# Inter-American Foundation



Fiscal Year 2006 Congressional Budget Justification

#### **EXECUTIVE SUMMARY**

# BUDGET SUBMISSION FOR APPROPRIATION FOR FY2006 AND 2004 PROGRAM HIGHLIGHTS

This document discusses the Inter-American Foundation's budget requirements and program for Fiscal Year 2006 and details the IAF's accomplishments in Fiscal Year 2004.

For Fiscal Year 2006, the Inter-American Foundation (IAF) is planning an operating budget of \$25 million, \$17.826 million in appropriated funds and \$7.2 million in Social Progress Trust Fund resources. At this level, the IAF requires 47 full-time employees (FTEs), most of whom are assigned to program activities.

The proposed \$25 million enables the IAF to continue responding to the opportunities offered in Latin America and the Caribbean. More than 1,800 proposals received from grassroots and nongovernmental organizations during the 2004 awards cycle indicates the demand for IAF support is greater than ever. These proposals offer a wide variety of initiatives to reduce poverty through mobilizing people and local resources and through partnerships with local government, grassroots groups and nongovernmental organizations, and the business sector.

The IAF has been a pioneer in recognizing the importance of locally-driven efforts and has more experience at the grassroots than any other foreign assistance organization. Established as an alternative to traditional aid approaches, it has, over the years, finely tuned the art of supporting the self-help initiatives that channel the energy and engagement of poor people so they become players in their development. The IAF has a special role among development institutions at a time when the fundamental notions of development assistance are under scrutiny. Throughout the development profession, the focus has slowly shifted away from infrastructure toward people armed with civic values and working together to improve their lives.

Development assistance resources worldwide are minuscule when compared to the enormity of the task. At the proposed budget level, the IAF will be able to fund only a small fraction of the proposals received, probably no more than 5 percent. For this reason the IAF's investment strategy emphasizes the minimum cost-effective amount of financial intervention and the maximum amount of resources mobilized within the beneficiary countries and communities. The engine for development must come from within the beneficiary communities, and development assistance should fuel that engine, not replace it.

For Fiscal Year 2006, the IAF plans to focus its efforts as follows:

- · IAF will fund between 60 and 80 grassroots development initiatives.
- The IAF will undertake a forceful dissemination and public diplomacy effort.

- The IAF will explore the development impact of the remittance flow to Latin America and the Caribbean through continuing contact with associations of migrants and the identification of funding opportunities incorporating the resources and participation of diaspora organizations and home communities.
- The IAF will continue to work with disadvantaged populations, including those of African and indigenous origin and the disabled.
- The IAF will continue to encourage RedEAmerica, the network of corporate foundations that has become IAF's centerpiece initiative for advancing corporate social responsibility, to increase the corporate commitment to poverty reduction through grassroots development.

To ensure compliance with OMB reporting requirements, streamline operations, and reduce costs, the IAF has outsourced procurement, accounting, budget, information technology security and Equal Employment Opportunity services to the Bureau of the Public Debt (BPD). For the fourth year in a row, the IAF received from USAID's Office of the Inspector General (OIG) an unqualified audit of its financial statements, internal control over financial reporting and compliance with laws and regulations for Fiscal Years 2004 and 2003. In Fiscal Year 2004, BPD's Information Technology Group (ITG) completed a year-long security review of the IAF enterprise network system and Grant Evaluation and Management System (GEMS). In July 2004, the security of the IAF's systems was certified and accredited for three years based on IAF policy and the Office of Management and Budget Circular Al-130, Appendix III; NIST Special Publication 800-37, *Guide for the Security Certification and Accreditation of Federal Information* Systems. This significant accomplishment places IAF on a short list of small federal executive agencies with certification and accreditation. In September 2004, the OIG completed an audit of the IAF's information technology security program and determined that it is in compliance with FISMA reporting requirements.

IAF is also among the agencies supporting E-Gov. BPD will soon be implementing integration with the Central Contractor Registration, the system to be used by suppliers as the sole repository for pertinent data, including remittance information. Integration will allow BPD and the IAF to more efficiently maintain current data related to suppliers. Additionally, BPD is upgrading its Oracle Federal Financials platform and its version of Oracle. As of January 1, 2005, the IAF adopted BPD's e-Travel system, GovTrip. GovTrip integrates on-line booking and allows travelers to attach receipts to the voucher, ensuring a more effective voucher audit process.

The IAF is, therefore, making every effort to use its funding effectively. An operating budget of \$25 million (of which \$17.826 million is appropriated funds and \$7.2 million is SPTF resources) represents a relatively small but enormously beneficial investment for the United States as a donor country and for the poor of Latin America and the Caribbean.

Table 1.1 Summary Budgets and FTE Request Excel Chart (in \$000s)

	FY 2004	FY 2005	FY 2006
	Actual	Operating Budget	Request
OMB Planning Level	15,087	17,856	17,826
Prior Year Carryover Funds	325	1,250	
Gift Account	50	75	
SPTF	8,566	6,069	7,174
TOTAL BUDGET	24,028	25,250	25,000
Program Grants, Evaluations, Activities			
Grants (Development, Corporate, Research)			
Appropriated Funds - 0506	5,885	6,708	7,164
SPTF	8,566	6,069	7,174
Gift Account	50	75	
Current Yr Carryover Funds 04/05		1,000	
Prior Year Carryover Funds - No Year			
Subtotal - Grants/Audits	14,501	13,852	14,338
Evaluations and Other Program Activities	3,006	3,800	3,338
Total Program - Grants, Evaluations, Activities	17,507	17,652	17,676
Program Management and Operations			
Appropriated Funds - 0506	6,196	7,348	7,324
Prior Year Carryover Funds - 03/04	325		
Prior Year Carryover Funds - No Year		250	
Total Overhead - Program Mngmnt/Operations	6,521	7,598	7,324
Total Obligation Authority	24,028	25,250	25,000
Overhead Percentage	27.14%	30.09%	29.30%
FTEs	44	47	47
Note: FY2006 SPTF: anticipated collections			

Table 1.2 Detail of Object Classifications Excel Chart (in \$000s)

Object		FY 2004	FY 2005	FY 2006
Class	Category	Actual	Budget	Request
	Staff Salaries & Related Expenses			
11.1	Permanent Positions	3,368,729	3,632,982	3,716,311
11.7	Other Personnel Compensation	61,467	50,000	60,000
11.0	Total Personnel Compensation	3,430,196	3,682,982	3,776,311
12.0	Civilian Personnel Benefits	853,242	947,745	958,578
	Travel and Transportation			
21.0	Travel and transportation of persons	404,923	478,250	478,250
22.0	Transportation of things	12,398	30,000	13,000
	Support Services			
23.2	Rental Payments to Others	589,046	577,000	610,000
23.5	Communications, Utilities., Misc.	63,305	111,050	61,050
23.8	Postage	35,000	62,000	63,000
24.0	Printing and Reproduction	22,000	28,800	28,800
25.2	Other Services	122,000	361,500	320,600
25.2	Staff Training	30,000	91,015	79,360
25.3	Services from Other Government Agencies	825,000	954,843	774,875
25.7	Maintenance-Equipment	35,517	169,490	70,800
26.0	Supplies and Materials	39,000	41,989	36,029
31.0	Equipment	59,000	61,000	53,000
	Program Support Total	6,520,627	7,597,664	7,323,653
	Learning & Dissemination			
22.1	Contract Mail Service	10,300	10,300	10,300
23.8	Postage	36,000	40,000	40,000
24.0	Printing and Reproduction	205,000	199,500	199,500
25.1	Studies & Evaluations	721,285	1,430,077	1,118,000
25.1	Translations	64,000	120,000	120,000
	Technical Assistance to Grantees			
25.1	Local Advisory Service (LAS)	800,000	800,000	800,000
25.1	Data Verifiers (DV)	600,000	600,000	600,000
25.2	Program Conference Support	570,000	600,000	450,000
	<u>Grants</u>			
41.0	Grants/Audits	14,500,795	13,852,459	14,338,547
	Subtotal Program Activities	17,507,380	17,652,336	17,676,347
Grand Total Program Support and Program		24,028,007	25,250,000	25,000,000
	Full-Time Equivalent Usage	44	47	47

#### PROJECTED FISCAL YEAR 2006 PROGRAM PLAN

#### A. Introduction

For Fiscal Year 2006, the Inter-American Foundation (IAF) is planning an operating budget of \$25 million composed of \$17.826 million in appropriated funds and \$7.2 million from the Social Progress Trust Fund. At this level, the IAF requires 47 full-time employees (FTEs), most of whom are assigned to program activities.

# B. Overview of Goals and Objectives of the Fiscal Year 2006 Program

During Fiscal Year 2006 the IAF plans to award between 60 and 80 grants for grassroots development. While continuing to further the same Strategic Goals as in the past, for Fiscal Year 2006 these grants will specifically serve to:

- advance awareness among donors that an effective way to promote development is by strengthening communities;
- advance a new initiative for pooling donor resources;
- consolidate the IAF's role as a leader in the evolving field of transnational communities, remittances and grassroots development;
- apply the IAF's long experience with indigenous communities to other disadvantaged populations, particularly African descendent communities and women;
- consolidate the RedEAmerica network of corporate foundations and other donors, help it grow by seven to 10 members and assist its efforts to standardize funding procedures and reporting; and
- use the experience with the corporate foundation network to pursue collaborations with other Latin America-based networks of donors, such as community foundations and social development funds.

IAF's Fiscal Year 2003 inquiry into non-grant financing mechanisms in Latin America revealed that while micro-enterprise institutions have flourished, broader development organizations that provide credit as only one aspect of a program have limited access to capital. In Fiscal Year 2004, the IAF, in partnership with the International Guarantee Fund (IGF) of Switzerland, established a multi-country guarantee fund to channel loan capital to such organizations. In Fiscal Year 2005 the fund will operate on a test basis. Fiscal Year 2006 should witness the expansion of this project into at least 15 funds with the flexibility to finance a range of community initiatives.

The IAF's involvement with remittances included dialogues around the United States with immigrant organizations, other donors, institutions and businesses on possibilities for cofunding development initiatives. One outcome of the dialogues was increased contact between U.S.-based hometown associations of migrants and service providers, public and private, in the U.S. and abroad. Additionally, the IAF continued negotiating an agreement for supporting such initiatives with the Multi-lateral Investment Fund (MIF) at the Inter-American Development Bank (IDB).

A centerpiece of the IAF vision is the replication of its responsive approach to grassroots development. In Fiscal Year 2002 the IAF helped link corporate foundations from Mexico to Argentina into RedEAmerica. By the end of Fiscal Year 2004, the network had grown to 52 members representing 12 countries and additional corporate foundations have applied. During Fiscal Year 2006 RedEAmerica will aim for at least 75 members supporting responsive community development efforts in 20 countries. The IAF, as a promoter of the network, will continue to partner with new members. The IAF will also work with RedEAmerica's Hemispheric CEO Committee to mobilize more funding for grassroots development. Additionally, the IAF will disseminate the findings of a major study on corporate social responsibility in selected countries, begun in Fiscal Year 2004 by Lester Salamon of the Johns Hopkins University. The study builds on more than a decade of IAF encouragement of partnerships involving the business sector, grassroots organizations, nongovernmental organizations and municipal governments.

Finally, the IAF will continue to lead the way in the development community by communicating with practitioners, donors and policy-makers through its Web site, a broad network of formal and informal contacts, publications, and conferences and other fora.

# C. Goals and Objectives of the Fiscal Year 2006 Program

The IAF neither designs nor implements projects. Rather, it responds to the best development proposals it receives. In Fiscal Year 2006, the IAF will remain responsive to the best ideas emerging for projects that engage poor communities as citizens and actors in their own development. To evaluate these ideas, IAF staff will continue to maintain direct, on-the-ground contact with projects and proponents in urban barrios and rural areas.

