

Data Sheet

USAID Mission:	Bolivia
Program Title:	Increased Economic Opportunities
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	511-002
Status:	Continuing
Planned FY 2006 Obligation:	\$3,852,000 DA; \$2,475,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$3,834,000 DA; \$2,900,000 ESF
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2009

Summary: USAID promotes economic growth in Bolivia by focusing on building markets, creating critically-needed jobs, mitigating sources of social tension and conflict, and promoting effective private sector advocacy and policy development for a market-driven economy. The program increases exports and sales of a range of manufactured and agricultural products. This results in increased incomes, more permanent jobs, and reduced poverty, while highlighting the benefit of an open economy to the Bolivian public. In both rural and urban areas, USAID links producers to local and international markets and helps them improve skills and production techniques to meet increased market demand. Financial sector activities complement trade capacity building efforts by supplying trade-based businesses with the working capital they need to expand their businesses. In El Alto, a quickly-growing, majority indigenous city with high unemployment and social strife, USAID stimulates job creation and promotes value-added, labor-intensive exports. USAID also helps farmers in the poorest rural areas of Bolivia benefit from market opportunities to improve their quality of life. Finally, USAID increases access to basic education in poorer areas of Bolivia.

Inputs, Outputs, Activities:

FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$882,000 DA). USAID works in the poorer areas of Bolivia which lack adequate municipal government services for schools, such as the city of El Alto and the Altiplano region in Southwest Bolivia. USAID is assisting these schools with the rehabilitation of classrooms and provision of furniture, libraries and computers, and civic education training for teachers and students. Principal grantee: Casals and Associates.

Increase Agricultural Sector Productivity (\$1,950,000 DA). USAID is providing technical assistance and training to link farmers with trade and market opportunities and to support the adoption of improved production techniques by small producers. This assistance will open access to markets for small producers, thereby raising rural household incomes and quality of life. USAID is working in some of the poorest regions of Bolivia, providing technical assistance to strengthen key local organizations and to provide financial support for local farmers. Principal contractors and grantees: Chemonics International, The Valleys Foundation.

Increase Trade and Investment (\$2,475,000 ESF). USAID assistance is helping to increase exports and create jobs, especially in key areas such as El Alto and Santa Cruz. Technical assistance and training will target labor intensive, value-added, nontraditional export sectors in which Bolivia has a competitive advantage. Business development centers in El Alto, Cochabamba, and Santa Cruz will connect producers with market opportunities and provide the techniques and skills needed to compete effectively, including clean production concepts. Technical assistance is also being provided to guide private enterprises to generate income, reduce poverty and mitigate conflicts. Principal contractors and grantees: Chemonics International, Florida International University, Bolivian Catholic University, and others to be

determined.

Protect and Increase Food Security of Vulnerable Populations. The P.L. 480 Title II program continues to introduce new agricultural technologies, effective food security assessment tools, and training materials to increase yields and reduce storage losses in the most food insecure areas of the country. USAID is organizing farmers' groups and marketing associations, and strengthening existing partnerships with communities. These efforts help to address both food security and economic inclusion of rural indigenous populations. Cooperating sponsors are the Adventist Development and Relief Agency, Food for the Hungry International, CARE, and Save the Children.

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,020,000 DA). USAID is providing technical assistance to promote policy dialogue and to strengthen Bolivia's market-based financial system. Principal contractors and grantees: World Council of Credit Unions and others to be determined.

FY 2007 Program:

Achieve Equitable Access to Quality Basic Education (\$900,000 DA). USAID will continue working in the poorer areas of Bolivia which lack adequate municipal government services for schools, such as El Alto and the Altiplano. USAID plans to assist these schools by rehabilitating classrooms and providing furniture, libraries and computers, and training for teachers and students. Principal grantee: Casals and Associates.

Increase Agricultural Sector Productivity (\$2,084,000 DA). USAID plans to continue to link farmers with markets. It will also provide technical assistance on new production techniques as well as help the Valleys Foundation strengthen its management capability and diversify funding sources. Principal contractors and grantees: Chemonics International, The Valleys Foundation.

Increase Trade and Investment (\$2,900,000 ESF). USAID will further increase exports and create jobs throughout the country, including in key conflict-prone areas, by connecting producers with market opportunities, technical assistance, and training. Principal contractors and grantees: Chemonics International and others to be determined.

Protect and Increase Food Security of Vulnerable Populations. The P.L. 480 Title II program will continue to enhance agricultural yields, income generation, and community development activities with emphasis on the poorest, most food-insecure areas. New cooperating sponsors are to be determined.

Strengthen the Financial Services Sector and Increase Access to Capital (\$850,000 DA). USAID plans to continue providing technical assistance to promote policy dialogue and to preserve and strengthen Bolivia's market-based financial system. Principal contractors and grantees: To be determined.

Performance and Results: USAID has contributed significantly to a \$203 million (24%) increase in non-traditional Bolivian exports, which reached \$1.07 billion in FY 2005. This increased activity has created jobs, increased incomes, and supported economic stability in conflict-prone areas. In microfinance, USAID concentrated on financial system development and strengthened the regulated credit union system. Over 26,000 new savings accounts were opened in 14 credit unions. USAID's \$7.2 million investment in agricultural production played a key role in generating \$47.6 million in increased economic activity in targeted rural areas. USAID promoted value-added manufactured exports and generated jobs in critical urban areas such as El Alto and Santa Cruz, thereby creating trade-related economic opportunities and demonstrating, in a direct and practical way, the benefits of trade and open markets. In FY 2005, USAID assistance directly supported a \$10.4 million growth in exports and also improved the business environment. Once intellectual property rights service and other policy reforms are achieved, Bolivia will be in a better position to participate in trade agreements.

Upon completion of this program, several thousand farm families will have increased their incomes through improved products and through better linkages to domestic and international markets. Bolivia's artisan exports will have established long-term export markets that generate permanent jobs. Affordable credit will be available nationwide for small and micro-entrepreneurs. The lure of illicit coca cultivation will be reduced.

US Financing in Thousands of Dollars

Bolivia

511-002 Increased Economic Opportunities	ACI	CSH	DA	ESF
Through September 30, 2004				
Obligations	6,065	26	33,181	10,884
Expenditures	101	26	25,912	10,844
Unliquidated	5,964	0	7,269	40
Fiscal Year 2005				
Obligations	0	0	4,552	2,000
Expenditures	3,469	0	6,379	31
Through September 30, 2005				
Obligations	6,065	26	37,733	12,884
Expenditures	3,570	26	32,291	10,875
Unliquidated	2,495	0	5,442	2,009
Prior Year Unobligated Funds				
Obligations	0	0	0	0
Planned Fiscal Year 2006 NOA				
Obligations	0	0	3,852	2,475
Total Planned Fiscal Year 2006				
Obligations	0	0	3,852	2,475
Proposed Fiscal Year 2007 NOA				
Obligations	0	0	3,834	2,900
Future Obligations	0	0	19,020	21,000
Est. Total Cost	6,065	26	64,439	39,259