

Central America Regional Program

The Challenge

The challenge facing Central America is to harness the benefits of trade-led economic growth that comes with the Central America and Dominican Republic Free Trade Agreement (CAFTA-DR) and channel the benefits towards sustainable development while minimizing adverse social and environmental impacts of the new trade regime. The inadequacy of harmonized environmental laws and regulations diminish their application. Central America also has to meet the emerging market standards for product quality, compete as a regional supply market, and respond early to natural disasters and economic crises. While arrival of the Global Fund to Fight AIDS, Tuberculosis and Malaria expands opportunities to address the HIV/AIDS crisis, it also presents challenges due to the limited absorptive capacity and coordination issues of the countries.

Objectives, Sectors and Workforce

Mission Director: Mark Silverman

MCA Status: Not a Candidate

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Provided

Program Budget (Appropriations by Objective)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07	2005 SO Performance Score		Direct SO Admin. Cost Ratio
	(\$000)	(\$000)	(\$000)	(\$000)				
596-005 Regional Trade and Investment	7,310	0	0	0	N/A	0.98	Met	N/A
596-006 Central America Regional Environment Program	6,771	0	0	0	N/A	1.74	Exceeded	N/A
596-009 Increased Diversification of the Rural Economy	1,720	0	0	0	N/A	1.28	Exceeded	N/A
596-022 Economic Freedom	0	11,236	5,376	5,500	N/A	N/A		0.08
596-023 Investing in People	5,950	6,401	6,039	5,700	-4.2%	1.65	Exceeded	0.09
596-024 Meso-American Food Early Warning System	0	0	500	500	N/A	N/A		N/A
Country Total	21,751	17,637	11,915	11,700	-46.2%			

Program Budget (Appropriations by Account)

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Child Survival and Health Programs Fund	4,950	5,901	6,039	5,700	15.2%
Development Assistance	15,801	11,236	5,876	6,000	-62.0%
Global HIV/AIDS Initiative	1,000	500	0	0	N/A
Total	21,751	17,637	11,915	11,700	-46.2%

Program Budget by Sector and Account

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Agriculture and Environment DA	8,491	6,205	3,755	3,595	-57.7%
Economic Growth DA	7,310	5,031	2,121	2,405	-67.1%
HIV / AIDS CSH	4,950	5,406	5,346	5,000	1.0%
GHA1	1,000	500	0	0	N/A
Other Infectious Diseases CSH	0	495	693	700	N/A
Total	21,751	17,637	11,915	11,700	-46.2%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	7	12	13	13	85.7%
US Non Direct Hires	5	5	4	3	-40.0%
Foreign Nationals	20	29	34	25	25.0%
Total	32	46	51	41	28.1%

Operating Expense	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	0	0	0	0	N/A
Travel	0	3	0	0	N/A
Transportation of things	0	0	0	0	N/A
Rent	0	0	0	0	N/A
Security	0	0	0	0	N/A
Equipment	0	0	0	0	N/A
ICASS - Operating Expense only	0	0	0	0	N/A
Other Operating Expense	0	0	0	0	N/A
Total OE Budget	0	3	0	0	N/A
US direct hire salary and benefits	0	0	1,084	1,736	N/A
Program Funded Administrative Expenses				2,886	
Country Total Administrative Budget				4,622	
Percent of Bureau OE Total				0.0%	

Mission Summary	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	3,107	1,470	917	900
Program per All US (\$000)	1,813	1,037	701	731
Program per Position (\$000)	680	383	234	285
Operating Expense as % of Program Funding				0.0%
Program Funded Admin Expense as % of Total Admin				62.4%
Total Admin Expense as % of Program Funding				39.5%

Other Major Donors:

Bilateral: Norway; Sweden; Canada; Spain; Britain; Germany; Switzerland; and HVOs, a Dutch NGO. International organizations such as the International Labor Organization (ILO) and other USG agencies such as the U.S. Department of Labor are taking a regional approach to harmonizing and coordination issues of the countries.

Multilateral: The Inter-American Development Bank (IDB); the Central American Bank for Economic Integration (CABEI); the European Union; the Global Fund, which receives 33% of its funds from the U.S. Government (USG) through the President's Emergency Plan for AIDS Relief (PEPFAR); UNAIDS; UNICEF; KiW (the German Bank for Reconstruction and Development); and the World Bank.