,755	7,755	---	---	2,217	---	1,900	2,217	1,850		
527-C340														
	EH G	91	95	---	6,000	---	---	---	---	---	800	600		
				---	6,000	---	---	---	---	---	800	600		
527-C341														
	FN G	90	95	---	4,575	---	---	---	---	---	372	300		
				---	4,575	---	---	---	---	---	372	300		
527-C343														
	EH G	90	90	---	200	---	---	---	200	75	---	---		
	ES G	90	90	---	1,186	---	---	---	1,186	400	---	---		
	FN G	90	90	---	400	---	---	---	400	100	---	---		
				---	1,786	---	---	---	1,786	575	---	---		
				COUNTRY TOTALS:	242,193	251,488	195,068	140,514	19,725	24,057	15,289	30,664	14,975 <sup>1/</sup>	21,725
				GRANTS:	150,760	160,055	110,669	66,509	19,725	22,105	15,289	28,355	14,975	21,244
				LOANS:	91,433	91,433	84,399	74,005	---	1,952	---	2,309	---	481

<sup>1/</sup> Eligible for additional ESF assistance under the Andean Narcotics Initiative

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.



Regional Office  
of Central America  
(ROCAP)

ROCAP

PROGRAM SUMMARY (\$000)			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
Development Assistance	33,178	21,354	20,430
Loan	-	-	-
Grant	33,178	21,354	20,430
Economic Support Fund			
Loan	-	-	-
Grant	-	-	-
Other*	-	-	-
<b>TOTALS</b>	<b>33,178</b>	<b>21,354</b>	<b>20,430</b>
P.L. 480	-	-	-
Title I	-	-	-
Title II	-	-	-
<b>TOTALS</b>	<b>33,178 <u>1/</u></b>	<b>21,354 <u>2/</u></b>	<b>20,430</b>

1/ Includes 12,206 in reobligation of prior year funds.

2/ Includes 48 in FY 1990 no-year funds.

PERSONNEL DATA - MISSION DIRECT HIRE <sup>a</sup>			
Category	FY 1989 (Actual)	FY 1990 (Estimated)	FY 1991 (Request)
U.S. National	12.0	11.8*	11.8*
Foreign National	5.0	5.0	5.0
<b>TOTALS</b>	<b>17.0</b>	<b>16.8</b>	<b>16.8</b>

<sup>a</sup>Total full time equivalent workyears of employment. Include HIG, excess property, and IG personnel. Excludes TDP. One workyear = 2,087 hours.

\* Includes one part-time in FY 1990 and FY 1991.

PARTICIPANT TRAINING DATA <sup>a</sup>									
Category	FY 1989 (Actual)			FY 1990 (Estimated)			FY 1991 (Request)		
	A <sup>b</sup>	T <sup>c</sup>	Total	A	T	Total	A	T	Total
U.S. Participants									
Bilateral <sup>d</sup>	-	-	-	-	-	-	-	-	-
Regional <sup>e</sup>	14	146	160	17	68	85	22	43	65
Third Country Participants									
Bilateral <sup>d</sup>	-	-	-	-	-	-	-	-	-
Regional <sup>e</sup>	-	-	-	-	-	-	-	-	-
<b>TOTALS</b>	<b>14</b>	<b>146</b>	<b>160</b>	<b>17</b>	<b>68</b>	<b>85</b>	<b>22</b>	<b>43</b>	<b>65</b>

<sup>a</sup>In-training refers to the sum of participant new starts during the FY & carryovers still in training from the prior FY.

<sup>b</sup>Academic: degree seeking.

<sup>c</sup>Technical: non-degree seeking.

<sup>d</sup>Participants funded under bilateral programs.

<sup>e</sup>Participants funded under regional programs (e.g., CLASP, AMDP).

## REGIONAL OFFICE FOR CENTRAL AMERICA

### Introduction

The nations of Central America have long sought close economic and political bonds. Towards this end, the Treaty for Central American Social and Economic Integration was signed in 1960, leading to the creation of regional development institutions in such areas as finance, agricultural research, health and nutrition, management training, and industrial technology. These institutions strengthen Central American cooperation, and facilitate economies of scale across a wide range of economic and social activities.

Regional collaboration diminished during recent years as the area's politically and economically besieged governments focused inwards. The Esquipulas meeting of the Central American presidents in 1986 signaled a renewed interest in regional cooperation. The region's vice presidents are leading ongoing efforts in this direction. Meaningful ministerial-level, inter-governmental coordination across a broad range of areas and issues has resumed. Coordination in the economic areas is particularly improved, and a region-wide plan for reducing intra-regional trade barriers is now under development. The private sector is increasingly active at the regional level, with the Federation of Private Sector Entities and the Central American Institute for Business Administration promoting private and public sector dialogue on key regional economic and social policy issues. Reinforcing these efforts is the increasing interest of the Japanese, the European Economic Community, the United Nations, the World Bank, and other donors in regional programs for Central America.

The United States has encouraged cooperation among the Central American nations. The Regional Office for Central America and Panama (ROCAP) was established by joint treaty with all the Central American governments in the early 1960s. Since that time, ROCAP has been the U.S. Government's principal vehicle for supporting development activities at a regional level.

### A.I.D. Development Strategy and Accomplishments to Date

A.I.D.'s regional goals and priorities reflect those of the Central America Initiative, which was begun in 1984 to provide expanded resources to the region to address fundamental economic, social and political problems identified by the National Bipartisan Commission on Central America. Concurrently, these goals are supportive of the Central Americans' own priorities. ROCAP works closely with A.I.D. missions in Central America to ensure that all U.S. aid programs are complementary and mutually reinforcing. Within the overall panoply of U.S. government programs, ROCAP activities focus on development problems which: (1) affect all the Central American countries; (2) require cooperative multi-country solutions; or (3) are more cost-effective on a regional level. ROCAP projects directly attack development problems while strengthening regional and national organizations to deal with these problems over the long term. The portfolio addresses both growth and equity concerns in the following areas.

Sustainability is critical for the institutions which serve as regional centers of excellence and produce the bulk of research for Central America's public and private sectors. All must compete with national funding priorities in times of fiscal austerity. A.I.D. is working with these institutions to broaden their resource bases, contain costs, and

design appropriate fee structures. In addition, A.I.D. is planning a pilot debt-equity exchange to endow a regional institution to provide long-term institutional growth and stability.

Effective natural resource management is a prerequisite for sustainable growth in Central America. Environmental degradation problems have grown to the point where they clearly threaten the sustainability of development. The rapid deforestation of the region for farming and fuelwood causes erosion of agricultural land and leads to floods and droughts and to the siltation of hydroelectric and drinking water reservoirs. The Regional Environmental and Natural Resources Management project consolidates several areas of activity. These include the development of multi-country protection plans and coordinating mechanisms for vital regional watersheds and appropriate pest management techniques which reduce pesticide pollution. This project also will support environmental private and voluntary organizations, improve land use, and provide technical expertise to bilateral A.I.D. missions, governments, and other concerned parties.

Agriculture is the most important sector in the Central American economy. Moreover, agricultural and agribusiness exports present some of the most promising possibilities for rapid export growth. Unless Central American agricultural practices are put on an environmentally sustainable basis, however, progress in agriculture (and derivatively in agribusiness, exports, and other economic activities) will be tenuous. A.I.D.-funded research activities are increasing both overall export earnings and the income of small farmers by improving crop strains, introducing environmentally sound (and less expensive) pesticide use, and providing training in natural resource management. Further, A.I.D. makes technical and marketing expertise available to national agricultural export associations and provides export-oriented agribusiness credit.

Sound economic policies designed to promote private sector-led growth are a common objective of both A.I.D.'s regional and bilateral programs. A ROCAP project is sponsoring economic policy research and dissemination on key issues. The project also includes workshops to strengthen research and analytical skills and to upgrade research capacity throughout the region. A particular interest here is fostering regional economic cooperation.

A.I.D. works with the National Rural Electrification Cooperative Association to provide electricity for productive uses in rural areas. A companion project through Los Alamos National Laboratories assists national organizations to assess geothermal potential throughout Central America. A.I.D. also supports ongoing efforts by the Central American Research Institute for Industry to increase the efficiency of energy use.

Diarrheal disease, acute respiratory infections, and low birth weight are major contributors to the unacceptable level of infant mortality in Central America. A major underlying cause is endemic malnutrition. A.I.D.-funded technical assistance from the regional nutrition institute, INCAP, is helping the countries of Central America to develop, implement, and monitor child survival plans which address all aspects of maternal, child and infant health, and to improve the efficiency of food assistance programs.

By the end of FY 1990, over 600 Central Americans will have been trained in the United States in cooperative management, small business development, public fiscal management, and agricultural specialties under the ROCAP

portion of the Central American Peace Scholarship (CAPS) Program. CAPS has helped improve skills while instilling in technicians from a wide variety of disciplines an appreciation for democratic processes.

