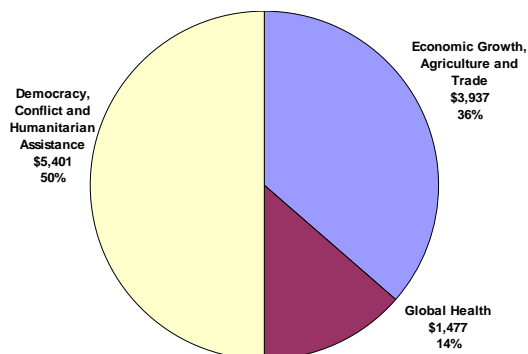
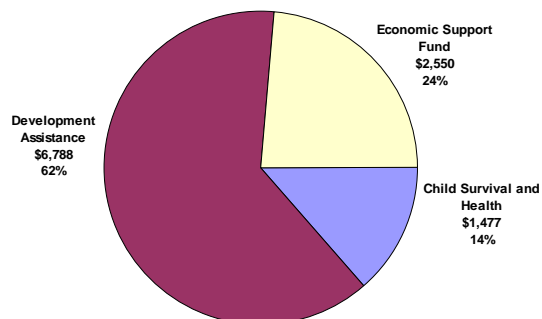


Paraguay

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



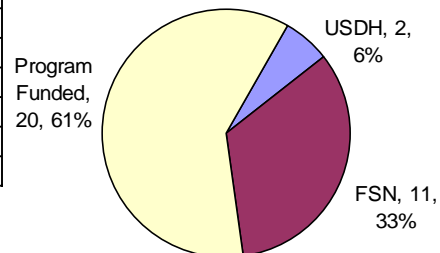
Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Democracy & Governance	526-004	4,907	4,805	5,401
Environment	526-005	928	929	1,212
Reproductive Health	526-006	2,325	1,980	1,477
Economic Growth	526-007	1,287	990	2,725
Total (in thousands of dollars)		9,447	8,704	10,815

Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation	811	747	799
USDH Salaries & Benefits	315	291	297
Program Funds	679	874	1,007
Total (in thousands of dollars)	1,805	1,912	2,103

FY 2006 Workforce



Mission Director: Wayne Nilsestuen

Paraguay

The Development Challenge: Paraguay is undergoing a historic transformation towards consolidating its democracy and promoting a fair and licit market economy, both of which are primary U.S. national interests in Paraguay. During the past three years, Paraguay has also been a valuable U.S. ally in the war on terrorism. The past 15 years, since the fall of the dictatorship, have seen the adoption of a new constitution, the establishment of freedom of expression, the development of a transparent and free electoral process, improvements in the judicial system to permit public scrutiny of legal cases, and the defense of democratic institutions in the face of severe challenges. These challenges include several coup attempts, the assassination of a Vice President and the resignation of a President. With the completion of the first full year of President Duarte's Administration, which has taken critical steps to fight corruption and re-activate the economy, the prospects for improvement in democratic practices and a legitimate market economy have improved significantly.

Under the Duarte Administration, serious problems such as poverty, corruption, environmental degradation, and lack of effective basic services to Paraguay's citizens are being addressed. The administration continues to make sound decisions which demonstrate a serious commitment to fighting corruption, stabilizing the economy and beginning to address the concerns of the growing ranks of the poor. Also, President Duarte provided strong leadership in pursuing an impeachment process that resulted in the removal of six corrupt Supreme Court justices and the replacement with justices who were selected in an open and transparent manner for the first time in Paraguayan history.

Many challenges continue to confront the Administration. During 2004, the country experienced its eighth consecutive year in which per capita income was stagnant or declined. Paraguay's external debt is approximately \$2.3 billion, almost 40% of gross domestic product. While Paraguay has historically pursued conservative macroeconomic policies, the economic tribulations of Brazil and Argentina (Paraguay's two most important trading partners) and weak political will of the previous Administration combined to produce worsening levels of budget deficits, and expedient short-term borrowing. However, during the Duarte Administration, budget deficits were controlled and a budget surplus developed.