The IAF has set the following general goals and objectives for Fiscal Year 2006:

#### **Fiscal Year 2006 Performance Goals**

Strategic Plan Goal I: Support the most promising and innovative means to foster sustainable grassroots and local development and economic independence.

**Performance Goal I.1:** Fully implement a more expedited system for responding to proposals and processing grants that remains competitive and transparent and continues to take advantage of internal expertise.

**Performance Measure I.1.1:** Significantly reduce the time between receipt of proposals and obligation of funds.

**Performance Goal I.2:** Continue to promote participatory development as the fundamental building block of democratic governance.

**Performance Measure I.2.1:** Identify and support innovative development projects that engage their beneficiaries in their design and execution and that generate broadly applicable lessons.

**Performance Measure I.2.2:** Actively promote the inclusion of participatory development and governance in international development agendas, such as those of the Summits of the Americas, the Millennium Development Corporation, USAID, the Canadian International Development Agency, the World Bank, the Inter-American Development Bank and the Organization of the American States.

**Performance Measure I.2.3:** Promote training in local development and governance and capacity-building activities through direct sponsorship and through partnering with other sponsors.

**Performance Measure I.2.4:** Promote understanding of grassroots development by

- 1) extracting learning from projects funded; 2) evaluating selected projects in depth;
- 3) supporting research on specific topics; 4) publishing these experiences; and
- 5) sponsoring and participating in events to disseminate learning.

**Performance Goal I.3:** Identify opportunities for development among people of African descent, who comprise half the population living below the poverty line in Latin America and the Caribbean.

**Performance Measure I.3.1:** Fund development projects proposed by grassroots organizations representing African descendents.

**Performance Measure I.3.2:** Promote the inclusion of grassroots organizations serving African descendents in international development agendas.

**Performance Measure I.3.3:** Promote understanding of the dynamics and historic role of African descendent communities in grassroots development in Latin America and the Caribbean by supporting studies on those topics, sponsoring events and publications, and disseminating this learning.

**Performance Measure I.3.4:** Promote training and capacity-building activities through grant funding and by entering into strategic partnerships with multilateral and other donor agencies.

**Performance Measure I.3.5:** Include in *Grassroots Development* coverage of self-help efforts by African descendent communities and organizations.

**Performance Goal I.4:** Continue to promote development efforts among indigenous communities.

**Performance Measure I.4.1:** Increase funding for local development projects presented by grassroots organizations serving indigenous communities.

**Performance Measure I.4.2:** Promote the inclusion of indigenous grassroots organizations on the international development agenda.

**Performance Measure I.4.3:** Promote understanding of the dynamics, historic role and civic potential of indigenous communities in grassroots development in Latin America/Caribbean by supporting studies on those topics, sponsoring events and publications, and generally disseminating this learning within the donor community, as well as to policy-makers, service organizations and communities themselves.

**Performance Measure I.4.4:** Facilitate training and capacity-building activities for indigenous organizations through grant funding or strategic partnerships with multilateral and other donor agencies.

**Performance Measure I.4.5:** Continue to document, with articles and other coverage, the successful transition by indigenous citizens into positions of regional and national leadership both in countries with a significant indigenous population and in countries where indigenous peoples are a minority.

# Strategic Plan Goal II: Further learning from monitoring and targeted research.

**Performance Goal: II.1**: Work with networks of Latin American and Caribbean donors dedicated to responsive grassroots development funding, such as RedEAmérica, networks of community foundations and networks of national social funds, toward harmonizing and sharing grant-making guidelines, information collection and results analysis.

**Performance Measure II.1.1:** Pursue contacts and collaborative relationships with such networks and actively disseminate among them the IAF's view of participatory grassroots development as the cornerstone of democratic, sustainable development.

**Performance Measure II.1.2:** Provide encouragement and support toward a standardized results reporting system, which would allow aggregation of RedEAmérica data using a common electronic data base.

**Performance Measure II.1.3:** Finalize an updated monitoring and evaluation system that gathers and analyzes data for reports, congressional presentations and the IAF board of directors.

**Performance Measure II.1.4:** Based on the successful implementation of the standardized system, begin a series of reports on the achievements of grassroots development reflecting region-wide results.

**Performance Goal II.2:** Consolidate the IAF's information collection and develop greater analytical capacity, conduct more in-depth inquiries, and internalize and share lessons.

**Performance Measure II.2.1:** Continue to perfect IAF evaluation methodology as applied to at least 10 in-depth grant evaluations per year.

**Performance Measure II.2.2:** Incorporate the learning from these evaluations into IAF project selection and monitoring.

**Performance Measure II.2.3:** Share these lessons with communities, service organizations and with other donors.

**Performance Goal II.3:** Present to the broad development assistance community cuttingedge analysis that encourages additional and more targeted resources for grassroots development.

**Performance Measure II.3.1:** Disseminate the findings of a major study on corporate social responsibility, undertaken in Fiscal Years 2004 and 2005 by Lester Salamon of the Johns Hopkins University.

**Performance Measure II.3.2:** Develop formal agreements with other donors as well as informal contacts to share such learning.

**Performance Measure II.3.3:** Collaborate with other donors on organizing events such as conferences and symposia where such knowledge is disseminated.

Strategic Plan Goal III: Make the most of available resources (efficiency, counterpart)

**Performance Goal III.1:** Collaborate with a broader range of U.S. and other donors in a broader array of arrangements.

**Performance Measure III.1.1:** Disseminate an IRS ruling that grants made by U.S. foundations to overseas organizations through the IAF meet expenditure responsibility requirements, and encourage the use of the IAF as a conduit for grants from other U.S. donors.

**Performance Goal III.2:** Increase the number of RedEAmérica members' grants awarded directly to community organizations for grassroots development.

**Performance Measure III.2.1:** Contribute to the admission of new members to RedEAmérica, to an expanded capability of all members to fund more community organizations, and to the mobilization of financial resources from members and from other sources.

**Performance Goal III.3:** Identify and support evolving transnational relationships that encourage immigrant organizations to aid the development of their home communities, and promote and connect this effort with other interested parties.

**Performance Measure III.3.1:** Continue collaboration with immigrant groups in the U.S. and Canada to support development projects in their communities of origin and identify new financial and technical resources through seminars with these groups, foundations, academics and municipal authorities in U.S. cities with major immigrant communities.

**Performance Measure III.3.2:** Continue disseminating results among development and related organizations of IAF's involvement in transnational linkages and of its assistance in transforming linkages into co-development initiatives by immigrant communities in the United States and their countries of origin.

**Performance Measure III.3.3:** Connect to efforts in Canada and other countries that can use their own transnational linkages as a development resource.

**Performance Measure III.3.4:** Expand community foundation activities on the U.S.-Mexico border, including monetary and nonmonetary transfers (such as technical assistance), through promoting challenge grants and other forms of cross-border philanthropy.

**Performance Measure III.3.5:** Publish an issue of *Grassroots Development* focused on trends in transnational community development.

Strategic Plan Goal IV: Remain the preeminent organization in the areas of grassroots development and participatory democracy in Latin America and the Caribbean.

**Performance Goal IV.1:** Continue improving the Grassroots Development Framework to reflect work on those "intangible" results of IAF's program relevant to democratic engagement and deliberation.

**Performance Measure IV.1.1:** Develop new and revised indicators of intangible results of IAF-funded projects and integrate them into the Grassroots Development Framework.

**Performance Measure IV.1.2**: Test and adjust the Grassroots Development Framework manual, developed in Fiscal Year 2005, for use by data verifiers and grantees.

**Performance Measure IV.1.3:** Sponsor a review and evaluation of the revised framework.

**Performance Goal IV.2:** Maintain IAF's print and electronic publications in the vanguard of reporting on and analysis of grassroots development in order to promote a deeper understanding of self-help in improving living conditions.

**Performance Measure IV.2.1:** Disseminate quality material on the lessons from the IAF's more than three decades of experience in funding innovative self-help initiatives.

#### FISCAL YEAR 2004 PROGRAM ACCOMPLISHMENTS

# **Overview**

- For the Fiscal Year 2004 grant program, IAF staff reviewed more than 1,800 grant proposals from grassroots organizations in Latin America and the Caribbean.
- Of these, 100 proposals were selected for further analysis through field visits.
- The IAF funded 60 new grants in the amount of \$11.4 million and amended 40 ongoing projects in the amount of \$2.8 million, totaling an investment of more than \$14.2 million, representing 100 percent of all program grant funds for Fiscal Year 2004.
- The programs funded are expected to reach some 280,000 beneficiaries.
- Grantee contributions in cash and in kind matched IAF's investment in Fiscal Year 2004.
- Since 1971, the Foundation has made 4,524 grants valued at about \$571.6 million, with counterpart contributions totaling more than \$833 million. In Fiscal Year 2004, grants averaged \$143,000 disbursable over a two-year period, compared to \$180,000 over the same period awarded in Fiscal Years 2003 and 2002, \$198,000 in Fiscal Year 2001, and \$183,700 in Fiscal Year 2000. Grantee contributions, in kind or in cash, roughly matched the IAF's awards in Fiscal Year 2004. Counterpart contributions since 1972 total about \$833 million as detailed in Table 3.1:

**GRANTEE/COUNTERPART CONTRIBUTIONS for FY 1972-2004 \*** (in \$000s)

			Total IAF	Counterpart	Counterpart
Fiscal	IAF	Counterpart	Counterpart	Funds as %	Funds as %
Year	Funds*	Contributions	Funds	of Total	of IAF Total
1972	2,794	2,504	5,298	47%	90%
1972	2,794	4,263	7,207	59%	145%
1973	11,884	13,248		53%	111%
		·	25,132		
1975	12,634	18,787	31,421	60%	149%
1976	12,190	15,100	27,290	55%	124%
1977	14,967	18,458	33,425	55%	123%
1978	11,726	10,596	22,322	47%	90%
1979	16,866	14,431	31,297	46%	86%
1980	22,399	25,360	47,759	53%	113%
1981	21,811	27,949	49,760	56%	128%
1982	21,206	28,869	50,075	58%	136%
1983	17,662	21,826	39,488	55%	124%
1984	17,683	24,750	42,433	58%	140%
1985	22,659	35,256	57,915	61%	156%
1986	18,817	16,664	35,481	47%	89%
1987	19,552	37,400	56,952	66%	191%
1988	20,267	25,564	45,831	56%	126%
1989	22,026	26,883	48,909	55%	122%
1990	19,414	12,050	31,464	38%	62%
1991	26,934	37,125	64,059	58%	138%
1992	21,917	32,639	54,556	60%	149%
1993	24,429	37,163	61,592	60%	152%
1994	24,739	38,135	62,874	61%	154%
1995	22,926	37,550	60,476	62%	164%
1996	15,276	49,938	65,214	77%	327%
1997	14,494	38,915	53,409	73%	268%
1998	17,973	37,381	55,354	68%	208%
1999	22,671	36,218	58,889	62%	160%
2000	11,393	24,027	35,420	68%	211%
2001	13,874	29,849	43,723	68%	215%
2002	13,378	23,227	36,605	63%	174%
2003	15,930	16,299	32,229	51%	102%
2004 *	14,264	14,618	28,882	51%	102%
Total	\$ 569,699	\$ 833,042	\$ 1,402,741	59%	146%

### Introduction

In Fiscal Year 2004 the Inter-American Foundation received an appropriation of \$15.9 million for program grant and program support activities, which was supplemented by \$8.7 million for grants from the Social Progress Trust Fund, \$50,000 from the gift account and \$326,000 in carry-over funds. The total budget was \$25 million.