Under the Export Management Training project, the Central American Institute for Business Administration (INCAE) has trained more than 3,000 actual or potential exporters. The Institute has held export-oriented promotion seminars involving high-level government officials and private-sector leaders, and it has upgraded business administration curricula in Central American universities. The Regional Agricultural Higher Education project is expanding the capacity and improving the quality of masters-level education at the Tropical Agricultural Research and Training Center. This project also has created a new Agricultural College for the Humid Tropics (EARTH) in Costa Rica.

#### Other Donors

Prospects for increased levels of collaboration with other donors on economic and technical assistance appear to be improving at the regional level. In September 1989 EEC representatives signed an accord with the five Central American governments promising some \$125 million to help revitalize intra-regional trade. The United Nations "Special Plan for Central America" seeks to channel aid flows to Central America's regional institutions as well as individual countries. Two major new Japanese loans are under negotiation with the Central American Bank for Economic Integration and the Japanese government is looking seriously at other regional program possibilities.

#### FY 1991 Program

A.I.D. is requesting \$20.4 million in development assistance for FY 1991 to continue the present programmatic thrust through portfolio consolidation and a sharpening of focus. A.I.D. will continue activities at regional and national levels in support of public policies which encourage private sector-led growth, improve equity, and maintain the region's resource base.

ROCAP's activities in support of traditional and non-traditional agriculture and agribusiness exports, energy, and natural resources management will increasingly interrelate with the central theme of sustainable agriculture. To this end, ROCAP will continue to provide resources, including technical assistance to strengthen research, training, institutional development, and regional coordination.

Projected energy shortfalls threaten continued growth in much of the region. A new project is proposed to alleviate these shortfalls and achieve greater energy efficiency through improved, private sector-oriented, energy policy and planning.

Strong programs also will continue in health and education. A new Maternal and Child Health project will be initiated, building on and superseding the two existing projects with the Central American Institute for Nutrition. An Intra-regional Higher Education project will begin in FY 1991 to help Central American regional institutions strengthen their curricula, train faculty, and fund scholarships for low-income youth.

Mission Director: Nadine Hogan

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ROCAP

CP 91

PROJECT NO. PROJECT TITLE *	L /	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
596-0000		PROGRAM DEVELOPMENT AND SUPPORT											
CS G	75	C	---	---	---	43	43	220	---	18	238	30	30
EM G	75	C	---	---	---	234	234	5	---	407	---	---	---
ES G	75	C	---	---	---	---	---	---	---	---	---	---	---
FN G	75	C	---	---	---	9,915	9,551	804	548	520	500	500	500
HE G	75	C	---	---	---	314	206	100	96	200	200	70	70
SD G	75	C	---	---	---	4,502	4,118	503	538	508	500	500	500
					PROJECT TOTAL:	---	---	15,008	14,152	1,632	1,182	1,653	1,438
596-0090		COFFEE RUST AND PEST CONTROL											
FN G	81	89	6,000	6,000	6,000	5,329	3,741	671	744	---	1,000	---	515
					PROJECT TOTAL:	6,000	5,000	5,329	3,741	671	744	---	1,000
596-0095		REGIONAL INDUST ENERGY EFFICIENCY											
SD G	82	88	5,850	4,950	4,950	4,950	4,499	---	415	---	---	---	---
					PROJECT TOTAL:	5,850	4,950	4,950	4,499	---	415	---	---
596-0106		WATERSHED MANAGEMENT											
SD G	83	89	6,000	6,000	6,000	5,650	4,806	350	997	---	197	---	---
					PROJECT TOTAL:	6,000	6,000	5,650	4,806	350	997	---	197
596-0108		AGRICULTURAL EXPORT SUPPORT											
FN G	86	91	8,000	18,000	18,000	7,767	3,453	227	1,842	---	1,600	2,050	1,800
					PROJECT TOTAL:	8,000	18,000	7,767	3,453	227	1,842	---	1,600
596-0110		PEST MANAGEMENT (CATIE)											
FN G	84	88	6,750	6,750	6,750	6,750	5,112	---	1,293	---	345	---	---
					PROJECT TOTAL:	6,750	6,750	6,750	5,112	---	1,293	---	345
596-0114		REG ECONOMIC RECOVERY											
ES G	85	88	35,000	35,000	35,000	31,265	---	---	2,518	---	1,217	---	---
FN L	85	88	9,800	9,800	9,800	649	---	---	4,605	---	4,546	---	---
SD L	85	88	5,200	8,029	5,200	---	---	---	698	---	4,501	---	---
					PROJECT TOTAL:	50,000	52,829	50,000	31,914	---	7,821	---	10,264
596-0115		GRT, GROWTH MONITORING AND EDUCATION											
CS G	85	88	400	400	400	400	---	---	---	---	200	---	---
FN G	85	88	250	250	250	250	---	---	---	---	125	---	---
HE G	85	88	9,000	9,000	9,000	9,000	3,988	---	1,780	---	1,675	---	1,557

\* Refers to the planned program summary sheet.  
Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ROCAP

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF AUTHC PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES	
PROJECT TOTAL:				9,650	9,650	9,650	3,988	---	1,780	---	2,000	---	1,557
596-C116		FOOD ASSISTANCE SUPPORT											
	HE G	85	88	6,100	6,100	6,100	2,025	---	1,210	---	1,500	---	1,365
PROJECT TOTAL:				6,100	6,100	6,100	2,025	---	1,210	---	1,500	---	1,365
596-C117		TREE CROP PRODUCTION											
	FN G	85	89	9,000	9,000	6,910	3,835	2,090	2,423	---	1,600	---	1,141
PROJECT TOTAL:				9,000	9,000	6,910	3,835	2,090	2,423	---	1,600	---	1,141
596-C120		EXPORT AGRIBUS DEVELOP. AND PROMOTION											
	FN L	86	89	16,000	16,000	15,000	8,459	1,000	5,913	---	1,627	---	---
PROJECT TOTAL:				16,000	16,000	15,000	8,459	1,000	5,913	---	1,627	---	---
596-C124		EXPORT MANAGEMENT TRAINING											
	EH G	85	89	5,879	5,879	5,150	3,586	729	1,104	---	900	---	289
	SD G	85	89	921	921	150	105	771	183	---	300	---	221
PROJECT TOTAL:				6,800	6,800	5,300	3,691	1,500	1,287	---	1,200	---	510
596-C127		REG. AGRIC. TECHNOLOGY NETWORKS											
	FN G	87	89	2,500	2,500	1,500	308	1,000	174	---	1,000	---	1,018
PROJECT TOTAL:				2,500	2,500	1,500	308	1,000	174	---	1,000	---	1,018
596-C126		INDUSTRIAL DEVELOPMENT											
	SD G	88	90	1,370	1,370	400	---	500	332	470	600	---	438
PROJECT TOTAL:				1,370	1,370	400	---	500	332	470	600	---	438
596-C129		REG. AGRIC HIGHER EDUC - GUATEMALA											
	ES G	85	94	17,000	17,000	11,000	2,334	---	3,458	---	4,621	---	587
	FN G	85	94	16,400	16,400	2,200	320	7,006	514	---	790	---	---
	SD G	85	94	5,000	5,000	---	---	5,000	---	---	---	---	2,000
PROJECT TOTAL:				38,400	38,400	13,200	2,654	12,006	3,972	---	5,411	---	2,587
596-C130		CENTRAL AMERICA PEACE SCHOLARSHIPS											
	EH G	87	89	5,795	2,083	1,111	754	955	660	---	652	---	---
	FN G	87	89	1,997	2,314	1,165	419	1,140	1,001	---	885	---	---
PROJECT TOTAL:				7,792	4,397	2,276	1,173	2,095	1,661	---	1,537	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ROCAP

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC PLANNED	-THROUGH OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED OBLIGA- TIONS	FY 91 EXPEN- DITURES
596-C134		CENTRAL AMERICA ENERGY RESOURCES										
	ES G	85	89	18,200	16,200	16,200	14,845	---	---	919	---	---
	SD G	85	89	3,000	3,000	3,000	---	---	---	3,000	---	---
		PROJECT TOTAL:		21,200	19,200	19,200	14,845	---	---	3,919	---	---
596-C143		CA SHELTER AND URBAN DEVELOPMENTON										
	SD G	87	91	4,000	5,930	3,000	---	---	---	638	---	500
	SD L	87	91	15,000	6,306	6,306	---	---	---	---	---	---
		PROJECT TOTAL:		19,000	12,236	9,306	---	---	---	638	---	500
596-C146		RURAL ELECTRIFICATION SUPPORT										
	SD G	87	90	5,000	10,000	5,000	842	---	---	799	5,000	1,000
		PROJECT TOTAL:		5,000	10,000	5,000	842	---	---	799	5,000	1,000
596-C147		ECONOMIC POLICY RESEARCH										
	FN G	88	91	---	1,000	---	---	---	---	300	100	---
	SD G	88	91	2,000	3,400	750	---	825	509	300	650	750
		PROJECT TOTAL:		2,000	4,400	750	---	825	509	600	750	650
596-C149		PRIVATE SECTOR INITIATIVES										
	FN G	89	92	---	600	---	---	---	---	600	150	---
	SD G	89	92	1,900	2,300	---	---	880	272	700	1,000	308
		PROJECT TOTAL:		1,900	2,900	---	---	880	272	1,300	1,150	758
596-C150		REG ENVIRONMENTAL & NATURAL RESOUC MGT										
	EM G	89	94	2,500	2,500	---	---	---	---	---	1,250	700
	FN G	89	94	25,000	25,000	---	---	5,503	---	11,699	5,500	5,000
	HE G	89	94	2,500	2,500	---	---	---	---	432	50	250
	SD G	89	94	10,000	10,000	---	---	2,899	---	200	500	3,275
		PROJECT TOTAL:		40,000	40,000	---	---	8,402	---	12,331	6,050	8,405
596-C151		*INTRAREGIONAL HIGHER EDUCATION										
	EM G	91	93	---	2,000	---	---	---	---	---	1,725	200
	FN G	91	93	---	2,500	---	---	---	---	---	1,000	400
	HE G	91	93	---	500	---	---	---	---	---	250	100
	SD G	91	93	---	1,000	---	---	---	---	---	250	100
		PROJECT TOTAL:		---	6,000	---	---	---	---	---	3,225	800
596-C153		*MATERNAL/CHILD HEALTH										
	HE G	91	94	---	12,000	---	---	---	---	---	4,000	1,500

\* Refers to the planned program summary sheet.