Thousands of landless farmers have clamored for land and illegally invaded private properties. Perceptions of corruption are very high by Latin American standards, while foreign investment in Paraguay is the lowest in Latin America. The donor community and knowledgeable observers note important changes directly attributable to strong anticorruption measures taken by President Duarte. Paraguay is committed to implementing the reforms that are important to making the government more honest and responsible and to improving the policy and regulatory environment for business, reducing red tape and assuring fair and predictable rules of the game. Notwithstanding the serious challenges, in November 2004, the Millennium Challenge Corporation designated Paraguay a Threshold Country, recognizing both the serious commitment and the significant measurable progress that the Duarte Administration has made in addressing Millennium Challenge Account (MCA) policies and precepts during its initial 14 months in office.

Mid- and long-term sustainable development in Paraguay is also threatened by the indiscriminate exploitation of land, water, and wildlife resources. Sustainable development is severely threatened by the depletion of Paraguay's rich endowment of natural resources. Timber reserves have been nearly exhausted. Much of the once rich topsoil of the eastern border region (largely uncultivated until the 1970s) is now considered to be severely eroded. The eastern border region sits upon the Guarani aquifer, the largest underground water aquifer on the continent, and is being threatened by unchecked deleterious land use practices. Because watersheds have been negatively affected by deforestation and contamination, surface water flow volumes have decreased considerably in the last 20 years. Public authorities have been slow to respond to these challenges because of inadequate capacity.

High maternal mortality rates contribute to poverty, and better reproductive health services are needed. Almost 40% of pregnant women do not receive adequate pre-natal care. Many citizens also lack access to other basic services, such as education, potable water, sewerage systems, solid waste collection, and basic infrastructure. Although national and local governments are hard pressed to adequately provide

these basic services, there has been some improvement and some local governments are struggling to compensate for deficiencies in service provision by the national government.

Although many challenges lie ahead, the Government of Paraguay is demonstrating commitment to reform, economic stabilization, improving service provision and fighting corruption. USAID has an historic opportunity to play an important role in helping Paraguay improve its situation by supporting the Government of Paraguay's commitment for change.

The USAID Program: USAID is requesting FY 2005 and FY 2006 for four ongoing programs that focus on economic growth, reproductive health, environmental initiatives and the strengthening of democracy. Two major themes that link these initiatives are: 1) a vibrant, pluralistic civil society as the basis for democratic governance, improved trade capacity (economic growth), improved health and provision of services and management of natural resources; and 2) government responsiveness, accountability, and accessibility to citizens strengthened through the decentralization of power and authority to local levels and measures which promote honesty and transparency throughout all levels of government.

Other Program Elements: The Global Development Alliance (GDA) awarded a grant that includes Paraguay as one of the countries in which the program provides information technology training and prepares graduates for employment. The GDA Secretariat also provided funding for an alliance activity aimed at promoting good governance and anticorruption. Through the LAC Regional program, a civil society outreach activity on the Free Trade Agreement of the Americas and on the benefits of free trade agreements in general will continue through FY 2005. The LAC Regional program also aims to strengthen civil society organizations to promote transparency and human rights in Paraguay. Finally, a USAID centrally funded grant supports cooperative development in the poorest regions of the country.

Other Donors: USAID has been very active in organizing a previously disjointed donor community and continues to be successful in having other donors build upon its pioneering activities. Donor coordination at a sectoral level in Paraguay is improving. USAID has organized donor coordination activities related to decentralization, judicial reform, environment, and health and is participating in donor programs related to competitiveness and adolescents.

In the health sector, the World Bank, the United Nations Population Fund (UNFPA) and USAID are collaborating with the Ministry of Health to implement a demographic and health survey. This is a major achievement in terms of donor coordination and one that can serve as a model for other donor-coordinated activities. At the same time, USAID and UNFPA provided technical assistance to the Ministry of Health to develop the National Reproductive Health Plan.

Japan is Paraguay's largest bilateral donor, followed by the United States, Germany, and Spain. The major bilateral donors and their interests are: Japan (agriculture and health), Germany (state reform and natural resources), Spain (education and cultural support), and Taiwan (housing). The Inter-American Development Bank, the World Bank, the European Union, various United Nations agencies, including the Pan-American Health Organization, and the Global Environmental Facility, play a major role in the international development community involvement in Paraguay.