The IAF fosters sustainable, innovative grassroots development. Throughout Fiscal Year 2004 the IAF continued to refine its contribution to development assistance by, for example, sharing best practices for promoting grassroots development; by offering its grantmaking expertise to the architects of the Millennium Challenge Corporation (MCC); by leveraging the financial and technical resources of other donors through creative initiatives; by examining the financial, technical and cultural flows from transnational communities as well as their impact in the communities of origin; and by developing the funding and learning potential of RedEAmerica, the Inter-American Network of Corporate Foundations.

The IAF neither designs nor implements projects. Rather, it responds to the best development proposals it receives. It carefully selects from its very large pool of proposals those with the greatest potential for learning. In-depth evaluations of selected projects will complement normal reporting with information to be incorporated into the IAF's criteria and procedures and made available to the development community.

We detail below our accomplishments of IAF's objectives for Fiscal Year 2004. For ease of reference the objectives are listed under the relevant goal from the Strategic Plan, and the accomplishments follow the corresponding objective.

# Accomplishment of Goals and Objectives of the Fiscal Year 2004 Program

# Strategic Plan Goal I: Support the most promising and innovative means to foster sustainable grassroots and local development and economic independence.

**Performance Goal 1.1.:** Adopt a broader, more competitive and transparent selection process which takes full advantage of internal sectoral expertise (to be refined from the pilot exercise in Fiscal Year 2003).

**Performance Measure:** The changes introduced in Fiscal Year 2003 were implemented in Fiscal Year 2004 when proposals received totaled more than 1,800, exceeding all expectations.

Eighty-five percent of the submissions were from organizations with no previous IAF support. The influx taxed the staff's administrative and processing capabilities, but all proposals were reviewed and rated against established criteria in the time allotted. Proposals, rated as A, B or C, were reviewed by one country expert and by at least one other staff member with subject-matter expertise. More than 80 percent were rated by a second subject-matter expert. Proposals that "failed" were either geared to charity or lacked any indication they would become self-sustaining.

Some 300 proposals were judged to merit further consideration by sub-regional staff "teams" for their potential contribution to learning, their technical feasibility, and for thematic and geographic coherence. Almost 100 proposals emerged from this culling for field visits and ranking by Foundation representatives during November and December. The top-ranked 50 to 55 were presented and discussed at Foundation-wide sessions; representatives communicated the questions, critiques and suggestions back to the prospective grantees for their response. Several proposals required a second visit. By early summer, documentation was being processed and submitted to senior management for approval and to Congress and the respective US Embassies for clearance. The process satisfied the goal as stated.

**Performance Goal 1.2:** Use results of a feasibility study on non-grant financing mechanisms to initiate select activities

**Performance Measure:** Beginning this year, the IAF and the International Guarantee Fund (IGF) will support a joint loan guarantee fund that helps qualifying organizations obtain commercial loans for productive projects. The guarantee fund totaling \$400,000 (of which \$200,000 is IAF funding) will leverage \$1.5 million in loans from local banks.

**Performance Goal 1.3:** Continue to help and to draw attention to African descendant communities—who comprise half the population living below the poverty line in Latin America and the Caribbean—and indigenous peoples.

**Performance Measure:** The Inter-American Foundation continues to be one of the leading development institutions working with communities of African descendents in the Americas. In

Fiscal Year 2004 the IAF sponsored the first regional capacity-building workshop on socio-economic development for African-descendent communities in La Ceiba, Honduras, February 1-4, 2004. Attending were representatives of the World Bank, Inter-American Development Bank, Inter-American Dialogue, Pan-American Health Organization, Ford Foundation and the Department for International Development (DFID-UK) and 160 leaders from 18 countries, including President Ricardo Maduro of Honduras, U.S. ambassador to Honduras Larry Palmer, Representative Epsy Campbell of Costa Rica, Edgar Torres, vice president of Colombia's House of Representatives, Elías Lizardo, Honduras' minister of health, and others.

Additionally, the IAF's grassroots approach to African descendant communities was presented at several meetings including the Allied Social Science Associations' gathering of economists and the Inter-American Development Bank Sustainable Development Program. In Fiscal Year 2004 the IAF supported four projects with African descendent communities with grants totaling more than \$580,000. The IAF has initiated several identification mechanisms and partnerships which could double funding for such communities in Fiscal Year 2005.

The IAF continued its emphasis on incorporating indigenous peoples into public life through improved economic opportunities, public-private partnerships and recognition of their rights. Initiatives with indigenous communities include the construction of community museums to heighten community identity and increase income; the development of leadership; and improved product development among indigenous artisans, especially women. In September 2004, the IAF brought 45 representatives of eight indigenous communities in Latin America to participate in the opening of the Smithsonian's National Museum of the American Indian in Washington, D.C. A goal of the museum is to build networks among indigenous peoples and highlight their accomplishments.

These efforts were reported and disseminated through the IAF journal *Grassroots Development* for 2004. The same issue covered IAF grantee CRIOLA's seminar in Rio de Janeiro on the challenges Afro-Brazilians must overcome to improve their standard of living. The 2004 journal also reviewed Thomas Carroll's book, *Construyendo capacidades colectivas*, which examines the organizational capacities of indigenous federations in the Andean highlands; an excerpt from the book accompanied the review.

IAF representative Kevin Healy's *Llamas, Weavings, and Organic Chocolate: Multicultural Grassroots Development in the Andes and Amazon of Bolivia* (Notre Dame Press: 2001) continues to generate dialogue in academic and policy circles: *The American Anthropologist* reviewed the book in its September issue. Healy was the luncheon speaker at the Conference on Indigenous Leadership Challenges to the Old Guard in Bolivia, Ecuador and Peru, featuring Andean academic specialists and held May 21 by the U.S. Department of State's Bureau of Intelligence and Research.

In March Healy spoke on IAF-supported mapping projects at the Forum on Indigenous Community Mapping in Vancouver, Canada. In February he spoke on Latin American indigenous movements to the FLAG-Latin America Group of retired Foreign Service Officers. Later in the month, he oriented Foreign Service Officers assigned to Latin America and shared lessons learned from IAF's experiences with staff from the World Bank and Inter-American

Development Bank. Healy also spoke about the IAF at Eastern Mennonite University and The Washington Center for Internships and Academic Seminars.

The following grants funded in Fiscal Year 2004 relate to Performance Goal 1.3:

**Associação das Comunidades Negras Rurais Quilombolas do Maranhão** (ACONERQ) in Brazil was awarded \$25,000 to plan to build the capacity of more than 80 rural community associations through access to information and opportunities for dialogue on local development.

**Associação de Desenvolvimento Comunitário Rural de Barra do Brumado** (Brumado) was awarded \$187,733 over three years to by constructing a fruit- and jelly-processing factory that would improve the income of residents of three communities in the state of Bahia, Brazil, and to provide related technical assistance, training and marketing support.

**Terra Peninsular A.C.** (Terra) was awarded \$345, 270 over three years to provide 350 indigenous Yuma the opportunity to strengthen their organizations, implement incomegenerating projects and promote the environmental sustainability of fragile areas in northern Baja California, Mexico. This project targets expanded crafts production and sale and the growth of ecotourism businesses through environmentally responsible community management.

**Asociación para el Desarrollo de la Costa Atlántica** (PANA PANA) received a supplemental award of \$99,000 to support sustainable production of food and forestry products, marketing, micro-enterprise development, rehabilitation of infrastructure and equipment, and strengthening base groups in 11 Miskito communities in Nicaragua.

**Fundación para la Investigación Antropológica y el Etnodesarrollo** (ASUR) was awarded \$308,918 over two years toward reviving traditional weaving techniques and designs and improving the skills, income, self-esteem and cultural pride of 370 indigenous Bolivians, mostly women, in the Calcha and Tinquipaya zones of the Potosí region. The project includes the development of four weaving centers as well as training and technical assistance in product development, quality control, promotion and marketing, as well as in cultural research and institutional organization.

**Museo de Arte Niños Andinos "Ayllu Yupaychay"** (Yupay) was awarded \$35,610 over eight months to formalize its teaching methodology using art as the vehicle for providing elementary education to indigenous children in remote Andean villages in Peru.

# Strategic Plan Goal II Communication, learning and reflective practice.

**Performance Goal 2.1:** Work with Inter-American Network of Corporations and Corporate Foundations and Actions (RedEAmerica) toward standardizing information collection and analysis.

**Performance Measure:** The IAF continued to help organize a hemispheric program of exchange visits and learning workshops among RedEAmerica members. A draft definition of grassroots

development was shared and members reached a consensus on how it relates to broader themes of development and society. In addition, RedEAmerica developed basic working principles. First drafts of key indicators for grassroots development and guidelines for funding and supporting projects were shared among members as well as best practices and efforts to standardize vocabulary that will facilitate reporting.

**Performance Goal 2.2:** Use a separate unit within the operations office to maximize information sharing with the IAF's automated grant evaluation and management system, develop greater internal capacity to analyze data and conduct more in-depth inquiries.

**Performance Measure:** Office of Evaluation staff participated as expert readers in the proposal reviews by identifying learning possibilities and selecting performance indicators for each project. A closer collaboration was also developed with the representatives and data verifiers for each country, facilitating the flow of practical information and the learning process, for the IAF as well as for grantees. The Evaluation Office also improved the format and distribution of its internal newsletter, *Enterese*.

The Evaluation Office awarded a five-year contract for external evaluation to the Getulio Vargas Foundation, a Brazilian institution with expertise in academic research and evaluation. The Program Office collaborated extensively with the Evaluation Office on the design of the evaluations and the findings will be incorporated into Program Office operations. Ten projects chosen at random from all IAF grants completed in Fiscal Year 2002 were evaluated and analyzed in Fiscal Year 2004. Specific areas of inquiry included:

- the degree to which the grantee organization and the beneficiary population achieved the objectives of the grant agreement;
- the appropriateness of the indicators selected from the IAF's Grassroots Development Framework (GDF) to measure results of each grant;
- the direct and indirect changes, expected and unexpected, at the individual, organization and regional/societal levels as reflected by measurable indicators as well as subjective assessment;
- how development strategies contributed toward the observed changes;
- the effectiveness of proposal review, administration and financial oversight as well as data verification;
- the degree to which each project responded to community needs or to a topical interest of the IAF.

FGV presented a summary of its findings to IAF Staff in October. Preliminary analyses reveal that projects have achieved most goals and objectives and have contributed to the development of the grantee organization and the community.

A grant funded in Fiscal Year 2004 supports Performance Goal 2.2:

**Pronatura Noreste, A.C.** (PNE) was awarded \$290,600 over three years for a project that will involve fishing families in the selection of indicators to measure their reduced dependence on harmful fishing practices and the improved sustainability of the Laguna Madre de Tamaulipas in

Mexico. The Evaluation Office will work with PNE and the Program Office on a participatory methodology for monitoring and evaluating the results of the project.

**Performance Goal 2.3:** Present cutting-edge development analysis that encourages additional resources to flow to Latin America and the Caribbean.

**Performance Measure:** The IAF has commissioned Lester Salamon of the Johns Hopkins University to study the role of the private sector in fostering better living conditions in poor communities of Latin America and the Caribbean. Dr. Salamon began work in Fiscal Year 2004 and expects to complete the project in Fiscal Year 2006. He will summarize his findings for *Grassroots Development*, the IAF's journal, and in a book.

The Program Office has collaborated with RedEAmerica on its studies and presentations directed at mobilizing corporate resources for grassroots development and gauging the impact. The IAF has collaborated with the World Bank, the Inter American Development Bank, USAID, the Canadian International Development Agency and several private-sector U.S. foundations in searching for more effective ways to use their resources to address development generated from the grassroots rather than from above. Of interest to donors, the IAF is sponsoring a study on effective strategies to promote democratic local governance as a development tool.