C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ROCAP

CP 91

PROJECT NO. PROJECT TITLE	L / * G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
PROJECT TOTAL:				---	12,000	---	---	---	---	---	4,000	1,500
596-C161	*ENERGY POLICY PLNG AND EFFICIENCY SD G	91	94	---	5,000	---	---	---	---	---	1,000	800
PROJECT TOTAL:				---	5,000	---	---	---	---	---	1,000	800
COUNTRY TOTALS:					269,312	300,482	190,046	109,497	33,178	39,183	21,354	41,469
GRANTS:					223,312	260,347	153,740	100,389	32,178	27,967	21,354	30,795
LOANS:					46,000	40,135	36,306	9,108	1,000	11,216	---	10,674

\* Refers to the planned program summary sheet.

C Level of effort activity.

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PROGRAM: ROCAP

PLANNED PROGRAM SUMMARY SHEET

Title Intra-Regional Higher Education Project		Funding Source DA	AG, RD & N 1,000	Health 250	PROPOSED OBLIGATION (In thousands of dollars)		
					FY 91 3,225	Life of Project Funding 6,000	
Number 596-0151	<input checked="" type="checkbox"/> NEW	Population	ED. & HR 1,725	Sel. Act. 250	Initial Obligation FY 91	Estimated Final Obligation FY 93	Estimated Completion Date of Project FY 96
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING							

**Project Purpose:** To improve higher education in the Central American region and to provide access for talented but economically limited individuals.

**Project Description:** The project will have three components:  
 1. Strengthening Higher Education at Central American Regional Institutions through external technical assistance to upgrade teaching methods and curriculum, advanced faculty training and special remedial programs to help low-income scholars meet entrance requirements. Regional institutions which do not already have U.S. equivalency accreditation will receive help in obtaining it.  
 2. Low Income Scholarships for disadvantaged youth.  
 3. Specialized Technical Training the project will be designed to include possible participation of bilateral USAID Mission buy-ins.

Seven institutions will be eligible to participate. They are the Central American School of Business Administration (INCAE), the Tropical Agricultural Research and Training Center (CATIE), the Pan American Agricultural School (Zamorano), the Nutrition Institute for Central America and Panama (INCAP), the Central American Institute of Industrial Research and Technology (ICAITI), the National School of Forestry (ESNACIFOR) and the Regional Agricultural School for the Humid Tropics (EARTH).

**Sustainability:** Project activities will equip the institutions with the necessary skills and/or credentials to better attract students and funding.

**Relationship to A.I.D. Country Strategy/Objectives:** Consistent with ROCAP's strategy, this project will provide training related to increasing agricultural production and non-traditional exports, improving health, and preserving and managing natural resources. It will also respond to the Congressional mandate to increase opportunities for U.S.

equivalency accredited higher education in the region.

**Relationship to Host Countries and Other Donors:** The project will help develop educational infrastructure and provide training in areas of high priority in the region. These activities complement other donor assistance to the regional institutions by at least 8 foreign governments, as well as private foundations and U.N. organizations. As agricultural production, export promotion, and natural resources are significant priorities for USAIDs in Central America, this project will provide a mechanism for them to support quality training in these program areas at a reasonable cost.

**Beneficiaries:** Direct beneficiaries are primarily scholarship recipients and faculty members of regional institutions whose knowledge and skills will be substantially enhanced.

Major Outputs (All Years):

- 270 Central Americans scholars of low income background will finish undergraduate or graduate programs.
- 30 faculty members of regional institutions will complete advanced training programs in the U.S.
- The educational programs at six regional institutions will have been upgraded.
- 350 staff members of regional institutions will have received short-term technical training.

<u>A.I.D. - Financed Inputs:</u>	LOP (\$000)
Scholarships	2,700
Faculty training	1,300
Improved educational programs	1,000
Key technical training	1,000
TOTAL:	6,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	3,225	2,775	6,000	

PROGRAM: ROCAP

PLANNED PROGRAM SUMMARY SHEET

Title Maternal Child/Health and Food Nutrition Technical Support		Funding Source DA	AG, RD & N	Health 4,000	PROPOSED OBLIGATION (In thousands of dollars)		
Number 596-0153		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act.	FY 91 4,000	Life of Project Funding 12,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING						Initial Obligation FY 91	Estimated Final Obligation FY 94
							Estimated Completion Date of Project FY 95

Project Purpose: To support a coherent health/nutrition strategy in Central America that responds to regional priorities and both complements and extends existing programs in the public and private sector.

Project Description: ROCAP's regional health program is making significant contributions to establishing child survival/maternal and child health and management of food assistance as permanent components of Central American health and nutrition programs. Under this new five-year program, ROCAP will build upon this progress, broadening it to include additional initiatives that involve a range of public and private sector entities and that are particularly appropriate to regional approaches (e.g. urban and environmental health, nutrition, health administration training). Collaboration will continue with the Central American Institute for Nutrition (INCAP) to consolidate the gains made in the health of the region's most vulnerable groups, poor mothers and malnourished children under five. Key targets of the project will be increased regional capabilities in (1) applied and operations research, (2) analysis of biomedical, cultural and economic factors affecting health programming and implementation, (3) public health administration and (4) technical assistance and analysis in program and policy development, planning, implementation and evaluation.

Sustainability: ROCAP will work closely with A.I.D. Missions in the region and with other donors to broaden INCAP's funding base (including increased national governments' support), and to introduce cost-recovery plans in other activities. Institutional management capability, specifically including financial management, will be addressed through the project.

Relationship to A.I.D. Country Strategy/Objectives: This project responds to A.I.D.'s health strategy which calls for a sustained

effort to reduce infant, child and other vulnerable group mortality and undernutrition.

Host Country and Other Donors: The Central American Health Ministers have identified improvements in child survival and undernutrition as health sector priorities. Because Central America will not have reached its child survival goals by 1990, a continuation of the current multidonor effort will be needed. Original donor projections were for a sustained ten-year effort starting in 1985-86. The proposed project will both help continue a vital technical role in this multidonor effort and support additional initiatives within the region.

Beneficiaries: Children under five, pregnant and lactating women, and poor families throughout Central America, and private and public health, nutrition, and food security organizations.

Major Outputs:

- Technical assistance and training to national health/nutrition programs.
- Improved dissemination of relevant technical data.
- Applied and operations research and policy analysis.
- Policy development and analysis.
- Improved efficiency/coverage of private health care.

<u>A.I.D. - Financed Inputs:</u>	LOP
	(\$000)
Technical Assistance	4,000
Training	3,000
Analysis/Research	3,300
Information Dissemination	700
Policy Development/Analysis	1,000
TOTAL:	12,000

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				Central American Institute for Nutrition (INCAP)
Estimated Fiscal Year				
Estimated Through September 30,				
		Future Year Obligations	Estimated Total Cost	
Proposed Fiscal Year 1991	4,000	8,000	12,000	

PLANNED PROGRAM SUMMARY SHEET

Title Energy Policy Planning and Efficiency		Funding Source DA	AG, RD & N	Health	PROPOSED OBLIGATION (In thousands of dollars)		
Number 596-0161		<input checked="" type="checkbox"/> NEW	Population	ED. & HR	Sel. Act. 1,000	FY 91 1,000	Life of Project Funding 5,000
<input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN <input type="checkbox"/> CONTINUING					Initial Obligation	Estimated Final Obligation	Estimated Completion Date of Project
					FY 91	FY 94	FY 95

**Project Purpose:** To alleviate projected energy shortfalls and achieve greater efficiency of use through improved, private sector-oriented, energy policy and planning.