Paraguay PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Child Survival and Health Programs Fund	1,959	2,325	1,980	1,477
Development Assistance	3,895	4,140	3,748	6,788
Economic Support Fund	3,000	2,982	2,976	2,550
Total Program Funds	8,854	9,447	8,704	10,815

STRATEGIC OBJECTIVE SUMMARY

526-004 Democracy & Governance				
DA	2,095	1,925	1,829	2,851
ESF	3,000	2,982	2,976	2,550
526-005 Environment				
DA	1,000	928	929	1,212
526-006 Reproductive Health				
CSH	1,959	2,325	1,980	1,477
526-007 Economic Growth				
DA	800	1,287	990	2,725

Mission Director,
Wayne Nilsestuen

Data Sheet

USAID Mission:	Paraguay
Program Title:	Democracy & Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	526-004
Status:	Continuing
Planned FY 2005 Obligation:	\$1,829,000 DA; \$2,976,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$2,851,000 DA; \$2,550,000 ESF
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2006

Summary: Through a range of technical assistance, training, and grants, the democracy and governance program is working to strengthen the capacity of local governments to deliver services in response to the needs of citizens; improve the ability of civil society to put pressure on the current political system to change and become more responsive; reform judicial institutions to make them more effective and accountable; and develop an open, transparent policy dialogue that allows for the inclusion of all citizens and their organizations. Anticorruption efforts are incorporated throughout the program.

Inputs, Outputs, Activities:

FY 2005 Program: Support Democratic Local Government and Decentralization (\$1,029,000 DA, \$1,776,000 ESF). Using DA funds, USAID will provide technical assistance and training to prepare candidates for municipal elections and expand the number of local governments implementing good governance practices, including improved service provision, revenue enhancement, transparency mechanisms, and citizen participation mechanisms. A \$250,000 trust fund will be established for the sustainability of an activity aimed at promoting good governance and anticorruption. USAID will use ESF to provide technical assistance to promote good governance practices to help make local governments more responsive, transparent, and accountable to citizens by increasing revenue generation and partnerships with the private sector; improving financial management and fiscal transparency; and encouraging public hearings and access to information. Prime implementers are Alter Vida and Chemonics.

Improve Justice Sector/Legal Framework (\$200,000 DA, \$200,000 ESF). USAID will use DA to provide technical assistance to municipalities and justices of the peace to increase access to justice through mediation. Using ESF, USAID will strengthen the Prosecutor's Office, Controller's Office, and the Council of Magistrates to promote transparency. Prime implementers are Institute for Penal and Social Science Comparative Studies (INECIP) and Management Systems International.

Strengthen Civil Society (\$200,000 DA, \$1,000,000 ESF). USAID will use DA to provide technical assistance to civil society organizations to increase oversight of public institutions. Using ESF, technical assistance will be provided to civil society organizations, including watchdog groups, to improve oversight of public institutions, advocate for policy reforms, strengthen organized groups, and expose corruption. Prime implementer is Center for Information and Resources for Development.

Promote and Support Anticorruption Reforms (\$400,000 DA). USAID will provide technical assistance in promoting broad anticorruption efforts in such areas as civil society tracking and monitoring of corruption cases. Prime implementer is INECIP.

FY 2006 Program: Support Democratic Local Government and Decentralization (\$1,351,000 DA). USAID intends to provide technical assistance and training to strengthen the capacity of newly elected mayors and council members by helping them implement good governance practices, including service provision, revenue enhancement, citizen participation, transparency mechanisms, and performance measurement. Support may be given to local governments and their associations to implement decentralization projects in coordination with the central government. Principal contractors and grantees:

Alter Vida (prime) and new contractor to be determined.

Improve Justice Sector/Legal Framework (\$1,500,000 DA). Technical Assistance is planned to improve control functions of government institutions and address problems caused by the patronage system in the justice sector. A career system focusing on public judicial employees may be developed to address recruitment policies, procedures and practices based on merit. Assistance may also be provided to improve accountability of judges and prosecutors, to build capacity for the prosecution of corruption through the Prosecutor's Office and other government institutions, and to improve access to justice. Prime contractor to be determined.

Strengthen Civil Society (\$1,000,000 ESF). USAID plans to extend a successful sub-grant program to strengthen civil society organizations in promoting citizen participation in the policy decision-making process, citizen oversight and control, and advocacy. Prime implementer will remain the same.