Grassroots Development 2004 features an interview with Miguel Krigsner, founder and president of Boticario, a Brazilian cosmetic manufacturer. Boticario earmarks 1 percent of its gross for social investment. Of that amount, 50 percent is channeled to Boticario's Foundation whose initiatives in self-help are conducted in partnership with the IAF through an eco-development fund to which each party committed \$550,000, the most significant single corporate donation to an IAF partnership. An article on the joint project that led to the fund and on subsequent projects runs in tandem with the interview.

The University of Florida is using the article "Stages of Micro-Enterprise Growth in the Dominican Informal Sector," in *Grassroots Development* 1983, Vol. 9, No. 2, in a class on Caribbean anthropology. Brown Reference Group of London, England, is reprinting "The Life Cycle of A Corporation's Socially Responsible Initiative: Inti Raymi Goldmine" by Kellee James, an IAF intern, in PRO/CON 4, a six volume set aimed at improving and increasing critical thinking among 15 to 18 year olds in the U.S. market. James' article will appear in the volume "Poverty and Wealth" in connection with materials for use in debating whether transnational corporations help eradicate poverty in poor nations. The Inti Raymi Foundation is a former IAF grantee and a founding member of RedEAmerica.

The following grants funded in Fiscal Year 2004 support Performance Goal 2.3:

Centro de Iniciativas para el Desarrollo Local (La Choza) was awarded \$76,200 over two years toward its partnership with five municipalities and citizen councils in the province of Corrientes, Argentina, to train municipal and council representatives to identify local development priorities and the best use of public funds. The project will benefit approximately 2,000 low-income men and women participating in the decision-making.

**Asociación para el Desarrollo Local** (ASODEL) was awarded \$181,815 over 18 months to provide training and technical assistance to 660 residents of 71 villages and 15 communities in three districts in the department of Cajamarca, Peru, for the formulation of an integrated local development plan and budget expected to benefit 17,136 local residents.

# Strategic Plan Goal III: Make the most of available resources (efficiency, counterpart).

**Performance Goal 3.1:** Collaborate with a broader range of donors.

**Performance Measure:** The IAF is negotiating a co-financing agreement with the Multilateral Investment Fund (MIF) of the Inter American Development Bank (IDB) for grassroots development projects involving a transnational component. We expect this to be operational during Fiscal Year 2005.

**Performance Goal 3.2:** Increase the number of grants made by RedEAmerica Network.

**Performance Measure:** By the end of fiscal 2004, 18 bilateral agreements had been made with RedEAmerica members, six during Fiscal Year 2004, under which community organizations of poor people will receive small grants, training and other support for self-help. These agreements specify that IAF's corporate partners will match IAF funding for sub-grants to community organizations. The signatories will also work with other members of RedEAmérica to advance learning in the field of grassroots development.

**Performance Goal 3.3:** Identify and support evolving relationships between immigrants to the U.S. and their home communities in Latin America and the Caribbean.

**Performance Measure** The IAF's "Transnational Initiative" is a distinct area of programmatic emphasis with a staff coordinator, a staff committee, and specific travel and related funds for promotion and dissemination in the U.S. An external organization has been contracted to assist research efforts. This initiative will coordinate closely with the proposed MIF-IDB collaborative agreement (see Performance Goal 3.1, above).

Throughout Fiscal Year 2004, members of the IAF's transnational committee met with immigrant leaders in several U.S. cities and conducted site visits to counterpart organizations and projects in migrant-sending communities in Latin America. A brief document was developed to provide guidance to migrant organizations interested in submitting transnational proposals to the IAF. This year's outreach efforts resulted in a noticeable increase in inquiries from transnational organizations, as well as an increase in transnational proposals. Ten percent of the proposals funded in Fiscal Year 2004 have transnational implications, a marked increase over last year.

Grants awarded in Fiscal Year 2004 include the following proposals with transnational support:

**Asociación Salvadoreña de Desarrollo Campesino** (ASDEC) was awarded \$350,000 over three years to enable 500 shrimp farmers in the Department of Usulatan, El Salvador, to improve shrimp production, create a shrimp processing facility, and establish new local and international markets. Individuals and hometown associations in the Salvadoran community in the U.S. and Canada will help secure additional technical support and help identify U.S.markets.

**Desarrollo Binacional Integral Indígena A.C.** (DBIIAC) was awarded \$257,430 over three years for a program to increase horticulture and poultry production; promote sales of crafts and

prepared foods; support savings and credit programs; and strengthen the leadership and organizational capacity of indigenous women in the Mixtec region of Oaxaca. The program will include training, technical assistance, a new loan fund, and exchanges and collaboration with partner migrant organizations in Mexico and the U.S.

**Migración y Desarrollo A.C.** (MIDE-ac) was awarded \$312,460 over three years to promote the creation of "social enterprises" in regions of high out-migration and facilitate cross-sector and transnational alliances that support income-generating projects. Primary activities will focus on Abeja de Oro, a honey producers' organization in Apulco, Zacatecas, Mexico, that works in partnership with the Zacatecan Federation of Fort Worth, Texas.

To disseminate the transnational concept, the IAF's 2003 in Review featured a full-page summary detailing IAF's efforts to reach out to Latin American and Caribbean migrants working together to improve their communities of origin. The five-city series of dialogues on transnationalism and community development concluded with a meeting in Chicago on May 25 attended by representatives from foundations, networks of foundations, financial or technical assistance agencies, six Latino organizations, a state agency and three universities. A similar roundtable co-sponsored by IAF in Washington, D.C., focused on the Salvadoran transnational community and emphasized youth and education. All dialogues have brought together local foundations, immigrant organizations, hometown associations, municipal authorities and academics to discuss how transnationalism impacts immigrant communities. As a result, participants are more aware of constraints on HTAs, and new transnational links have produced ideas for projects.

IAF staff also explained the IAF's work in transnationalism at public events including the Binational Forum of Michoacán (Mexico) Migrants and a meeting of the Civil Society Task Force organized by the Esquel Group Foundation, Partners of the Americas and the United States National Coordinator for the Summit of the Americas. IAF staff met formally and informally with representatives of the Ford Foundation and Rockefeller Foundation, as well as with other regional and local foundations. Two staff members participated in an event of the "Migration Learning Community," a program supported by the Ford Foundation and Migration Policy Institute with the goal of promoting and sharing knowledge to improve transnational grant making. By strengthening communication and relationships with other donors, the IAF hopes to better coordinate funding in this field and to encourage new counterpart resources for transnational projects.

**Performance Measure:** The IAF has also identified community foundations along the U.S.-Mexico border as an area of special interest and has designated the deputy vice president for programs to advance it. The IAF is a founding member of the U.S.-Mexico Border Philanthropy Partnership, a coalition of nine national and regional foundations and 20 community foundations committed to reducing poverty on both sides of the border. The program emphasizes community foundations as a mechanism to encourage local philanthropy and grassroots democracy in potentially volatile communities. The IAF funded three new grants this year to support nine organizations serving Mexican border communities.

The following grants awarded in Fiscal Year 2004 support cross-border initiatives:

**Fundación del Empresariado Chihuahuense A.C.** (FECHAC) was awarded \$230,000 over two years to strengthen democratic participation within FECHAC and in two marginalized zones in Cuidad Juarez. FECHAC, a nongovernmental organization of businesspeople, will become a community foundation with a sub-grant program directed at encouraging citizen participation in resolving community problems.

**Fundación Internacional de la Comunidad A.C.** (FIC), of Tijuana, was awarded \$400,000 over three years toward strengthening its partnership with business, NGO and philanthropic leaders; mobilizing \$400,000 to match IAF contributions; bolstering the organizational capacity of more than 200 NGOs and micro-businesses; and supporting more than 60 small development projects managed by these local organizations and benefiting 1,800 people in low-income communities in Baja California.

**Performance Measure:** The same issue of *Grassroots Development* included a news item on "Salvadoran Men and Women Abroad as Links to Local Development," a project of IAF grantee CARECEN funded in Fiscal Year 2003. Supported by the IAF, the grantee arranged a first-ever formal meeting of representatives of Salvadoran hometown associations in the U.S., local government officials and residents of Piedras Blancas to prioritize development projects for assistance by overseas Salvadorans. "Technology Transfers through Mexican Migration" by Sandy Nichols described the flow of ideas and equipment from migrants to their home communities and the implications for development. Finally, the lead article, Patrick Breslin's "Thinking Outside Newton's Box," mentioned IAF's first response to transnational communities, a proposal from Fundación para la Productividad el Campo (APOYO) in Mexico. Work began in Fiscal Year 2004 on an issue of *Grassroots Development* planned for calendar year 2005 which will have a focus on development in transnational communities.

During Fiscal Year 2004 IAF produced country-specific fact sheets highlighting remittance and migration issues in several Latin American countries, as well as an inventory of scholars and available research on transnational issues. This information informs IAF's work and stimulates creative thinking on new opportunities in transnational community development.

# Strategic Plan Goal IV:

Be the preeminent organization in the areas of grassroots development and participatory democracy in Latin America and the Caribbean.

**Performance Goal 4.1:** Revise the Grassroots Development Framework to reflect further work on the "intangible" results in the areas of democracy, policy transformation and the like.

**Performance Measure:** The IAF has contracted the Getulio Vargas Foundation of Brazil to design a new evaluation protocol and apply it to 10 completed projects. The goal is to incorporate better evidence of the intangible results from well designed, well managed projects. Additionally, the Evaluation Office is reviewing the available evidence on the intangible requirements of sustainable grassroots development.

The Program Office is sponsoring a survey on measures of civic capacity to incorporate into the GDF. The World Bank, USAID, the IDB and the Canadian Agency for International Development have expressed an interest in this IAF initiative as a complement to their own efforts in community development.

**Performance Goal 4.2:** Broaden and deepen dialogue with other experts and practitioners studying democracy development as an experiential, rather than pedagogical, learning process.

**Performance Measure:** The IAF is collaborating closely with other donors also focused on the residual capacity for self governance as the lasting impact of development projects. IAF staff have helped organize a major conference on local development at the World Bank and a one-day seminar on democratic citizenship at the IDB. They have made related presentations to USAID, CIDA and the Organization of American States and have explained the connection between grassroots democracy and sustained grassroots development to the Mexican Center for Philanthropy (CEMEFI), the Red de Participación y Justicia in Bolivia, the Corona Foundation in Colombia, the World Movement for Democracy Conference, the Institute for Democracy in South Africa (IDASA), the CIVICUS World Assembly, the U.S.-Mexico Border Philanthropy Partnership and the World Conference of the Institute for Cultural Affairs in Guatemala.

"Investing in People," a half-day seminar held May 4 and co-sponsored by the IAF and the Permanent Mission of the U.S. to the OAS, introduced the Permanent Council of the OAS to the IAF's approach to democratic grassroots development involving corporate foundations, associations of U.S.-based migrants, and elected community leaders. Representatives from grantees who work daily with these sectors shared their experience with the audience in the Hall of the Americas: Fernando Castellanos, executive director of Fundación Zonamerica, Uruguay, discussed RedEAmérica. Jesús Aguilar, executive director, Centro de Recursos Centro Americanos (CARECEN International-El Salvador), described how the IAF is working with collective remittances sent by hometown associations to their communities of origin. Rubén Calle, president, Asociación de Parroquias Rurales, Ecuador, explained how his organization promotes discussions on policy at the grassroots level.

*Grassroots Development* 2004 includes an interview with David Valenzuela on local development, meaning development on which a basic unit of government collaborates with

citizens. Eduardo Rodríguez-Frías' "Developmental Abilities" described the self-help efforts of disabled people as a step toward their engagement as full citizens.