**Project Description:** By 1991 projected energy shortfalls will seriously inhibit growth in much of the region. This, despite the fact that Central American countries are now spending some 25% of their development budgets on augmenting electric power generation and distribution. Additional capacity is needed. At the same time existing capacity can be more efficiently utilized through inter-country power sharing/purchasing arrangements, demand management and other conservation measures with active leadership and participation of industry and business. Towards this end, appropriate national/regional policies and programs are needed. Tariff regimes must be rationalized with support of business groups. The private sector is not now formally involved in the development of national or regional energy policy nor in the generation of electric power. The project would help increase private sector input into the decision process, thus including a voice essential to sound planning.

This project will, through training, seminars and other fora assist the private sector in educating itself on energy issues and facilitate public-private sector dialogues on energy. Officials with policy responsibility will be given technical training and assistance to help carry out a fuller exploration of the technical and policy possibilities for greater intra-regional cooperation. The project will also seek to better orient public utilities to market realities, stimulate the development of private power supplies in the region by identifying the potential for, and the impediments to, private power development, and provide technical assistance in demand management. Resulting improvements in policy and end-use efficiency, along with new private sector power supplies, are to reduce significantly, public funding requirements for new electric plants and rationalize electric usage.

**Sustainability:** The Project seeks to initiate an ongoing public-private partnership for energy efficiency in the region.

**Relationship to A.I.D. Country Strategy/Objectives:** This project responds directly to A.I.D.'s strategy for the promotion of efficient energy utilization, and the increased involvement of the private sector for the development of energy resources. A regional approach is proposed because of the similarity of the situation in several countries, and the necessity to manage and trade electricity regionally.

**Beneficiaries:** Directly, private sector users, and later all users of electricity will benefit from improved availability and reliability of supplies.

**Host Country and Other Donors:** The host countries will provide in-kind support. The proposed project will complement efforts of other donors who are largely concentrating on infrastructure development and technical assistance to the public sector.

**Major Outputs:**

- Policy dialogue and studies.
- Policy and institutional change in power authorities.
- Training workshops and seminars.
- Demand management models and demonstrations.
- Institutionalized private sector involvement in energy policy.

<b>A.I.D. - Financed Inputs:</b>	LOP
	(\$000)
Technical Assistance	750
Training	1,750
Institutional Strengthening	750
Equipment and Demonstrations	1,750
<b>TOTAL:</b>	<b>5,000</b>

U. S. FINANCING (In thousands of dollars)				Principal Contractors or Agencies
	Obligations	Expenditures	Unliquidated	
Through September 30,				
Estimated Fiscal Year				
Estimated Through September 30,				
Proposed Fiscal Year 1991	1,000	4,000	5,000	



Andean  
Narcotics  
Initiative

## ANDEAN NARCOTICS INITIATIVE

This year, the Administration will begin implementing President Bush's Andean Narcotics Initiative, a comprehensive attempt to reduce the production of cocaine in Colombia, Peru, and Bolivia. It combines military assistance to strengthen host-country law enforcement and interdiction capacity, with substantial additional narcotics-related economic assistance to become available starting in FY 1991. The latter, in the amount of \$175 million, will be used to cushion the macroeconomic effect on Peru, Bolivia, and Colombia of reduced foreign exchange inflows, to finance alternative development activities in rural areas, and to increase jobs, income and foreign exchange earnings throughout the economy. Sustained law enforcement and interdiction programs are key to driving down the price paid to farmers for coca-leaf. Unless this happens, alternative development and income-substitution programs will have little appeal for the small coca-leaf producer. Under the President's Andean initiative, Peru, Bolivia, and Colombia are eligible to receive additional assistance if these countries can demonstrate adequate anti-narcotics performance and have sound economic policies for use of this assistance.

A.I.D.'s anti-narcotics financing will also include support for drug awareness and prevention programs. Narcotics addiction is increasingly a domestic problem in Peru, Colombia, and Bolivia. Working with private and public agencies, A.I.D. has created a greater public awareness of the dimensions of the domestic problem and the harmful effects of drug production, trafficking, and addiction on these countries' own societies. In addition, A.I.D. will support administration of justice improvements. For example, in Colombia, assistance will include court administration, training, and commodities which will directly impact on a more rapid processing of narcotics cases through the judicial system.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: ANDEAN NARCOTICS INITIATIVE

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
555-001		*ANDEAN NARCOTIC INITIATIVE											
	ES G	91	91	---	175,000	---	---	---	---	---	---	175,000	---
		PROJECT TOTAL:		---	175,000	---	---	---	---	---	---	175,000	---
		COUNTRY TOTALS:		---	175,000	---	---	---	---	---	---	175,000	---
		GRANTS:		---	175,000	---	---	---	---	---	---	175,000	---
		LOANS:		---	---	---	---	---	---	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.



Colombia  
Judicial  
Protection

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: COLOMBIA

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHD PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
514-9000													
	ES	89	90	2,867	5,000	---	---	2,867	---	2,133	1,720	---	2,000
				2,867	5,000	---	---	2,867	---	2,133	1,720	---	2,000
				2,867	5,000	---	---	2,867	---	2,133	1,720	---	2,000
				2,867	5,000	---	---	2,867	---	2,133	1,720	---	2,000
				2,867	5,000	---	---	2,867	---	2,133	1,720	---	2,000
				---	---	---	---	---	---	---	---	---	---

1/ Eligible for ESF assistance under the Andean Narcotics Initiative

\* Refers to the planned program summary sheet.

C Level of effort activity.

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## DEVELOPMENT POLICY REFORM PROGRAM

### Introduction

Policy reform has been an integral part of the LAC program for many years. In recent years, A.I.D. has been evaluating individual programs in relationship to their macroeconomic policies and performance and their commitment to broad based development, democracy and human rights, and environmental policies.

Beginning in FY 1991, A.I.D. is planning to set aside some development assistance for a new Development Policy Reform Program. The performance program is designed to accentuate A.I.D.'s current emphasis on policy assistance and performance based budgeting. It provides for a more systematic analysis of performance in four policy areas: macroeconomic policy, access to basic social services, sound environmental management, and democracy and human rights.

### FY 1991 Program

For FY 1991 A.I.D. is proposing \$50 million for this new Development Policy Reform Program. Of that amount, \$25 million has been distributed among the top performing countries (Belize, Bolivia, Caribbean Regional, Costa Rica, Ecuador, Guatemala, and Jamaica) as an increase in their funding levels. This allocation was based on the countries' demonstrated commitments to performance. The remaining \$25 million will be retained under the fund to create an incentive for future performance. It will be distributed on the basis of competing proposals.

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: DEVELOPMENT POLICY REFORM PROGRAM

CP 91

PROJECT NO. PROJECT TITLE	L / C	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
500-1000 *DEVELOPMENT POLICY REFORM PROGRAM												
FN G		91	91	---	10,000	---	---	---	---	---	10,000	---
ME G		91	91	---	5,000	---	---	---	---	---	5,000	---
SD G		91	91	---	10,000	---	---	---	---	---	10,000	---
PROJECT TOTAL:				---	25,000	---	---	---	---	---	25,000	---
COUNTRY TOTALS:				---	25,000	---	---	---	---	---	25,000	---
GRANTS:				---	25,000	---	---	---	---	---	25,000	---
LOANS:				---	---	---	---	---	---	---	---	---

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C Level of effort activity.

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SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: NICARAGUA (NED)

CP 91

PROJECT NO. PROJECT TITLE * G	L /	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF AUTHC	PROJECT- PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES	
524-9000														
	ES G	89	89		5,000	5,000	---	---	5,000	694	---	1,500	---	---
					PROJECT TOTAL:	5,000	5,000	---	---	5,000	694	---	1,500	---
					COUNTRY TOTALS:	5,000	5,000	---	---	5,000	694	---	1,500	---
					GRANTS:	5,000	5,000	---	---	5,000	694	---	1,500	---
					LOANS:	---	---	---	---	---	---	---	---	---

\* Refers to the planned program summary sheet.

L Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1988 are based on the authorized date.

For all projects with an initial obligation date after December 31, 1988, the FY of final obligation is based on a planned date.