Support Democratic Political Parties (\$750,000 ESF). USAID intends to provide technical assistance and training to political parties to promote public sector accountability and good governance practices to challenge the existing patronage system. Emphasis will be on building political party capacity so that technically qualified people have access to increasingly higher party positions, government positions or elected offices based on merit. Prime contractor to be determined.

Promote and Support Anticorruption Reforms (\$800,000 ESF). USAID plans to provide technical assistance and training to strengthen the capacity of the private and public sectors to fight corruption and promote reforms. Activities may support transparency and accountability and promote reforms focusing on anticorruption policies. Prime implementer will remain the same.

Performance and Results: USAID has strengthened democracy at the local level and improved local government capacity to respond to the needs of citizens by improvements in financial management, greater transparency, and participation of citizens in local affairs. Thirty municipalities are providing improved, expanded or new services with increased revenues. Civil society has increased its capacity to effect policy change including draft legislation for access to public information, taxation reform for non-profit organizations, and making public hearings a standard operating procedure for the Congress.

A draft judicial ethics code for the Supreme Court is being developed with broad participation by Supreme Court and lower court justices. Two local nongovernmental organizations are gathering public input throughout the country. A computerized registry system and internal regulation for selecting new judges, public prosecutors, public defenders and magistrates have been developed. A communications plan for the Supreme Court was developed that included input from an unprecedented working session between Supreme Court justices and media reporters. Access to justice is improving as a result of the establishment of municipal mediation centers and 35 new Justices of the Peace who provide alternative dispute resolution mediation. Training has improved the media's investigative reporting.

The overall impact of the program will be a deepening of the democratic process through the involvement of national and local institutions, and increasing civil society participation and confidence in a more functional democratic system capable of improving the delivery of basic services at the local level.

US Financing in Thousands of Dollars

Paraguay

	DA	ESF
526-004 Democracy & Governance		
Through September 30, 2003		
Obligations	7,575	10,098
Expenditures	5,566	6,060
Unliquidated	2,009	4,038
Fiscal Year 2004		
Obligations	2,302	3,732
Expenditures	2,568	3,714
Through September 30, 2004		
Obligations	9,877	13,830
Expenditures	8,134	9,774
Unliquidated	1,743	4,056
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	1,829	2,976
Total Planned Fiscal Year 2005		
Obligations	1,829	2,976
Proposed Fiscal Year 2006 NOA		
Obligations	2,851	2,550
Future Obligations	0	0
Est. Total Cost	14,557	19,356

Data Sheet

USAID Mission:	Paraguay
Program Title:	Environment
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	526-005
Status:	Continuing
Planned FY 2005 Obligation:	\$929,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$1,212,000 DA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2006

Summary: USAID's environment program consists of technical assistance and training to improve the capacity of Paraguayan leaders and nongovernmental organizations (NGOs) to manage three globally important eco-regions (Pantanal wetlands, Upper Parana Atlantic Forest, and Chaco dry forest). Technical assistance will also help in developing the necessary policy, legal, and financial tools for improved and effective ecological management that are integrated with efforts in Argentina, Bolivia, and Brazil.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$929,000 DA). Technical assistance will continue to support local and U.S. NGOs and local governments with emphasis on developing and implementing policies and regulations to promote financial and structural incentives for ecological management and forest conservation. Activities will take place in three globally significant eco-regions that are part of ecosystems that extend into Brazil, Bolivia and Argentina (the Chaco and Pantanal). In the Upper Parana Atlantic Forest (UPAF) eco-region in Eastern Paraguay, funds will be used to improve the capacity of local NGOs to implement conservation efforts; promote the protection of 110,000 hectares by training local and national government officials to enforce environmental regulations; implement a moratorium policy to protect against indiscriminate deforestation; and coordinate efforts with similar institutions in Brazil and Argentina. In the Northern Block portion of the UPAF, USAID will support a program to promote conservation efforts in an ecologically sensitive area where few conservation efforts have been carried out. USAID will offer technical assistance and training towards the creation of private protected areas, and improve the capacity of local government officials and local judges to enforce environmental regulations. In both the Northern Block and the rest of the UPAF, USAID will support the protection of corridors that link protected areas with each other. Principal prime contracts, grantees, and agencies include: DesdeChaco, Institute of Law and Environmental Economics, Moises Bertoni Foundation, World Wildlife Fund, and The Nature Conservancy.