In Fiscal Year 2004, Lester Salamon's article summarizing his work with civil society, "The Third Sector in Global Perspectives," published in *Grassroots Development* Vol. 23, No. 1, was selected for inclusion in the Lexis Nexis database. The ILO's Delnet program reprinted on its Internet database part of "IAF's Argentine Grantees: Caught in the Crisis," by Paula Durbin, *Grassroots Development* 2003, Vol. 24, No. 1, and Vanessa Gray of the University of Massachusetts-Lowell used the whole article in her political science class. "I am increasingly using case studies of positive social change to supplement and even replace traditional textbooks," Gray wrote on December 7, 2003. "I like the IAF materials because they depict ethnically diverse Latin Americans who are active agents in trying to improve their lives. (Pictures of real Latin Americans are so rare and yours are beautiful!) IAF projects also offer a jumping off point for discussions about the political, economic, social, and ideological obstacles to more efforts of that type. The Argentina piece will be a perfect complement to discussions of the decline of living standards in that country. I also use one of the IAF's journal articles on Bogotá's recyclers in my Global Environmental Politics course."

# Fiscal Year 2004 Grants by Program Sector and Country

Unlike other development assistance agencies that plan their funding according to preestablished programmatic lines, the IAF *responds* to independent initiatives presented by prospective grantees. This section represents our best effort to classify the purpose of each Fiscal Year 2004 grant according to traditional program sectors. Rarely, however, does IAF fund a project with a single focus. Increasingly self-help development brings together partners who craft multi-faceted solutions to conditions in their communities. Activities reach beyond a single program sector. In recent years, including Fiscal Year 2004, we have noticed, for example, that protecting natural resources is often a cross-cutting theme. Communities interested in better income from fishing, farming, eco-tourism and niche-marketing or in better access to clean water and sanitation services understand that a clean, flourishing natural environment is a prerequisite to their success. That said, this section follows the traditional classification system as it applies to the primary goal of each project funded.

IAF support for **agriculture and food production** activities totaled about \$3.4 million, or 24 percent of program funds, in Fiscal Year 2004, compared to \$3 million, or more than 18 percent of program funds in Fiscal Year 2003; \$2.5 million or 19 percent in Fiscal Year 2002; \$4 million, or 29 percent, in Fiscal Year 2001; \$5 million in Fiscal Year 2000, representing 44 percent of program funding; and \$8.2 million, or 37 percent, in Fiscal Year 1999. Primary beneficiaries included small-scale farmers, livestock producers and landless agricultural laborers.

IAF support for **enterprise development and management** programs totaled \$4.3 million, or 30 percent of program funds in Fiscal Year 2004, compared to \$5.6 million, or 35 percent of program funds in Fiscal Year 2003; \$7.2 million, or 54 percent in Fiscal Year 2002; \$6.3 million or 45 percent in Fiscal Year 2001; \$2.4 million or 21 percent of program funds, in Fiscal Year 2000; and \$8.6 million, or 38 percent, in Fiscal Year 1999. These grants allowed operators and owners of small businesses to acquire equipment and supplies, access credit, develop managerial and technical skills, and improve production and marketing.

Fiscal Year 2004 grants for **education and training**\_activities totaled \$3.4 million or 24 percent of program funds, compared to \$2.8 million, or 17 percent in Fiscal Year 2003; \$2.3 million, or 17 percent, in Fiscal Year 2002; \$2.6 million, or 19 percent, in Fiscal Year 2001; \$2.6 million, or 23 percent, in Fiscal Year 2000; and \$2.3 million, or nearly 10 percent, in Fiscal Year 1999. Funded activities included training in organizational development, management, vocational skills, community planning and adult education.

About \$681,000 or 5 percent of program funding, supported applied **research and dissemination** efforts in the area of grassroots development.

Grants to support innovative **community development** and **environmental protection** initiatives and to promote **cultural research and expression** totaled about \$773,000 or 5.4 percent of program resources.

About \$1.7 million, representing 12 percent of all program funding, was channeled into **corporate social investment** through RedEAmerica, the Network of Corporate Foundations and

Companies for Grassroots Development launched in 2002 as an IAF initiative. By the close of fiscal 2004 RedEAmerica's membership had grown from 27 corporate foundations to 52 representing 12 countries.

Table 3.2 - Primary Program Areas, Grants, Beneficiaries Summary

	Number of NewGrants and Grant	Amount (in \$000s)	Percent	Intended Direct Beneficiaries
FY2004 Primary Program Area	Supplements			(in 000s)
Food Production/Agriculture	28	3,383	23.7%	32
Business				
Development/Management	24	4,332	30.4%	47
Education/Training	27	3,423	24.0%	98
Research and Dissemination	5	681	4.8%	33
Community Services (Housing)	1	155	1.1%	0
Cultural Expression	2	578	4.1%	2
Ecodevelopment	1	40	0.3%	12
Corporate Social Investment	12	1,672	11.7%	56
TOTAL	100	\$ 14,264	100%	280

<sup>0%</sup> denotes under 1%

# **Grants by Sector and Country**

# Agriculture and Food Production (24 percent)

# Argentina

Fundación Vida Silvestre Argentina (FVSA)

\$48,900 over 18 months

FVSA will pilot the organic cultivation of *yerba mate*, a tea widely consumed in the Southern Cone of South America, and *palmitos*, or hearts of palm, in Colonia Andresito, Misiones, an environmentally fragile buffer zone located between two national parks and populated by low-income landowners. The grantee will provide training and technical assistance, facilitate access to loans, and promote organic certification. The project will benefit directly approximately 120 producers, their families and seasonal workers, and, indirectly, more than 200 farm workers and service providers. (AR-336)

#### Bolivia

Grupo de Asesoramiento Multidisciplinario en Medio Ambiente y Agroecología (GAMMA)

\$84,273 over one year

GAMMA will complete the assistance required for llama herder-beneficiaries to develop a more comprehensive herd management strategy for optimal production and marketing. The municipal government is complementing IAF's supplement with impressive new cash counterpart. (BO-464-A8).

Centro de Estudios Regionales de Tarija (CERDET)

\$48,650 over six months

CERDET will continue promoting its 10-year development plan with the local and departmental government and with a business consortium that is investing in natural gas production in the area CERDET serves. The partnership has had important socioeconomic impacts on indigenous Guarani communities in Tarija and has leveraged private-sector support for this six-month phase of the project. (BO-471-A3)

Equipo Técnico de Fortalecimiento Comunitario (TENTAPEGUA) \$158,995 over three years

TENTAPEGUA will improve food security, economic opportunities and conservation in Tentayapi, a community of 95 Guarani-speaking families in the southern part of the department of Chuquisaca. The project will enable these indigenous people to develop a land management system for the territory they recently received from the Bolivian government. Activities will relate to planning, mapping, livestock-raising, agriculture, potable water, infrastructure, cultural promotion and marketing (BO-491).

Asociación Boliviana para el Desarrollo Rural (PRO RURAL) \$355,051 over three years

PRO RURAL, in partnership with Irupana Andean Organic Foods, a Bolivian food-processing company, will facilitate the transition of some 250 participating farmers to producing and exporting high quality, organically-grown quinoa or amaranth. The program of financing and technical assistance will improve market opportunities, income and the well-being of farm families (BO-492).

La Central de Cooperativas Agropecuarias "Operación Tierra" Ltda. (CECAOT) \$140,039 over three years

CECAOT, a federation of 14 cooperatives, will increase member-farmers' income from quinoa by improving the quality, volume and ecological sustainability of this traditional Andean crop. The grantee will build and equip a processing plant and provide technical assistance to farmers interested in expanding their production of organically grown quinoa (BO-493).

Centro Diocesano de Apoio ao Pequeno Produtor (CEDAPP)

\$24,810 over one year

Additional resources for site visits will enable contractors to provide services related to planning, project monitoring and impact evaluation as well as curriculum development. (BR-815-A1)

#### Ecuador

Fundación Cooperación y Acción Comunitaria (CACMU)

\$87,930 over one year

CACMU will provide additional technical assistance to newly formed cooperatives and will improve the sale of its members' textiles and agricultural products through market studies, quality control, publicity, brand names and attendance at various artisan fairs, thereby benefiting approximately 1,000 women in Imbabura province and their families. (EC 380-A1)

Fundación Rainforest Rescue de Ecuador (FURARE)

\$221,950, over two years

FURARE will strengthen the organizational skills of 230 individuals in four indigenous Zapara communities by working with the Organización de la Nación Zapara (ONZAE) on community development strategies to secure sustainable food production systems, generate alternative income sources and preserve rainforests. (EC-388)

El Salvador

Fundación para el Desarrollo de la Ciencia y la Tecnología (FUDECIT) \$20,815 over one year

FUDECIT will build and install the infrastructure necessary for a water purification system using new technology called "Hidro-Pur-Sec" in the community of Los Almendros. (ES-193-A5)

Agencia de Desarrollo Micro-Regional de los Municipios de Ilopango, Soyapango, y San Martín (ADEMISS)

\$42,550 over one year

ADEMISS will rebuild fingerling ponds destroyed during the October 2003 mudslides in San Salvador and conduct an environmental study of Lake Ilopango. (ES-199-A5)

Fundación Promotora de Productores y Empresarios Salvadoreños (PROESA) \$30,000 over one year

PROESA will establish a working capital fund for beneficiaries and make the infrastructure improvements necessary for their food processing facility to meet the Salvadoran government's certification standards. (ES-206-A2)

Asociación Salvadorena de Desarrollo Campesino (ASDEC)

\$350,000 over three years

ASDEC will enable 500 shrimp farmers in the Department of Usulatán to improve production, create a processing facility and take advantage of new local and international markets. Individuals and home town associations in the Salvadoran community in the U.S. and Canada will help secure additional technical support and help identify U.S. markets. (ES-212)

#### Guatemala

Asociación para el Desarrollo Agroforestal y Ambiental del Municipio de Santa María Chiquimula (ADAFORSA)

\$145,218 over three years

ADAFORSA will reduce poverty and environmental damage in the area it serves by developing nurseries, offering training in carpentry and opening a commercial wood depot and a carpentry business. Area communities will contribute land, labor and organizational resources toward preserving and managing forest resources as a basis for new economic activities. (GT-278)

#### Haiti

Haitian Partners for Christian Development (HPCD)

\$75,589 over one year

HPCD will provide working capital and equipment to four incubator enterprises, receive training and technical assistance in marketing, and improve internal accounting and management systems. (HA-199-A1)

Coordination des Groupements et Organisations Communautaires (COGOC) \$88,744 over one year

COGOC will cover material losses and the impact of inflation related to the project vehicle, computer, production equipment, construction and administrative systems. (HA-200-A1)

#### Honduras

Centro Independiente para el Desarrollo de Honduras (CIDH)

\$25,630 over six months

CIDH will bolster its credit fund and complete construction of the Dr. Martin Luther King training center on land, valued at \$29,000, donated as counterpart by the government of the municipality in which the center is located. (HO-231-A5)

## Nicaragua

Cooperativa Agropecuaria de Servicios de Extracción de Aceites Esenciales R.L. (COOPESIUNA)

\$46,219 over one year

COOPESIUNA will use this amendment to guarantee the transport and installation of equipment used to extract highly valued essential oils from allspice. (NC-249-A1)

Cooperativa de Servicios Múltiples San Isidro R.L. (COOPECAFE)

\$51,096 over one year

COOPECAFE will continue to fund marketing efforts and provide accounting support for coffee cooperatives serving growers in six municipalities. (NC-250-A1)

#### Panama

Fundación para el Desarrollo Integrado Sustentable (FUDIS) \$294,200 over two years

FUDIS will strengthen local development by building capacity and efficiency in municipal government, local organizations and the rural economy. The grantee will move producers from destructive subsistence practices toward market-oriented, agro-ecological farming and environmental conservation. Activities include training, technical assistance and the introduction of a credit fund and a community development grant fund. (PN-276)

Asociación para el Desarrollo del Micro y Pequeño Productor (ADEMIPP) \$189,800 over three years

ADEMIPP will reduce poverty and environmental damage by replacing harmful farming methods with agro-ecological production of basic foods for consumption and/or sale. The grantee will introduce a credit program and a local extension system for both production and marketing along with support for community activities directed at reforesting the local watershed. (PN-277)

Asociación Programa Veragüense de Desarrollo Ecológico Sostenible (PROVERDES) \$225,000 over three years

PROVERDES will promote sustainable agriculture, environmental protection through reforestation, and basic sanitation in the community it serves. A credit fund, training and a community extension service system are its key tools. The grantee will also further

communication among diverse ethnic groups and the inclusion of women in economic and social development. (PN-278)

Peru

Centro de Investigación Y Promoción Social "Violeta Sara Lafosse" (CIPS) \$10.000 over six months

CIPS will complete delivery of technical assistance and training to its direct beneficiary group of small-scale farmers producing artichokes for domestic sale and export. The farmers have attained an excellent level of quality and are now strengthening their marketing and negotiating skills (PU-497-A4).