Suriname

**SURINAME**

Total U.S. Aid \$ 7 Million (1954-83)  
 Ratio of U.S. Aid To Total ODA . % (1984-87)  
 Yearly U.S. Aid Per Capita \$ . (1984-87)

**NATIONAL INCOME AND EXPENDITURES**

Per Capita GNP .....(1987) 2,360

Average Annual Real Per Capita GNP Growth Rate.(1965-87) 1.8%

Government Budgetary Expenditures as a % of GNP...(1984) 44.6%

Total Expenditures and Net Lending (\$ Millions, US):  
 (1984) 438 (1985) 471 (1986) 529

Budgetary Deficit or Surplus (\$ Millions, US):  
 (1984) -147 (1985) -196 (1986) -250

**EXTERNAL TRADE**

Trade Balance(\$ Millions, US) (1985) -19(86) 1(87) 57

Total Imports(\$ Millions, US) (1985) 378(86) 319(87) 279  
 Of Which % From U.S. ....(1987) 41%

Major Imports(1987)CAPITAL EQUIP.;PETROLEUM PRODS;FOODSTUFFS

Total Exports(\$ Millions, US) (1985) 358(86) 320(87) 336  
 Of Which % to U.S. ....(1987) 26%

Major Exports(1987)ALUMINA;BAUXITE;ALUMINUM

Trading Partners: UNITED STATES; NETHERLANDS; TRINIDAD/TOBAG

**INTERNATIONAL RESERVES AND EXTERNAL DEBT**

Official International Reserves Equivalent to  
 2.9 Months of Imports (1987)

External Public Debt as % of GNP...( . ) . %

Service Payments on External Public Debt,  
 (\$ Millions, US)..... ( . ) .  
 As % of Total Export Earnings..... ( . ) . %

**AGRICULTURE**

Agricultural Production as % of GDP...(1987) 9%

Self-sufficiency Ratio  
 Food: 123% (1985)  
 Agriculture: 116% (1985)

Ag. Exports:(1987)Fruit & vegs; Vegetable oils; Cocoa beans  
 Ag. Imports:(1987) Dairy products; Fruit & vegs; Sugar

**POPULATION**

Total Population...(Thousands, Mid 1989) 401

Population Growth Rate...(1970) 1.3% (1978) 1.4% (1990) 1.6%

Population (1989) By Age Group:  
 (0-14yrs) 34.5% (15-64yrs) 61.2% (65+ yrs) 4.2%

Married Women Aged 15-44 yrs. Using Contraception...( . ) . %

Total Fertility Rate...(1970) 5.5 (1989) 3.0

**NUTRITION AND HEALTH**

Calorie Intake per Person per Day...(1986) 2709

Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 68.1 Male 65.7 Female 70.6  
 (1970) Total 63.0 Male 61.0 Female 65.0

Infant Deaths in First Yr of Life per 1000 Live Births (1989) 40

Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) .% ( . ) Measles .% ( . )  
 Diphtheria(DPT3) .% ( . ) Polio(3) .% ( . )

**HOUSEHOLD INCOME AND EMPLOYMENT**

National Income Received by Low 20% of Population..( . ) . %

% of Population Living Below Absolute Poverty Level  
 ( . ) Total . % Urban . % Rural . %

Percentage of Total Adult Population Employed Full Time  
 ( . ) . %

Proportion of Labor Force in Agriculture...(1980) 20%

Population with Reasonable Access to Safe Water Supply  
 (1983) 89%

**EDUCATION AND LITERACY**

Total School Enrollment as Ratio of Population in Age Group:  
 Primary ( . ) Total . Male . Female .  
 Secondary ( . ) Total . Male . Female .  
 Post Secondary ( . ) Total . Male . Female .

Adult Literacy Rate ( . ) Male .% ( . ) Female .%

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: SURINAME

CP 91

PROJECT NO.	L / PROJECT TITLE * G	FY OF INITIAL CBLIG	FY OF FINAL CBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	FY 88 EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	FY 89 EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	FY 90 EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	FY 91 EXPEN- DITURES
508-C019	TECHNICAL CONSULTANTS AND TRAINING ES G			500 1,000	500	---	---	---	---	---	---	---
	PROJECT TOTAL:			500 1,000	500	---	---	---	---	---	---	---
	COUNTRY TOTALS:			500 1,000	500	---	---	---	---	---	---	---
	GRANTS:			500 1,000	500	---	---	---	---	---	---	---
	LOANS:			---	---	---	---	---	---	---	---	---

\* Refers to the planned program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.

Uruguay

URUGUAY

Total U.S. Aid \$ 204 Million (1946-87)  
 Ratio of U.S. Aid To Total ODA 19.0% (1984-87)  
 Yearly U.S. Aid Per Capita \$ 2.31 (1984-87)

NATIONAL INCOME AND EXPENDITURES

Per Capita GNP .....(1987) 2,160

Average Annual Real Per Capita GNP Growth Rate.(1965-87) 1.4%

Government Budgetary Expenditures as a % of GNP...( ) . %

Total Expenditures and Net Lending (\$ Millions, US):  
 (1984) 1,262 (1985) 1,193 (1986) 1,060

Budgetary Deficit or Surplus (\$ Millions, US):  
 (1984) -273 (1985) -115 (1986) -74

INTERNATIONAL RESERVES AND EXTERNAL DEBT

Official International Reserves Equivalent to  
 25.0 Months of Imports (1987)

External Public Debt as % of GNP...(1987) 42.2%

Service Payments on External Public Debt,  
 (\$ Millions, US)..... (1986) 375  
 As % of Total Export Earnings..... (1986) 23.6%

POPULATION

Total Population...(Thousands, Mid 1989) 2,989

Population Growth Rate...(1970) 0.8% (1978) 0.3% (1990) 0.4%

Population (1989) By Age Group:  
 (0-14yrs) 25.2% (15-64yrs) 63.1% (65+ yrs)11.7%

Married Women Aged 15-44 yrs. Using Contraception...( ) . %

Total Fertility Rate...(1970) 2.9 (1989) 2.3

HOUSEHOLD INCOME AND EMPLOYMENT

National Income Received by Low 20% of Population..( ) . %

% of Population Living Below Absolute Poverty Level  
 ( ) Total . % Urban . % Rural . %

Percentage of Total Adult Population Employed Full Time  
 ( ) . %

Proportion of Labor Force in Agriculture...(1980) 16%

EXTERNAL TRADE

Trade Balance(\$ Millions, US) (1986) 312(87) 134(88) 313

Total Imports(\$ Millions, US) (1986) 1,182(87) 1,405(88) 1,444  
 Of Which % From U.S. ....(1988) 11%

Major Imports(1987)FUELS/LUBRICANT;METALS;MACHINERY

Total Exports(\$ Millions, US) (1986) 1,494(87) 1,539(88) 1,758  
 Of Which % to U.S. ....(1988) 15%

Major Exports(1987)HIDES & LEATHER;BEEF;WOOL

Trading Partners: BRAZIL; ARGENTINA; UNITED STATES

AGRICULTURE

Agricultural Production as % of GDP...(1987) 11%

Self-sufficiency Ratio  
 Food: 111% (1985)  
 Agriculture: 145% (1985)

Ag. Exports:(1987)Meat products; Fibers; Wool  
 Ag. Imports:(1987) Tea & mate; Fruit & vegs; Fibers

NUTRITION AND HEALTH

Calorie Intake per Person per Day...(1986) 2720

Life Expectancy at Birth, in Years (Bureau of the Census)  
 (1989) Total 71.4 Male 68.1 Female 74.7  
 (1970) Total 68.1 Male 64.9 Female 71.5

Infant Deaths in First Yr of Life per 1000 Live Births (1989) 35

Percent Of Children 12-23 Months Old Fully Immunized Against  
 Tuberculosis(BCG) 98% (1988) Measles 72% (1988)  
 Diphtheria(DPT3) 82% (1988) Polio(3) 82% (1988)

Population with Reasonable Access to Safe Water Supply  
 (1983) 83%

EDUCATION AND LITERACY

Total School Enrollment as Ratio of Population in Age Group:  
 Primary (1982) Total 115.0 Male . Female 121.5  
 Secondary (1982) Total 63.2 Male 46.0 Female 53.6  
 Post Secondary (1982) Total 16.7 Male 14.7 Female 18.8

Adult Literacy Rate ( ) Male .% ( ) Female .%

SUMMARY OF ACTIVE AND PROPOSED PROJECTS  
(IN THOUSANDS OF DOLLARS)

BUREAU FOR LATIN AMERICA AND CARIBBEAN

COUNTRY: URUGUAY

CP 91

PROJECT NO. PROJECT TITLE	L / G	FY OF INITIAL OBLIG	FY OF FINAL OBLIG	-LIFE OF PROJECT- AUTHC PLANNED	-THROUGH FY 88 OBLIGA- TIONS	EXPEN- DITURES	-ACTUAL FY 89 OBLIGA- TIONS	EXPEN- DITURES	-ESTIMATED FY 90 OBLIGA- TIONS	EXPEN- DITURES	-PROPOSED FY 91 OBLIGA- TIONS	EXPEN- DITURES
528-G108												
ECONOMIC PROGRAM SUPPORT & ADMIN OF JUST												
	ES G	86	87	955	955	86	---	272	---	469	---	---
PROJECT TOTAL:				955	955	86	---	272	---	469	---	---
COUNTRY TOTALS:				955	955	86	---	272	---	469	---	---
GRANTS:				955	955	86	---	272	---	469	---	---
LOANS:				---	---	---	---	---	---	---	---	---

\* Refers to the previous program summary sheet.

C Level of effort activity.

FY of final obligation column - All projects in this column with an initial obligation date before December 31, 1989 are based on the authorized date. For all projects with an initial obligation date after December 31, 1989, the FY of final obligation is based on a planned date.



## EXPLANATION OF ECONOMIC AND SOCIAL DATA

The Agency for International Development's mandate and the basic human needs strategy have directed increased attention to the world's poor people. It is thus important that A.I.D. assemble social and economic data on recipient countries--especially in the key sectors of population, agriculture, rural development and nutrition, health, education, and human resources.