FY 2006 Program: Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$1,212,000 DA). USAID plans to provide technical assistance and training to increase protection of important areas of the three targeted eco-regions in Paraguay. Various methods are planned to be utilized to conserve public and private land, such as resource management areas; conservation easements and leasing; land purchases and zoning; and protecting public parks. The use of financial incentives, such as the development of a national environmental fund, carbon offset projects, and other donor assistance, may be developed to encourage the conservation of vital habitat for threatened biodiversity. An alliance is planned to be established which identifies NGO, public and private sector partners interested in addressing deforestation. USAID will continue to support the decentralization of authorities so that departments and municipal governments have a greater role in addressing environmental concerns in their communities. Support is planned to improve the legal and policy framework related to environmental issues, including the policy framework that allows for concessions and the conservation of private land. Prime grantees will include: Moises Bertoni Foundation, DesdeChaco, Institute of Law and Environmental Economics, and the World Wildlife Fund.

Performance and Results: During the past year, a Biological Vision for the UPAF was finalized and a social pact was signed by the Government of Paraguay, the private sector, community organizations, and several NGOs. The Vision lays out a plan to decrease the rate of deforestation through conversion of forests for economic use. Related to this, 6,000 hectares have been purchased for additional conservation in and around the San Rafael reserve. USAID support will help to develop management plans for this area to serve as a biological corridor between the San Rafael and Caaguazu national reserves. NGO members of the San Rafael Alliance successfully presented legal arguments to local judicial authorities to put a stop order on public land being sold to the private sector. In the Chaco, over 5,000 hectares were added to the Gran Chaco Biological Corridor. Finally, the President decreed an increase of over 90,000 hectares in the size of the Rio Negro National Park, and the Medanos del Chaco reserve was re-instated as a legally protected conservation area as a result of intense lobbying of NGOs and other stakeholders.

The capacity of national institutions such as the environmental ministry and judicial authorities has improved. This has led to greater understanding and enforcement of policy and regulation, as well as compliance with international conventions related to the environment. Departmental and municipal governments have begun to take a greater role in conservation efforts. Coordination among and between municipal and departmental governments has improved, resulting in coordinated awareness raising programs, training for local level officials, promoting land zoning and implementation of a biosphere reserve. With USAID support, the Government of Paraguay entered into an agreement with local governments to respond to environment issues in the Northern Block area. Technical assistance was provided to the congress so that it can prepare a draft water law based on technical criteria, and not just political ones. Finally, initial discussions of a debt-for-nature swap under the Tropical Forest Conservation Act have been held among USAID, other donors, NGOs and the Government of Paraguay.

Continued progress is expected to result in an improvement in the overall sustainable management and protection of the globally important eco-regions that Paraguay shares with its neighbors. Successful models, experiences, and lessons learned will be shared with Argentina, Bolivia, and Brazil.

US Financing in Thousands of Dollars

Paraguay

526-005 Environment	DA
Through September 30, 2003	
Obligations	3,000
Expenditures	2,098
Unliquidated	902
Fiscal Year 2004	
Obligations	938
Expenditures	880
Through September 30, 2004	
Obligations	3,938
Expenditures	2,978
Unliquidated	960
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	929
Total Planned Fiscal Year 2005	
Obligations	929
Proposed Fiscal Year 2006 NOA	
Obligations	1,212
Future Obligations	0
Est. Total Cost	6,079

Data Sheet

USAID Mission:	Paraguay
Program Title:	Reproductive Health
Pillar:	Global Health
Strategic Objective:	526-006
Status:	Continuing
Planned FY 2005 Obligation:	\$1,980,000 CSH
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$1,477,000 CSH
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2006

Summary: USAID's reproductive health program provides technical assistance and training to improve the provision of decentralized, community-based health care and to expand access to quality reproductive health services.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

Inputs, Outputs, Activities:

FY 2005 Program: Build Health Systems Capacity (\$980,000 CSH). USAID will provide technical assistance to improve decentralized, community-based health care through the implementation of reproductive health policies at the national, regional and local levels and through greater community participation in the design, evaluation, and financing of health care. USAID will continue supporting the extension of the community pharmacy concept into new areas by increasing awareness and providing support to two departmental and 10 municipal governments, and to local health councils. USAID will also strengthen the already successful grassroots insurance schemes in four municipalities and disseminate information about the success to other municipalities and departments, as well as to the Ministry of Health (MOH) and other donors. Finally, USAID will assure that the Demographic Health Survey will be finalized and distributed widely. Prime implementers: Information and Resources Center for Development (CIRD) and the Paraguayan Center for Population Studies (CEPEP).