Programa Integral para el Desarrollo del Café (PIDECAFE) \$50,000 over one year

PIDECAFE will complete the construction and equipping of 10 artisan sugar mills as part of its three-year program to assist 20 associations of coffee producers affiliated with CEPICAFE, the regional coffee growers association. It will facilitate the creation of a network of community enterprises to produce brown sugar as a source of income and economic diversification in six municipalities of the northern Peru. (PU-509-A1).

Servicios Educativos, Promoción y Apoyo Rural (SEPAR) \$99,980 over one year

SEPAR will conclude its effort, in partnership with four other NGOs, the municipality and the Cámara de Comercio, Agricultura, Producción e Industrias de Huancayo, to promote local tourism and agro-industrial enterprises in the province of Huancayo. The project has been highly successful in generating interest in economic expansion in both areas and in acquiring the support of other local entities (PU-513-A1).

Asociación Arariwa para la Promoción Técnico-Cultural Andina (ARARIWA) \$219,980 over two years

ARARIWA will implement the second phase of its program of pest management, during which it will introduce a methodology to control diseases affecting fruit crops in 30 communities of Cusco's Valle Sagrado (PU-525).

Instituto Promoción y Desarrollo Agrario (IPDA)

\$244,500 over three years

IPDA will undertake a project in partnership with the Association of Users of the Rimac River Irrigation District to increase the production and income of 5,000 farmers on the eastern fringe of metropolitan Lima. The project will include the introduction of a new, more efficient irrigation technology, training in its installation and use, technical assistance in intensive crop production and small livestock husbandry, and processing and marketing services for the farmers' harvests (PU-526).

# Business Development and Management (30 percent)

## Argentina

Cooperativa de Provisión de Servicios para Recolectores "El Ceibo" Ltda. (El Ceibo) \$164,200 over two years

El Ceibo-RSU plans to consolidate and expand its recycling operation in the Buenos Aires neighborhood of Palermo. The grantee will train members and partners in all aspects of recycling and will finance equipment, including vehicles, for better collection of sorted materials and more efficient overall operations. The project will improve the standard of living of approximately 200 recyclers and 3,800 Palermo residents and will indirectly benefit many others in the neighborhood. (AR-335)

#### Fundación Redes

\$187,000 over three years

Fundación Redes will support small enterprises managed by 50 groups of rabbit producers and beekeepers in La Pampa, Argentina. The program to strengthen management, marketing, negotiation, leadership and technical skills, as well as to provide access to loans, will benefit approximately 3,000 participants and members of their families. (AR-338)

#### Bolivia

Protección del Medioambiente Tarija (PROMETA)

\$85,434 over 18 months

PROMETA will use its supplement to continue basic technical assistance and credit and to make small investments in cooperatives and micro-enterprises, in a school-based environmental education program, and in a series of community projects, including plant and tree nurseries, erosion control, reforestation and a program to distribute bottled gas for sale so that communities are not compelled to deplete wood resources. (BO-475-A4)

#### Brazil

Instituto Pauline Reichstul (IPR)

\$347,000 over three years

IPR will improve opportunities for 300 young adults in Belo Horizonte through youth-led businesses. Participants will increase their income by up to 40 percent and learn marketable skills that will lead to employment options. An estimated 1,500 other individuals will retain or improve their positions as an indirect result of project activities. (BR-818)

Associação de Desenvolvimento Comunitário Rural de Barra do Brumado (Brumado) \$187,733 over two years

Brumado's project is directed at improving income in three communities in the northeastern state of Bahia through construction of a fruit-processing factory and offering related technical assistance, training and marketing support. (BR-819)

*Instituto Palmares de Direitos Humanos* (IPDH)

\$25,000 over one year

IPDH will undertake activities preparatory to adapting an entrepreneurship training program to the needs of high-risk entrepreneurs in Rio de Janeiro. It will establish the conditions for a business incubator and a cultural products training unit and market. The grant will cover program development, administration, staff and equipment costs. (BR-820)

#### Chile

Red Sinergi@Regional

\$150,000 over three years

Red Sinergi@Regional will design a continuing education program in local development and decentralization for implementation by six teams working in 20 regional universities. A job bank, professional journal and Web site will strengthen this effort to build bridges and common agendas among Chile's academic, municipal and private sectors. Funding for this grant includes a gift to the IAF of \$75,000 contributed by Bill Melton in fiscal 2005. (CH-512)

#### El Salvador

Asociación Alianza para el Desarrollo de la Microempresa de El Salvador (ALPIMED) \$350,000 over three years

ALPIMED, a network of 10 organizations providing microcredit services, will offer the necessary training, technical assistance and access to credit to enable 200 families in the departments of Cuscatlán, San Vicente and La Paz to invest their remittance income in microbusinesses. U.S.-based home town associations will contribute to community development in partnership with the nine municipal governments included in the program and engaged in democratic planning processes. (ES-213)

Asociación de Organizaciones de Microfinanzas (ASOMI)

\$50,000 over one year

ASOMI will support local microfinance institutions' efforts to implement and market a new remittance transfer system in cooperation with the MicroFinance International Corporation (MFIC). It will provide training in this new technology to its member institutions and to members of ALPIMED, described above. (ES-208-A1).

#### Guatemala

Asociación Organización para la Promoción Comercial y la Investigación (OPCION) \$242,607 over three years

OPCION will expand its existing program of agricultural production and marketing and increase the participation of women. The project will benefit 700 low-income Mayan families in small-farmer organizations in the departments of Sacatepequez, Chimaltenango, Solola, Quiche, Quetzaltenango, Huehuetenango and Totonicapan. (GT-279)

Coordinadora de Organizaciones de Desarrollo Integral de Occidente (CODINO) \$270,725 over three years

CODINO will undertake a project to strengthen the administrative capacity and the financial base of its network of 10 community development and savings and loan organizations in the department of Totonicapán. The project will assist the economically depressed region by channeling loans through member organizations to approximately 1,000 small-business owners. (GT-280)

Latin America – Regional

CIVICUS World Alliance for Civil Participation (CIVICUS)

\$30,000 over five years

CIVICUS, an international alliance founded in 1993 to strengthen citizen action and civil society throughout the world, will fund the Nelson Mandela Graça Machel Innovation Awards providing seed money for creative ideas emerging from organizations or groups of organizations represented in CIVICUS' World Assembly. (LA-162)

*International Guarantee Fund (IGF)* 

\$260,000 over five years

IGF will establish an international facility, the Latin American International Guarantee Fund (LAIGF), to guarantee loans from local banks or international soft lenders to qualifying nongovernmental organizations and cooperatives engaged in microfinance, agriculture, crafts production and marketing, and other initiatives focused on improving income. An executive committee and a guarantee committee will administer the respective local fund and, to increase its initial capitalization of \$400,000, will identify potential contributors. The facility will focus primarily on Central America, but will reserve the option to expand to South America on a case by case basis. (LA-163)

Mexico

Fundación Juan Diego (FJD)

\$75,000 over one year

FJD will create a legal and governing structure for the Fondo Mexicano de Microfinanzas and hire a fund manager. The grantee will try to raise \$5 million in capital for the fund, which will provide credit and technical assistance for 10 microfinance institutions and entities serving the sector. Ultimately, the fund will indirectly benefit more than 1 million micro-entrepreneurs in at least eight Mexican states. (ME-468)

Pronatura Noreste A.C. (PNE) \$290,600 over three years

PNE will use its grant toward preserving the ecosystem of the Laguna Madre de Tamaulipas through alternative self-employment for fishing families, environmental education and the construction of ecological latrines. Stronger community organizations, reduced dependence on harmful fishing practices, and the lagoon's improved sustainability will benefit 2,700 community members directly and 10,000 other nearby residents indirectly. (ME-469)

Terra Peninsular A.C. (Terra)

\$345,270 over three years

Terra will undertake a transnational project providing 350 marginalized Mexicans of indigenous Yuma descent the opportunity to strengthen their organizations, to implement income-generating projects and to promote the environmental sustainability of fragile areas in northern Baja California. This project targets the expanded production and sale of crafts and the growth of ecotourism businesses through the application of ecologically-sensitive community management. (ME-470)

Fundación del Empresariado Chihuahuense A.C. (FECHAC)

\$218,000 over two years

FECHAC will strengthen democratic participation internally and in two marginalized zones of Ciudad Juárez. The nongovernmental organization of business people will transform itself into a community foundation with a sub-grant program directed at encouraging citizen participation in resolving community problems, and it will design a structure for divesting its micro-credit fund. (ME-471)

Desarrollo Binacional Integral Indígena A.C. (DBIIAC)

\$257,430 over three years

DBIIAC will undertake a program to increase horticulture and poultry production; promote sales of crafts and prepared foods; support savings and credit programs; and strengthen the leadership and organizational capacity of indigenous women in the Mixtec region of Oaxaca. The program will include training, technical assistance, a new loan fund, learning exchanges and collaboration with migrant organizations in Mexico and the U.S. (ME-472)

Migración y Desarrollo A.C. (MIDE-ac)

\$312,460 over three years

MIDE-ac will promote the creation of "social enterprises" in regions of high outmigration and facilitate cross-sector and transnational alliances that support incomegenerating projects. Primary activities will focus on Abeja de Oro, a honey producers' organization in Apulco, Zacatecas, that works in partnership with the Zacatecan Federation of Fort Worth, Texas. (ME-473)

Nicaragua

Asociación para el Desarrollo de la Costa Atlántica (Pana Pana) \$99,000 over one year

Pana Pana will support the sustainable production of food and forestry products, marketing of agricultural crops, micro-enterprise development, rehabilitation of infrastructure and equipment, and strengthening base groups in 11 Miskito communities. (NC-235-A2)

Unión de Cooperativas SOPPEXCCA (SOPPEXCCA)

\$151,500 over two years

SOPPEXCCA, a union of 12 cooperatives, will strengthen its capacity to process, transport, store and market its members' coffee, as well as to control quality and promote sales in national and international venues. Project beneficiaries are approximately 450 small-scale producer-members of the coffee cooperatives and their families in the department of Jinotega. (NC-258)

Peru

Centro para el Desarrollo Sostenible (CEDESOS Puno)

\$56,800 over two years

CEDESOS Puno will promote rural eco-tourism in the district of Capachica along the northern shore of Lake Titicaca. Training, technical assistance, credit and promotional services will be provided to 50 families operating hostels and craft workshops in the five participating communities (PU-521).

Centro de Investigación Social y Educación Popular-Alternativa (ALTERNATIVA) \$171,695 over two years

ALTERNATIVA will conduct training and advisory and promotional activities that will prepare 250 leaders in nine municipalities in metropolitan Lima to undertake the decentralization and participatory planning processes required under recent legislation applicable to local governments (PU-524).