The Agency also monitors information and carries out programs of special concern to the Congress, such as women in development, energy, and the environment. Over time, we expect to develop comparable statistics which will allow us not only to design projects more effectively but also to evaluate the progress of countries in meeting basic human needs.

The process of accumulating reliable statistics for the developing world, particularly in the social sectors, is far from complete. Many programs still suffer from a lack of current information. However A.I.D.'s own data collection efforts and those of national and international organizations are improving. The Agency is also expanding its data storage and retrieval facilities to meet this demand.

Before discussing economic and social indicators in the country narratives, several caveats are in order. In most cases, there is no attempt to disaggregate statistics by region or subpopulation (e.g., urban, rural or ethnic group) within the countries. Thus, interregional disparities and variations among important subgroups within a country do not appear on the Economic and Social Data sheets. To the extent that such information is available and relevant, it is incorporated in the country narrative.

Developing countries' statistics are subject to numerous qualifications. Their reliability is often questionable and thus, the values shown should be interpreted as being indicative rather than precise.

NOTES ON SOURCES. A.I.D. data are derived from a variety of sources, including international and U.S. Government Agencies. The major sources are the International Bank for Reconstruction and Development (World Bank) for key economic and social indicators; the U.S. Department of Agriculture for agricultural data; the International Monetary Fund for central government finances and foreign trade statistics; United Nations specialized agencies for some social indicators; World Health Organization for immunization data; and the U.S. Bureau of the Census for demographic data. These data are also reviewed by AID Missions and Bureaus and their revisions may supersede other sources.



## ECONOMIC & SOCIAL DATA

### INDICATOR DEFINITIONS

TOTAL U.S. AID is provided by A.I.D. and is equivalent to gross U.S. economic assistance obligations (total new obligations entered into during a given year) for the period 1946 through 1988. It is the sum of Development Assistance, Economic Support Fund, Peace Corps, Narcotics, PL480 and Other Economic Assistance.

RATIO OF US AID TO TOTAL ODA represents U.S. economic assistance obligated in the period 1984-1987 as a percentage of total commitments of official development assistance (ODA) from members of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), multilateral organizations, members of the Organization of Petroleum Exporting Countries (OPEC) and members of the Council for Mutual Economic Assistance (CMEA). The ODA data are published in OECD, Geographical Distribution of Financial Flows to Developing Countries, 1984-1987. The U.S. economic assistance data are provided by A.I.D.

YEARLY U.S. AID PER CAPITA is computed by dividing the sum of total U.S. economic assistance obligations for 1984-87 provided by A.I.D. by the sum of total population figures provided by the U.S. Bureau of the Census for the same period. Total U.S. economic assistance is the sum of Development Assistance, Economic Support Fund, Peace Corps, Narcotics, PL480, and Other Economic Assistance.

### NATIONAL INCOME AND EXPENDITURES

PER CAPITA GNP FIGURES are estimates reported in the IBRD, WORLD TABLES, database. Current GNP is a measure of the total domestic and foreign output claimed by the residents of a country at current purchaser values (calculations are completed without making deductions for depreciation). GNP data have been converted from current values of national currencies to U.S. dollars in order to facilitate international comparisons.\* The conversion process utilizes a three year weighted average of exchange rates and makes adjustments for variations in the rates of inflation between the U.S. and the relevant country (see the World Bank Atlas for a complete technical description). Per capita GNP is calculated by the World Bank by dividing GNP, at constant market prices in U.S. dollars, by estimates of total mid-year population based on data from the UN Population Division or World Bank sources.

\*There is a wide range in the reliability of data collection methods used to obtain information for international databases. It is important to recognize this caveat when engaged in analysis of such data, particularly when involved in cross-country analysis.

AVERAGE ANNUAL PER CAPITA REAL GNP GROWTH RATE is the annual growth rate in real terms that has been computed by fitting trend lines to the logarithmic values of GNP per capita at constant market prices for each year of the time period. With this method, all available observations within the relevant time period are considered, and the growth rates obtained reflect general trends rather than cyclical factors or irregular variations in any particular year. The source of data is the IBRD, World Development Report, 1988.

GOVERNMENT BUDGETARY EXPENDITURES AS A % OF GNP is taken from the IMF's INTERNATIONAL FINANCIAL STATISTICS database. It is calculated by dividing total government expenditures by GNP. Total expenditures include all nonrepayable payments by the government, whether required or unrequired, for current or capital purposes. GNP is calculated as gross national expenditures by the IMF (for a complete technical description see IMF, International Financial Statistics, Introduction Section, National Accounts and Population).

TOTAL EXPENDITURES & NET LENDING in millions of U.S. dollars are calculated using the IMF's GOVERNMENT FINANCE STATISTICS database and refers to central consolidated government finances only. Data in local currency are converted into U.S. dollars using the average annual exchange rate (period average, par rate) for each year found in IMF, INTERNATIONAL FINANCIAL STATISTICS database. Expenditures include all nonrepayable payments by the government, whether required or unrequired, for current or capital purposes. Lending minus repayment includes both loans and equities.

BUDGETARY DEFICIT OR SURPLUS in millions of U.S. dollars is derived from the IMF's GOVERNMENT FINANCE STATISTICS database and is calculated by subtracting the total of expenditures and lending minus repayments from total revenue and grants. The data in local currency are then converted into U.S. dollars for each year by using the average annual exchange rate (period average, par rate) from the IMF's INTERNATIONAL FINANCIAL STATISTICS. The data refer to consolidated central government finances only.

#### INTERNATIONAL RESERVES AND EXTERNAL DEBT

OFFICIAL INTERNATIONAL RESERVES, GROSS HOLDINGS AT END OF PERIOD in millions of U.S. dollars are taken from the IMF's INTERNATIONAL FINANCIAL STATISTICS database. Official reserves represent the sum of total reserves, inclusive of SDRs, foreign exchange and reserve position with the IMF, and monetary gold holdings at national valuation. The variable "EQUIVALENT TO \_\_\_ MONTHS OF IMPORTS" is calculated by dividing one year of imports F.O.B., converted from SDRs to U.S. dollars (from the IMF's BALANCE OF PAYMENTS STATISTICS database) by 12 and then dividing total reserves by the result.

EXTERNAL PUBLIC DEBT AS % OF GNP is drawn from the IBRD, WORLD DEBT TABLES, database. External public debt, including debt disbursed and outstanding, is defined as the debt owed to non-residents and repayable in foreign currency, goods, or services that have an original or extended maturity of over one year. External public debt includes public debt

which is an external obligation of a public debtor, and publicly guaranteed debt, which is an external obligation of a private debtor that is guaranteed for repayment by a public entity. These figures do not include data for: transactions with the IMF - except for trust fund loans, debt repayable in local currency, direct investment, and short-term debt (debt with original maturity of a year or less). GNP figures from the WORLD DEBT TABLES are converted from local currency into U.S. dollars.

SERVICE PAYMENTS ON EXTERNAL PUBLIC DEBT AS % OF EXPORT EARNINGS (DEBT SERVICE RATIO) is calculated from the IBRD, WORLD DEBT TABLES database. This ratio represents total debt service payments as a percentage of total exports of goods and non-factor services, converted into U.S. dollars from local currency.

#### EXTERNAL TRADE

TRADE BALANCE is drawn from IMF, INTERNATIONAL FINANCIAL STATISTICS database. Trade balance represents the difference of total exports and imports (described below) converted from local currency into U.S. dollars using the average annual exchange rate (period average, par rate).

TOTAL IMPORTS are taken from the IMF, INTERNATIONAL FINANCIAL STATISTICS database and comprise the current U.S. dollar value of imports of goods and non-factor services purchased from the rest of the world. Import data are those of the United Nations System of National Accounts and are, in general, as given in U.N. sources. In many cases current annual data are derived from national sources. Total imports are converted into U.S. dollars using the average annual exchange rate (period average, par rate).

TOTAL EXPORTS are taken from the IMF, INTERNATIONAL FINANCIAL STATISTICS database and comprise the value of exports of goods and non-factor services sold to the rest of the world. Export data are those of the United Nations System of National Accounts and are, in general, as given in U.N. sources. In many cases current annual data are derived from national sources. Total exports are converted into U.S. dollars using the average annual exchange rate (period average, par rate).

EXPORTS AND IMPORTS TO THE U.S. as a percentage of total exports and imports are taken from the IMF's DIRECTION OF TRADE STATISTICS database. Exports are valued f.o.b. (free on board) for all countries and imports are valued c.i.f. (cost, insurance and freight) for most countries and include goods only. Reliability and timing differences in reporting make the coverage less than complete.

MAJOR EXPORTS AND IMPORTS are taken from the C.I.A., WORLD FACTBOOK, 1989. Up to three exports and three imports - determined by value - are included.

MAIN TRADING PARTNERS are derived from the IMF, DIRECTION OF TRADE STATISTICS database and are based on the value of imports plus exports (goods only) between the country in question and all of its trading partners. The three partners with the highest total for the latest ten years are reported.