Support Family Planning Programs (\$1,000,000 CSH). USAID will improve quality reproductive health services by providing technical assistance to implement a demonstration model of a maternal health system and distributing the results of this model widely. Awareness will be raised on reproductive health topics through the training of 120 promoters in rural communities. Through a national committee led by the Ministry of Health, USAID will continue support towards establishing a sustainable mechanism for the purchase and distribution of contraceptives. Support will be continued for the provision of reproductive health activities at low-cost clinics located in economically depressed areas in the capital and other large cities. USAID also will continue to support the implementation of the National Reproductive Health Plan by assuring that regional and local plans are implemented with community participation and local authority support. Prime implementers: Deloitte Touche Tohmatsu (prime), IntraHealth (sub) and CEPEP.

FY 2006 Program: Build Health Systems Capacity (\$390,000 CSH). USAID plans to continue implementation of the reproductive health national plan, strengthen local government control in the provision of health services, disseminate financial models of providing health services, and develop community models of information, education, and communication that will help prevent unwanted pregnancies. USAID plans to continue improving the structure of the network of services so that those in need of health services know at which level (e.g. hospital, health center, health post) they will receive the services required. Finally, USAID plans to continue training to providers and the development of community health agents. Principal implementer: CIRD (prime).

Support Family Planning Programs (\$387,000 CSH). USAID plans to continue efforts to improve

maternal and neonatal health, devise local solutions to ensure that essential obstetric care is provided to women, and organize communities to better respond to obstetric emergencies that may result in maternal and infant health problems or deaths. USAID intends to encourage the MOH to institutionalize this model to other areas of the country. Principal implementers: IntraHealth (sub) and CEPEP.

Improve Maternal Health and Nutrition (\$350,000 CSH). USAID plans to continue providing maternal and reproductive health services in public health installations. USAID intends to continue training activities to enhance the capacity of health providers to improve reproductive health services emergency plans at the village level. Principal implementer: IntraHealth (sub).

Improve Child Survival, Health and Nutrition (\$350,000 CSH). USAID plans to provide assistance to mobilize communities to respond to obstetric emergencies by addressing emergency transportation and communication needs. Training and technical assistance is planned to be provided to identify pregnancy complications and strengthen health provision capacity to deliver reliable obstetric and neonatal care. Assistance to the Ministry of Health is planned to design and implement a monitoring and reporting system for maternal mortality surveillance. Principal contractors and grantees to be determined.

Performance and Results: The community pharmacy program now includes over 125 pharmacies. Prices are kept low through bulk purchases and volunteer staff, thereby, providing pregnant women with access to low-cost medicines and supplies necessary during birth. Alternatives to health coverage, such as low-cost health insurance, are helping to finance basic health care. The system in one municipality covers 70% of the population. The results of this effort are being replicated in five other municipalities.

Quality health services were improved by strengthening the capacity of health providers in 75% of facilities where USAID support is providing basic essential obstetric care and maternal health services. The number of delivery points offering quality reproductive health services increased from 15 to 20 during FY 2004. These delivery points offer counseling to clients on family planning methods and alternatives.

A high level of community participation is occurring through local health councils to improve preventive health measures and promote reproductive health. The number of communities implementing the promoter system has increased by nine during FY 2004 to a total of 11. The system is a critical link between expecting mothers and local health facilities. The promoters raise awareness of services and maternal care, undertake surveys to increase knowledge of the local health situation, and help identify health services for children and women. USAID continued to support a nongovernmental organization that operates a system of clinics to provide family planning and other reproductive health services at affordable prices. During FY 2004, this organization began purchasing contraceptives through a revolving fund established with USAID support. In addition, the Government of Paraguay's five-year National Reproductive Health Plan was finalized and, with USAID support, is being distributed widely throughout the country. Technical assistance was provided to make the strategy operational at the local level. Finally, a Demographic and Health Survey was implemented during FY 2004. The survey serves as a snapshot of the maternal and reproductive health situation in the country, and will also serve as the baseline information of the National Reproductive Health Plan.