#### Education and Training (24 percent)

#### Argentina

Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento (CIPPEC)

\$174,000 over two years

CIPPEC will train vulnerable residents of Alderetes, Tucumán, to identify their primary health needs and develop and monitor health care programs through the formation of a local health council (LHC) in each of four existing primary health care facilities. Each LHC will include representatives from the facility, local NGOs and community residents. Guides, training modules and toolkits will be developed to disseminate the experience. (AR-333)

International Institute for Environment and Development-Latin America (IIED-LA) \$112,000 over two years

IIED-LA will undertake a community-based urban development project in La Matanza, a municipality in greater Buenos Aires, in partnership with the municipal government and the Municipal Council of Children and Youth. Approximately 250 adolescents, the demographic group most affected by Argentina's economic crisis, and 580 members of community-based organizations will directly benefit from stronger grassroots organizations, improved support for the productive activities of young entrepreneurs, increased participation in the Municipal Council and more decentralized governance. (AR-334)

Centro de Iniciativas para el Desarrollo Local (La Choza)

\$76,200 over two years

La Choza, in partnership with five municipalities and citizen councils in the province of Corrientes, Argentina, will train municipal and council representatives to prepare plans identifying local development priorities and the best use of public funds. The project will benefit approximately 2,000 low-income men and women as they participate in decision-making. (AR-337)

#### Bolivia

Centro de Capacitación y Formación para Mujeres (CCIMCA)

\$143,510 over three years

CCIMCA will undertake a project to advance democratization and decentralization reforms under Bolivia's Law of Popular Participation for the direct benefit of 300 low-income residents of Oruro. An intensive training program and follow-up activities will emphasize working through neighborhood boards, other community organizations and the municipal government's citizen committees. CCIMCA aims to create greater civic awareness and encourage participation with public authorities in the formulation of a grassroots development agenda (BO-490).

Centro de Investigación y Servicio Popular (CISEP)

\$16,000 over nine months

CISEP will formalize its coordinated effort with a new district association of community organizations during this extended phase of project activities. (BO-472-A4)

#### Brazil

Associação das Comunidades Negras Rurais Quilombolas do Maranhão (ACONERUQ) \$25,000 over one year

ACONERUQ will use its planning grant to prepare its program to build the capacity of more than 80 rural community associations through dialogue and exchanges on local development. (BR-821)

Ação Comunitária Brasileira (ACB)

\$44,000 over one year

ACB offers participants approximately 300 hours of vocational training in five areas. This amendment supports the expansion of the grantee's salon training program to

include Afro-Brazilian hairstyles, or beleza negra, and will cover the costs of an administrative coordinator, trainers, and supplies and equipment. (BR-807-A1)

Fundação Casa Grande (Casa Grande)

\$106,939 over one year

Additional funds for training, equipment and supplies will allow this youth-led communications and development program to expand its regional exchange activities. (BR-814-A2)

#### Costa Rica

Fundación Localidades Encargadas de la Administración del Desarrollo (Fundación LEAD)

\$49,000 over one year

Fundación LEAD will promote local and regional development, strengthen the decentralization process and foster citizen participation by training 1,500 community leaders from the Brunca region. (CR-326-A2)

#### **Ecuador**

Escuela de Ciudadanía (EDC)

\$199,605 over three years

EDC will create meeting spaces for approximately 1,700 community residents, facilitate leadership training and skill-building seminars, and network to improve municipal support and identify funding for 45 neighborhood sports leagues to be converted into Focused Spaces of Human Development that support civic participation. (EC-387)

Corporación Ecuatoriana para el Desarrollo de los Recursos Naturales (CEDERENA) \$320,400 over three years

CEDERENA will launch Payment for Environmental Services Protection Programs in 10 municipalities based on its successful water conservation model in the Pimampiro municipality. Its project will include activities to strengthen Municipal Environmental Unit staff, training for 1200 farming families, and exchanges and dialogue among key stakeholders. (EC-389)

Centro de Investigaciones de los Movimientos Sociales del Ecuador (CEDIME) \$67,880 over one year

CEDIME will finalize the application of its model of crop diversification, organic production, marketing and reforestation on 1,020 small farms in Santa Clara, an ecologically fragile lowland municipality, and study the feasibility of developing a native animal feed supplement using local plants. (EC-372-A2)

Movimiento Mi Cometa (Mi Cometa)

\$40,700 over one year

Through training, technical assistance and sub-grants to micro and small enterprises, and by publicizing project activities, Mi Cometa will generate jobs and leadership

opportunities for 1,000 families in the Guasmo Sur neighborhood of Guayaquil. (EC-383-A2)

Latin America – Regional

The International Labour Organization's Delnet Program (Delnet)

\$160,000 over two years

Delnet will provide online courses in local development for approximately 240 practitioners from throughout Latin America and the Caribbean and annual technical workshops on specialized themes for 75 practitioners. (LA-160-A2)

The Inter-American Democracy Network (IADN)

\$193,600 over 18 months

IADN will host at least 10 conflict resolution workshops in Latin America and the Caribbean. Trained NGO staff from each participating country will organize deliberative forums in their local communities where participants will learn to debate public concerns in a constructive manner. (LA-164)

Mexico

Fundación Internacional de la Comunidad A.C. (FIC)

\$400,000 over three years

FIC will strengthen its partnership with business, NGO and philanthropic leaders; mobilize \$400,000 to match the IAF's contributions; bolster the organizational capacity of more than 200 NGOs and microbusinesses; support more than 60 small development projects managed by these local organizations; and benefit 1,800 residents low-income of communities in Baja California. (ME-460)

Nicaragua

Fundación para la Rehabilitación Walking Unidos (FURWUS)

\$257,000 over three years

FURWUS's project to assist people with disabilities in finding meaningful employment will support the individuals and businesses interested in hiring them and will address social attitudes that serve to exclude those people from the economic life of their communities. Approximately 200 León residents with disabilities will directly benefit from the project. (NC-256)

*Grupo Fundemos* (Fundemos)

\$122,000 over two years

Fundemos's project will contribute to the development of democratic governance in 12 municipalities by strengthening relationships between civil society organizations and local governments. Fundemos will engage these groups in defining the social needs of their respective communities and move toward the institutionalization of citizen participation and the adoption of policies and laws that favor decentralization and local development. (NC-259)

Fundación de Investigación y Desarrollo Holístico en Educación Sexual (FIDHES) \$251,000 over three years

FIDHES will develop an integrated model of support that addresses the social, cultural, economic and emotional development of young people. It will provide life skills, technical and vocational training for approximately 600 youths living in marginal neighborhoods in the coastal strip along Lake Managua. Beneficiaries will have access to financing as well as job placement support. FIDHES may provide job training and start-up loans to young entrepreneurs interested in opening businesses. (NC-261)

Asociación Nicaragüense para la Integración Comunitaria (ASNIC) \$196,600 over two years

ASNIC will develop a pilot community integration project to assist families and community-based associations in developing strategies that ensure children with disabilities receive an education. The project will be implemented in Managua, Ocotal and Boaco in Nicaragua, and Ciudad Guatemala, Quetzaltenango and Santiago Atlitán in Guatemala. (NC-262)

#### Panama

Fundación Para la Promoción de la Mujer (FUNDAMUJER)

\$50,000 over one year

FUNDAMUJER will extend artisan training to 40 indigenous Ngöbe-Buglé women. (PN-267-A3)

#### Peru

Centro de Estudios para el Desarrollo Regional (CEDER)

\$64,000 over seven months

CEDER will complete training, technical assistance and marketing services benefiting 2,150 farming families in the province of General Sánchez Cerro (PU-481-A6).

Asociación Cultural Ayllu Yupaychay (Yupay)

\$35,610 over eight months

YUPAY will formalize its teaching methodology using art as the vehicle for providing elementary education to indigenous children in remote Andean villages. (PU-520).

Asociación para el Desarrollo Local (ASODEL)

\$181,815 over 18 months

ASODEL will provide training and technical assistance to 1,080 residents of more than 70 villages and 15 communities in three districts in the department of Cajamarca, for the formulation of an integrated local development plan and budget expected to benefit more than 17,000 residents (PU-522).

#### Paraguay

Casa de la Juventud-Paraguay (Casa)

\$127,000 over two years

Casa will provide institutional, educational and technical support to youth organizations. Its IAF award will support the participation of youths in public hearings, strengthen their consensus-building skills, develop public information campaigns and extend small grants to young Paraguayans in approximately 10 localities. The grantee expects to benefit some 4,200 youths from low-income neighborhoods. (PY-190)

#### **Applied Research and Dissemination**

#### Haiti

Fondasyon Enstitusyon pou Developman Ki Soti Nan Baz-la (FIDEB)

\$125,150 over one year

FIDEB's will use its supplement to improve its administrative and management systems, mitigate the impact of inflation, provide sub-grants, and build its capacity to interface with the Haitian diaspora. (HA-198-A1)

Latin America – Regional:

Fundación Social (FS)

\$33,100 over one year

FS, a Colombian NGO, will examine the intangible and tangible results of grassroots development projects and publish a list of indicators for measuring the intangible results along with suggestions on the use of this tool by the IAF and by the Inter-American Network of Corporate Foundations and Companies for Grassroots Development (RedEAmérica). (LA-165)

#### Mexico

Red Internacional de Migración y Desarrollo A.C. (RMD)

\$400,000 over three years

RMD will work in partnership with the Foundation for Integrated Development of Southern Zacatecas and the Zacatecan Federation of Southern California on a program to identify and develop new opportunities for migrant investment in income-generating projects in southern Zacatecas. (ME-474)

#### Venezuela

Instituto de Estudios Superiores de Administración (IESA)

\$120,000 over two years

IESA will hold a conference in Caracas focusing on two characteristics of successful grassroots entrepreneurship: integration into corporate supply chains and access to the global marketplace. The conference represents an opportunity to influence corporate and civil society leaders and government officials toward creating an enabling environment for Venezuelan grassroots entrepreneurs. Conference proceedings will be available in print and on IESA's Web site. (VZ-193)

Other <u>innovative community development initiatives</u>, <u>environmental protection</u>, <u>cultural research</u> <u>and expression</u> (5.4 percent)

#### Nicaragua

Fundación Investigación, Capacitación y Desarrollo Social (INCADESO) \$155,500 over two years

INCADESO's highly participatory project will improve the income and housing of approximately 230 families in five communities in the municipality of Jinotepe, especially those headed by women, through training and loans. It will organize a steering committee of community representatives to oversee implementation and will create a loan fund for home construction and remodeling and for income-generating activities undertaken by members of community banks. (NC-257)

#### **Ecuador**

Corporación de Estudios Regionales Guayaquil (CER-G)

\$39,520 over one year

Using an environmentally safe process called technical closure, CER-G will shut down a dump that oozes waste and pollutants into the grantee's nearby landfill. (EC-379-A2)

#### Bolivia

Fundación para la Investigación Antropológica y el Etnodesarrollo (ASUR) \$308,918 over two years.

ASUR will revive traditional weaving techniques and designs to increase the skills, income, self-esteem and cultural pride of 370 indigenous individuals, mostly women, in the Calcha and Tinquipaya zones of the Potosí region. The grantee will develop four weaving centers as well as provide training and technical assistance in product development and quality control, cultural research, promotion, marketing, and institutional organization. (BO-489)

#### Peru

Estrategias para el Desarrollo International (SID-Perú)

\$268,990 over two years

SID-Perú will provide training and technical and financial assistance to a consortium of six municipal districts implementing economic development initiatives included in their jointly prepared local development plans, which are expected to directly benefit 1,020 families. (PU-523).