## AGRICULTURE

AGRICULTURAL PRODUCTION AS % OF GDP is taken from the IBRD, WORLD TABLES database. The agricultural sector is broadly defined as agriculture and livestock, hunting, fishing, logging, and forestry. GDP is defined as the total final output of goods and services produced by an economy, inclusive of net indirect taxes (i.e., market price valuation), regardless of the allocation to domestic and foreign claims.

SELF-SUFFICIENCY RATIO - FOOD is the ratio of indigenous production of food divided by domestic consumption of food. Food is weighted in food energy (calorie) terms. The source of the data is USDA's World Agricultural Trends and Indicators, 1970-88

SELF-SUFFICIENCY RATIO - AGRICULTURE is the ratio of the value of indigenous production divided by domestic consumption published in the USDA's World Agricultural Trends and Indicators, 1970-88.

AGRICULTURAL IMPORTS AND EXPORTS are calculated using data from the USDA's World Agricultural Trends and Indicators, 1970-88. Up to three imports and three exports are included.

## POPULATION

TOTAL POPULATION data are Bureau of the Census mid-year projections based on the most recent censuses and subsequent fertility and mortality trends prepared by agreement with S&T/POP. The total population figure sometimes differs from population estimates used by other sources in some of the data elements shown (eg. by the IBRD in computing per capita GNP).

POPULATION GROWTH RATE is the average annual growth rate from midyear of the previous year, including net migration. The summary measures are computed using the exponential formula. These data are provided by the Bureau of the Census.

POPULATION IN A GIVEN AGE GROUP is taken from the Bureau of the Census. These data indicate the proportion of the population in a given age group and are helpful in analyzing the age structure of a population and calculating dependency ratios.

MARRIED WOMEN AGED 15-44 YEARS OF AGE USING CONTRACEPTION is the percent of married women of reproductive age who are currently using contraception. These data are from a variety of AID-funded projects and are compiled by the Bureau of the Census.

TOTAL FERTILITY RATE is from the Bureau of the Census. It is defined as the number of children born per woman, if she were to live to the end of her childbearing years and bear children at each age in accordance with prevailing age specific fertility rates. Most of the data come from surveys, civil registers and census data.

## HOUSEHOLD INCOME AND EMPLOYMENT

NATIONAL INCOME RECEIVED BY LOW 20% OF THE POPULATION is reported in the IBRD, World Development Report, 1989. The data refer to the percentage distribution of disposable household income (both cash and in kind) accruing to the lowest quintile of households. Due to a frequent lack of systematic organization and consistency in the collection and collation of these data, income distribution figures should be interpreted with caution.

% OF POPULATION OF HOUSEHOLDS LIVING BELOW ABSOLUTE POVERTY LEVEL is taken from the IBRD, SOCIAL INDICATORS database. It is the percentage of total, urban, and rural populations who live in "absolute poverty." Absolute poverty income level is defined as that below which a minimal nutritionally adequate diet plus essential nonfood requirements are not affordable.

TOTAL LABOR FORCE is the percentage of the total adult population employed full time. The source of the data is the USDA's World Agricultural Trends and Indicators, 1970-88.

PROPORTION OF LABOR FORCE IN AGRICULTURE is the percentage of the total population that are economically active and engaged principally in agriculture, forestry, hunting or fishing. Economically active persons are those persons engaged or seeking employment in an economic activity, whether as employers, own-account workers, salaried employees, or unpaid workers assisting in the operation of a family farm or business. The source of the data is the USDA's World Agricultural Trends and Indicators, 1970-88.

## NUTRITION AND HEALTH

CALORIE INTAKE is the average calorie intake per person per day. The source of the data is the USDA's World Agricultural Trends and Indicators, 1970-88.

LIFE EXPECTANCY AT BIRTH IN YEARS is from the Bureau of Census. It represents the estimated average number of years a newborn infant would be expected to live if prevailing patterns of mortality at the time of birth were to remain the same throughout its life.

INFANT DEATHS PER 1000 LIVE BIRTHS (Infant Mortality Rate) figures are provided by the Bureau of the Census. The rate refers to the number of infants who die in their first year of life per thousand live births in that same year.

CHILDREN 12-23 MOS. IMMUNIZED AGAINST MAJOR CHILDHOOD DISEASES is taken from data provided by the International Science and Technology Institute (ISTI). These data are derived from the World Health Organization's report, Expanded Program on Immunization, January 1989, and earlier versions, and are based on the reported coverage rates applied to the estimated number of infants surviving the first year of life. Often, reported coverage rates are based on children who have health cards, resulting in higher levels of coverage than actually occur among the

general child population. Estimates do not include the effects of child mortality. DPT3, Polio3, Measles and BCG immunization coverage rates refer to the proportion of children 12-23 mos. immunized, using children surviving to age one as the denominator.

POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY(%) is taken from the IBRD, SOCIAL INDICATORS database. It is the percentage of the population with reasonable access to a safe water supply (includes treated surface water or untreated but uncontaminated water such as that from protected boreholes, springs, and sanitary wells). In an urban area a public fountain or standpost located not more than 200 meters from a house may be considered as being within reasonable access of that house. In rural areas, reasonable access would imply that members of the household do not have to spend a disproportionate share of the day fetching the family's water.

#### EDUCATION AND LITERACY

TOTAL SCHOOL ENROLLMENT AS % OF POPULATION IN AGE GROUP is taken from the IBRD, SOCIAL INDICATORS database. It is the enrollment of all ages at a given level as percentages of respective level school-age populations normally including children aged 6-11 as primary, 12-17 as secondary, and 18-23 as post secondary. For countries with universal education, enrollment may exceed 100 percent since some pupils are below or above the official school age. The data are compiled by The U.N. Educational, Scientific, and Cultural Organization (UNESCO).

ADULT LITERACY RATES are taken from the Institute for Resource Development/Westinghouse, Child Survival Report, 1987. The data represent the percent of persons aged 15 and older who can read and write. The original source of the data is the UNESCO Statistical Yearbook, 1985. Definitions of ability can differ greatly from country to country.

## REGIONAL SUMMARY

### DEFINITIONS OF SOCIAL INDICATORS

TOTAL POPULATION data are Bureau of the Census mid-year projections based on the most recent national censuses and subsequent fertility and mortality trends prepared by agreement with S&T/POP. The total population figure sometimes differs from population estimates used by other sources in some of the data elements shown (eg. by the IBRD in computing per capita GNP).

POPULATION GROWTH RATE is the average annual growth rate from midyear of the previous year, including net migration. The summary measures are computed using the exponential formula. These data are provided by the Bureau of the Census.

LIFE EXPECTANCY AT BIRTH IN YEARS is from the Bureau of Census. It represents the estimated average number of years a newborn infant would be expected to live if prevailing patterns of mortality at the time of birth were to remain the same throughout its life.

NUMBER OF PERSONS PER PHYSICIAN is taken from the IBRD, SOCIAL INDICATORS database and represents total population divided by the number of practicing physicians qualified from a university level medical school.

% POPULATION WITH REASONABLE ACCESS TO SAFE WATER SUPPLY is drawn from the IBRD, SOCIAL INDICATORS database. It represents the percentage of the total population with reasonable access to a safe water supply (includes treated surface water or untreated but uncontaminated water such as that from protected boreholes, springs, and sanitary wells). In an urban area, a public fountain or standpost located not more than 200 meters from a house may be considered as being within reasonable access of that house. In rural areas, reasonable access implies that members of the household do not have to spend a disproportionate share of the day fetching the family's water.

INFANTS DEATH PER 1000 LIVE BIRTHS (Infant Mortality Rate) figures are provided by the Bureau of the Census. The rate refers to the number of infants who die in their first year of life, per one thousand live births in that same year.

FEMALE LITERACY RATES are taken from the Institute for Resource Development/Westinghouse, Child Survival Report, 1987. The data represent the percentage of the total female population, aged 15 and older, who can read and write. The original source of the data is UNESCO Statistical Yearbook, 1985. An important caveat: definitions of ability can differ greatly from country to country.

MALE LABOR FORCE PARTICIPATION RATE is drawn from the IBRD, SOCIAL INDICATORS database. It is the percentage of the total male population that is economically active (including armed forces and unemployed but excluding housewives and students).

POPULATION DENSITY PER SQUARE KILOMETER OF AGRICULTURAL LAND is taken from the IBRD, SOCIAL INDICATORS database. It is defined as IBRD estimated mid-year population, divided by the total agricultural land in a country. Agricultural land consists of arable land, land under permanent crops (tree crops), and permanent pastures and meadows.

POPULATION DENSITY PER SQUARE KILOMETER is drawn from the IBRD, SOCIAL INDICATORS database. It is defined as the IBRD estimated mid-year population divided by the total land area.



## DEFINITIONS OF ECONOMIC INDICATORS

PER CAPITA GNP figures are estimates reported in the IBRD, WORLD TABLES database. Current GNP is a measure of the total domestic and foreign output claimed by the residents of a country at current purchaser values (calculations are completed without making deductions for depreciation). GNP data have been converted from current values of national currencies to U.S. dollars in order to facilitate international comparisons.\* The conversion process utilizes a three year weighted average of exchange rates and makes adjustments for variations in the rates of inflation between the U.S. and the relevant country (see The World Bank Atlas for a complete technical description). Per capita GNP is calculated by the World Bank by dividing GNP, at market prices in U.S. dollars, by estimates of total mid-year population based on data from the UN Population Division or World Bank sources.