Continued progress will result in a reduction in Paraguay's high fertility and maternal and infant mortality rates. Family planning services will have been expanded to marginalized populations. Local participation will have ensured that the services demanded are actually provided and that the concerns of local customers are addressed.

US Financing in Thousands of Dollars

Paraguay

	CSH	DA
526-006 Reproductive Health		
Through September 30, 2003		
Obligations	4,484	2,495
Expenditures	1,958	2,495
Unliquidated	2,526	0
Fiscal Year 2004		
Obligations	2,325	0
Expenditures	2,787	0
Through September 30, 2004		
Obligations	6,809	2,495
Expenditures	4,745	2,495
Unliquidated	2,064	0
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	1,980	0
Total Planned Fiscal Year 2005		
Obligations	1,980	0
Proposed Fiscal Year 2006 NOA		
Obligations	1,477	0
Future Obligations	4,259	0
Est. Total Cost	14,525	2,495

Data Sheet

USAID Mission:	Paraguay
Program Title:	Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	526-007
Status:	Continuing
Planned FY 2005 Obligation:	\$990,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$2,725,000 DA
Year of Initial Obligation:	2003
Estimated Year of Final Obligation:	2006

Summary: The economic growth program consists of business development services to individual firms, and technical assistance to the private and public sectors to reduce constraints to trade and investment.

Inputs, Outputs, Activities:

FY 2005 Program: Increase Private Sector Growth (\$990,000 DA). USAID will provide business development services such as marketing assistance for agricultural products and supply chain management. Through technical assistance provided to companies in the most poverty stricken areas of the country, additional sales of Paraguayan products will be generated. The generation of additional sales is expected to lead to job creation and increased investment from within and outside of Paraguay. In addition, technical assistance will be used to identify and address regulatory and policy constraints such as the environment for business and trade affecting clients. Principal contractor: Chemonics (prime) and various Paraguay subcontractors.

FY 2006 Program: Increase Private Sector Growth (\$1,800,000 DA). USAID plans to continue providing assistance to firms in areas such as marketing and supply chain management to help them increase their sales and generate employment. Technical assistance may be used to identify and address specific policy and regulatory bottlenecks affecting the private sector. Principal contractors: same as above and others to be determined.

Improve Quality of Workforce (\$200,000 DA). USAID plans to extend information technology training activities to other areas of training which will be determined through agreements with private sector firms with specific training needs. The activity will include the establishment of a job bank, internships, and ultimately, placement with partner firms. Principal implementer: Information and Resources Center for Development.

Increase Participation in Global Trade and Investment (\$725,000 DA). USAID plans to support private-public cooperation in reforming regulations and policies that hamper trade and investment, and in building private and public mechanisms supportive of increase participation in international markets. Principal implementer to be determined.

Performance and Results: After its first full year of implementation, the economic growth program is generating over 326 jobs and almost \$800,000 in new investment from within and outside the country. Increased sales of over \$800,000 have been generated of which almost \$200,000 were exports. One main office in Asunción and three technical centers in the interior of the country are now fully staffed with technical expertise to provide business development services. The program is having an impact beyond that of its individual clients by addressing sector and regional policies. By the end of this program, USAID expects to have significantly strengthened the capacity of Paraguayan firms to participate in international markets as suppliers, clients and competitors, fostering market-led growth and employment generation in Paraguay.

US Financing in Thousands of Dollars

Paraguay

	DA	ESF
526-007 Economic Growth		
Through September 30, 2003		
Obligations	1,000	0
Expenditures	2	0
Unliquidated	998	0
Fiscal Year 2004		
Obligations	1,250	300
Expenditures	1,171	0
Through September 30, 2004		
Obligations	2,250	300
Expenditures	1,173	0
Unliquidated	1,077	300
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	990	0
Total Planned Fiscal Year 2005		
Obligations	990	0
Proposed Fiscal Year 2006 NOA		
Obligations	2,725	0
Future Obligations	2,235	0
Est. Total Cost	8,200	300