## <u>Corporate Social Investment</u> (all grants disbursed over three years)

#### Argentina

Fundación Juan Minetti (Minetti)

\$230.680

Minetti was founded in 1987 by the Minetti Group, a cement and finished concrete manufacturer, to fund initiatives that develop the potential of individuals and civil society organizations. This second amendment supports Minetti's coordination of RedEAmérica's learning program as well as community development in Córdoba capital and Malagueño, Córdoba; Las Heras, Mendoza; Puesto Viejo, Jujuy; and Zárate-Campana, Buenos Aires. (AR-331-A2 / CP-002-A2)

#### Brazil

Fundação Acesita (Acesita)

\$61,000

Created in 1994 by Acesita, S.A., a steel company in the state of Minas Gerais, Brazil, Fundação Acesita supports community development in the Valle Del Acero, especially in the municipality of Timóteo, with an emphasis on low-income families, unemployed youths, community groups and social enterprises. (BR-813 / CP-014)

Fundação Otacílio Coser (Coser)

\$76,000

Grupo Coimex in Brazil legally incorporated Coser in 1999. Under its agreement with the IAF, Coser works in the Aribiri River region and in the municipality of Vila Velha, Espírito Santo, on basic education, job training, urban infrastructure, and environmental education and preservation. (BR-812 / CP-007)

#### Chile

Fundación Pehuén (Pehuén)

\$70,000

Pehuén, legally incorporated in 1992 by the Empresa Nacional de Electricidad in Southern Chile, provides financial and other support to indigenous communities in Alto Bio-Bio. This first amendment will fund self-help projects.

(CH-511-A1 / CP-001-A1)

#### Colombia

Fundación Restrepo Barco (FRB)

\$140,000

Created in 1967 with Antonio Restrepo Barco's personal funds, FRB will support community development on Colombia's Atlantic coast. (CO-501/CP-020)

Fundación Empresarios por la Educación (ExE) \$180,000

ExE was legally incorporated in 2002 by 62 companies and 22 individuals from Colombia's industrial, commercial and service sectors. Its mission is to improve education from pre-kindergarten through grade 11. Under its agreement with the IAF, ExE will support educational projects by grassroots organizations in the departments of Antioquia, Atlántico, Bogotá, Bolívar, Caldas, Casanare, Cundinamarca, Huila, Quindío, Risaralda, Tolima and Valle. It will also conduct studies on the incorporation of grassroots development principals and methods into its programs. (CO-502 / CP-021)

Fundación Corona (FC)

\$340,000

FC, founded in 1963 by Organización Corona, a Colombian manufacturer of ceramic tiles, fixtures and other items used in home construction, promotes social responsibility with a particular focus on urban community development. This second amendment funds FC's continued coordination of RedEAmérica's training program for new members. (CO-500-A2 / CP-013-A2)

#### Ecuador

Fundación Esquel Ecuador (FEE)

\$225,000

Established in 1990 by a businessmen and other leaders working for a more just and equitable society for all Ecuadorians, FEE promotes economic, social and educational development. This amendment expands its support to community organizations and funds the development of alternative strategies for resource mobilization for RedEAmérica members and the Global Fund. (EC-385-A2 / CP-006-A2)

#### Mexico

Fundación Merced (Merced)

\$117,500

Merced, founded in Mexico in 1964 by the Hermun S.C. Real Estate Company, is funded by an endowment and by corporate resources mobilized for micro-enterprises, social responsibility and training. Merced will provide small grants, training and other support to community organizations for self-help projects. (ME-464 / CP-004 A1)

#### Uruguay

Fundación Zonamerica (Zonamerica)

\$50,000

Zonamerica, founded in 2002 by Zonamerica Limited y Bonacqua S.A., promotes research, development and technology transfer to low-income communities throughout Uruguay. With these supplemental funds, representing a donation from Levi Strauss routed through the IAF, Zonamerica will support community self-help projects, giving

priority to those initiatives that contribute to decentralization. Zonamerica will also coordinate at least one study for RedEAmérica. (UR- 176 / CP-009 A1)

Fundación ACAC Cooperative (ACAC) \$34,000

Cooperativa de Ahorro por Capitalización legally incorporated ACAC in 1993. Its mission is to improve the well-being of poor Uruguayan communities through an active civil society. ACAC will work with public and private educational institutions to address the problems of low income children, particularly in Artigas, Salto, Paysandú, Rio Negro, Flores, San Jose, Colonia, Canelones and Montevideo. (UR-178 / CP-015)

#### Venezuela

Fundación Polar (Polar)

\$147,600

Polar, created in 1977 by Empresas Polar, supports initiatives that improve the quality of life and strengthen the social fabric of Venezuela. As RedEAmérica's secretariat, Polar will coordinate programs and events and conduct priority studies. (VZ-196 / CP-019)

## ARGENTINA Program Profile Grants and Amendments for Supplemental Funding

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture	1	48,900	5%	120
Business Development/Management	2	351,200	35%	3,200
Education/Training Research and Dissemination Community Services (Housing/Health) Cultural Expression Ecodevelopment	4	368,400	37%	4,150
Corporate Social Investment	1	230,680	23%	12,051
TOTAL	8	999,180	100%	19,521

# BOLIVIA Program Profile Grants and Amendments for Supplemental Funding

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture	5	787,008	59%	2,405
Business Development/Management	1	85,434	6%	818
Education/Training Research and Dissemination Community Services (Housing/Health) Cultural Expression	2	159,510	12%	2,358
Ecodevelopment Corporate Social Investment	1	308,918	23%	370
TOTAL	9	1,340,870	100%	5,951

BRAZIL
Program Profile
Grants and Amendments for Supplemental Funding

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture	1	24,810	3%	-
Business Development/Management	4	564,733	62%	1,800
Education/Training	3	175,939	19%	2,325
Research and Dissemination Community Services (Housing/Health) Cultural Expression Ecodevelopment	1	2,900	0%	
Corporate Social Investment	2	137,000		600
TOTAL	11	905,382	100%	4,725

CHILE
Program Profile
Grants and Amendments for Supplemental Funding

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture				
Business Development/Management Education/Training Research and Dissemination Community Services (Housing/Health) Cultural Expression Ecodevelopment	1	150,000	68%	730
Corporate Social Investment	1	70,000	32%	600
TOTAL	2	220,000	100%	1,330

## COLOMBIA Program Profile

## Grants and Amendments for Supplemental Funding

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture			0%	
Business Development/Management			0%	
Education/Training			0%	
Research and Dissemination			0%	
Community Services				
(Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment	3	660,000	100%	37,942
TOTAL	3	660,000	100%	37,942

## COSTA RICA

## **Program Profile**

Grants and rim	enuments for supplem	Ciitai i aiia	<del>5</del>	
Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
	Grant Supprements			Deficienties
Food Production/Agriculture			0%	
Business Development/Management			0%	
-				
Education/Training	1	49,000	100%	-
Research and Dissemination			0%	
Community Services				
(Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
•				
TOTAL	1	49,000	100%	-

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## **Program Profile**

## **Grants and Amendments for Supplemental Funding**

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture	2	309,880	26%	3,540
Business Development/Management			0%	
Education/Training	5	631,085	52%	55,520
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment	1	39,520	3%	12,000
Corporate Social Investment	1	225,000	19%	1,790
TOTAL	9	1,205,485	100%	72,850

## **EL SALVADOR**

## **Program Profile**

Primary Program Area	# of New Grants &	Amount	Percent	Intended Direct
	<b>Grant Supplements</b>			Beneficiaries
Food Production/Agriculture	5	446,365	53%	1,700
Business Development/Management	2	400,000	47%	20,040
Education/Training			0%	
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	7	846,365	100%	21,740

## **GUATEMALA**

## **Program Profile**

## **Grants and Amendments for Supplemental Funding**

Primary Program Area	# of New Grants &	Amount I	Percent	Intended Direct
	Grant Supplements			Beneficiaries
Food Production/Agriculture	1	145,218	22%	2,000
Business Development/Management	2	513,332	78%	1,700
Education/Training			0%	
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	3	658,550	100%	3,700

#### **HAITI**

## **Program Profile**

Primary Program Area	# of New Grants &	Amount I	Percent	Intended Direct
	Grant Supplements			Beneficiaries
Food Production/Agriculture	2	164,333	57%	3,580
Business Development/Management			0%	
Education/Training			0%	
Research and Dissemination	1	125,150	43%	20,000
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	3	289,483	100%	23,580

#### **HONDURAS**

#### **Program Profile**

## **Grants and Amendments for Supplemental Funding**

Primary Program Area	# of New Grants & Grant Supplements	Amount I	Percent	Intended Direct Beneficiaries
	11			
Food Production/Agriculture	1	25,630	100%	
Business Development/Management			0%	
Education/Training			0%	
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	1	25,630	100%	-

## LATIN AMERICA - REGIONAL

## **Program Profile**

Primary Program Area	# of New Grants & Grant Supplements	Amount I	Percent	Intended Direct Beneficiaries
Food Production/Agriculture			0%	
Business Development/Management	2	290,000	43%	2,504
Education/Training	2	353,600	52%	340
Research and Dissemination	1	33,100	5%	36
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	5	676,700	100%	2,880

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## **Program Profile**

## **Grants and Amendments for Supplemental Funding**

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Primary Program Area	# of New Grants &	Amount	Percent	Intended Direct
	<b>Grant Supplements</b>			Beneficiaries
Food Production/Agriculture			0%	
Business Development/Management	6	1,498,760	62%	14,457
Education/Training	1	400,000	17%	1,800
Research and Dissemination	1	400,000	17%	3,000
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment	1	117,500	5%	600
TOTAL	9	2,416,260	100%	19,857

## **NICARAGUA**

## **Program Profile**

Primary Program Area	# of New Grants &	Amount	Percent	Intended Direct
	<b>Grant Supplements</b>			Beneficiaries
Food Production/Agriculture	2	97,315	7%	1,600
Business Development/Management	2	250,500	19%	1,350
Education/Training	4	826,600	62%	9,400
Research and Dissemination			0%	
Community Services (Housing/Health)	1	155,500	12%	230
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	9	1,329,915	100%	12,580

**PANAMA** 

## **Program Profile**

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture	3	709,000	93%	7,900
Business Development/Management			0%	
Education/Training	1	50,000	7%	40
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	4	759,000	100%	7,940

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Program Profile
Grants and Amendments for Supplemental Funding

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture	5	624,460	44%	9,410
Business Development/Management	2	228,495	16%	500
Education/Training	3	281,425	20%	17,750
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression	1	268,990	19%	1,200
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	11	1,403,370	100%	28,860

#### **PARAGUAY**

## **Program Profile**

## **Grants and Amendments for Supplemental Funding**

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture			0%	
Business Development/Management			0%	
Education/Training	1	127,000	100%	4,200
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment			0%	
TOTAL	1	127,000	100%	4,200

## **URUGUAY**

## **Program Profile**

Primary Program Area	# of New Grants & Grant Supplements	Amount	Percent	Intended Direct Beneficiaries
Food Production/Agriculture			0%	
Business Development/Management			0%	
Education/Training			0%	
Research and Dissemination			0%	
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment	2	84,000	100%	855
TOTAL	2	84,000	100%	855

## **VENEZUELA**

## **Program Profile**

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Primary Program Area	# of New Grants &	Amount	Percent	Intended Direct
	<b>Grant Supplements</b>			Beneficiaries
Food Production/Agriculture			0%	
Business Development/Management			0%	
Education/Training			0%	
Research and Dissemination	1	120,000	45%	10,000
Community Services (Housing/Health)			0%	
Cultural Expression			0%	
Ecodevelopment			0%	
Corporate Social Investment	1	147,600	55%	260
TOTAL	2	267,600	100%	10,260

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