\*There is a wide range in the reliability of data collection methods used to obtain information for international databases. It is important to recognize this caveat when engaged in analysis of such data, particularly when involved in cross-country analysis.

GOVERNMENT DEBT OUTSTANDING AS A % OF GNP is derived by dividing the value of total government debt outstanding - drawn from the IMF, GOVERNMENT FINANCE STATISTICS database - by the GNP figures listed in the IMF, INTERNATIONAL FINANCE STATISTICS database. Government debt outstanding includes both domestic and foreign debt in the form of financial obligations of the government which are serviced through interest payments and/or redemption. GNP is calculated by the IMF as gross national expenditures (for a complete technical description see IMF, International Financial Statistics Yearbook, Introduction section, National Accounts and Population).

GOVERNMENT DEBT OUTSTANDING AS A % OF EXPORTS is derived by dividing total government debt outstanding (see the above definition) - drawn from the IMF, GOVERNMENT FINANCE STATISTICS database - by total exports of goods listed in the IMF, INTERNATIONAL FINANCE STATISTICS database. Exports f.o.b. are merchandise transactions and are generally equivalent to customs statistics reported in accordance with the general trade system and based on recommendations of the UN, International Trade Statistics: Concepts and Definitions, 1982. Exports are listed in local currency at current market prices.

DEBT SERVICE RATIO is derived from data in the IBRD, WOLD DEBT TABLES database. This ratio represents total debt service payments as a percentage of total exports of goods and non-factor services, converted into U.S. dollars from local currency.

TOTAL U.S. AID in millions of U.S. dollars includes total bilateral obligations from the United States. It is the sum of funds from Development Assistance, the Economic Support Fund, the Peace Corps, Narcotics, PL480, the Military Assistance Program, Foreign Military Sales, the International Military Education and Training Program, and other economic and military assistance. Data are provided by A.I.D.

U.S. AID AS A % OF GNP is calculated by dividing total U.S. bilateral obligations by GNP figures from IBRD, The World Bank Atlas, 1988.

TOTAL U.S. NET ECONOMIC DISBURSEMENTS AS A % OF GNP refers to net disbursements of Official Development Assistance (ODA) from the United States to recipient countries divided by their respective GNP figures for the same year. ODA data is from the OECD, Geographical Distribution of Financial Flows to Developing Countries, 1983/1986 and the GNP data are from the IBRD, WORLD TABLES database.

ALL SOURCE NET ECONOMIC DISBURSEMENTS AS A % OF GNP refers to net disbursements of Official Development Assistance (ODA), from all sources, including members of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development, multilateral organizations, members of the Organization of Petroleum Exporting Countries (OPEC), and members of the Council for Mutual Economic Assistance (CMEA). The ODA figures are divided by the GNP for each country. The source of the data is IBRD, World Development Report, 1988.

AVERAGE ANNUAL PER CAPITA REAL GNP GROWTH RATE is the annual growth rate in real terms that has been computed by fitting trend lines to the logarithmic values of GNP per capita at constant market prices for each year of the time period. With this method, all available observations within the relevant time period are considered, and the growth rates obtained reflect general trends rather than cyclical factors of irregular variations in any particular year. The source of the data is the IBRD, World Development Report, 1988.

AVERAGE ANNUAL RATE OF GDP GROWTH is drawn from the IBRD World Development Report, 1988 and represents a measure of the growth of total domestic output, regardless of its allocation to foreign or domestic claimants. It represents the sum of value added by factors of production, measured at their factor cost, and is calculated without making deductions for depreciation. The figures for GDP are dollar values converted from domestic currency by using the single-year official exchange rate. Growth rates are expressed as percentages and are calculated using constant price series over the time period covered. The least-squares growth rate method is then applied to compute the summary measure.

ANNUAL RATE OF INFLATION represents the annual growth rate of the GDP implicit deflator. The GDP deflator is defined as the ratio of the value of GDP at current values, to the value of GDP at constant values, both in local currency. The least-squares growth rate method is then used to calculate the summary measure for the period. The source of the data is the IBRD, World Development Report, 1988.

GOVERNMENT EXPENDITURES AS A % OF GNP is the ratio of central government expenditures to GNP. Total expenditures include all nonrepayable payments by the government, whether required or unrequired, for current or capital purposes. GNP is calculated as gross national expenditures by the IMF. Government expenditure data come from the IMF, GOVERNMENT FINANCE STATISTICS database and GNP figures are taken from the IMF, INTERNATIONAL FINANCIAL STATISTICS database.

TRADE BALANCE is drawn from the IMF, INTERNATIONAL FINANCIAL STATISTICS database. Trade balance represents the difference of total exports and total imports converted from local currency into U.S. dollars using the average annual exchange rate (period average, par rate). Total imports are defined as the current U.S. dollar value of imports of goods and non-factor services purchased from the rest of the world. Total exports are defined as the value of exports of goods and non-factor services sold to the rest of the world. Import and export data are those of the United Nations System of National Accounts and are, in general, as given in U.N. sources. In many cases current annual data are derived from national sources. Import and export data come from the IMF, INTERNATIONAL FINANCIAL STATISTICS database.

GOVERNMENT DEBT FINANCING AS A % OF GOVERNMENT EXPENSES is calculated from data in the IMF, GOVERNMENT FINANCE STATISTICS database. Government debt financing includes domestic financing and financing from abroad and is divided by total government expenditures to derive this ratio.

GOVERNMENT DEFENSE SPENDING AS A % OF GDP is the ratio of total defense expenditures - drawn from the IMF, INTERNATIONAL FINANCIAL STATISTICS database - to the GDP figures listed in the IMF, INTERNATIONAL FINANCIAL STATISTICS database. Defense expenditures include all expenditures for the maintenance of military and paramilitary forces and expenditures for foreign military aid. GDP is in local currency at current market prices.

CURRENT ACCOUNT BALANCE represents the portion of the balance of payments which includes exports and imports of goods and services, income on foreign assets, private unrequited transfers (including worker remittances), and official unrequited transfers. These figures are taken from the IMF, BALANCE OF PAYMENTS STATISTICS database and are converted from SDRs to U.S. dollars using the average annual exchange rate (period average) from the IMF, INTERNATIONAL FINANCIAL STATISTICS database.



LATIN AMERICA AND THE CARIBBEAN  
ABBREVIATIONS AND ACRONYMS

ADC	-	Advanced Developing Country
AIDS	-	Acquired immune deficiency syndrome
AIFLD	-	American Institute for Free Labor Development
AOJ	-	Administration of Justice
BANDESA	-	National Agricultural Bank of Guatemala
CA	-	Central America
CABEI	-	Central American Bank for Economic Integration
CACM	-	Central American Common Market
CAI	-	Central American Initiative
CAPEL	-	Center for Electoral Promotion and Assistance, of the Inter-American Institute of Human Rights
CAPS	-	Central American Peace Scholarships
CARE	-	Cooperative for American Relief Everywhere
CBI	-	Caribbean Basin Initiative
CEDRO	-	Center for Education and for Drug Abuse (Peruvian org.)
CINDE	-	Costa Rican Coalition for Development Initiatives
CLASP	-	Caribbean-Latin American Scholarship Program
DA	-	Development Assistance
EARTH	-	Regional Agricultural College for the Humid Tropics
EEC	-	European Economic Community
ESF	-	Economic Support Fund
GDP	-	Gross domestic product
GNP	-	Gross national product
GOB	-	Government of Belize
GOB	-	Government of Bolivia
GOCR	-	Government of Costa Rica
GODR	-	Government of Dominican Republic
GOE	-	Government of Ecuador
GOES	-	Government of El Salvador
GOG	-	Government of Guatemala
GOH	-	Government of Haiti
GOH	-	Government of Honduras
GOJ	-	Government of Jamaica
GOP	-	Government of Peru
IBRD	-	International Bank for Reconstruction and Development (World Bank)
IDB	-	Inter-American Development Bank
IIDH	-	Interamerican Institute of Human Rights
ILANUD	-	United Nations Latin American Institute for the Prevention of Crime and the Treatment of the Offender
ILD	-	Institute for Liberty and Democracy (in Peru)
IMF	-	International Monetary Fund
INCAE	-	Central American Institute for Business Administration
INCAP	-	Nutrition Institute for Central America and Panama
LAC	-	Latin America and the Caribbean
NBCCA	-	National Bipartisan Commission on Central America
OECS	-	Organization of Eastern Caribbean States
PAHO	-	Pan American Health Organization
PTIIC	-	Presidential Training Initiative for the Islands Caribbean

- PVO - Private and voluntary organization
- ROCAP - Regional Office for Central America Programs
- RTAC - Regional Technical Aids Center
- SAL - Structural Adjustment Loan (World Bank)