

Data Sheet

USAID Mission:	Colombia
Program Title:	Alternative Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	514-008
Proposed FY 2004 Obligation:	\$55,700,000 ACI
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$78,500,000 ACI
Year of Initial Obligation:	FY 2000
Year of Final Obligation:	FY2005

Summary: USAID's alternative development program seeks to increase legal economic opportunities for small producers of coca and opium poppy. This increase will contribute to permanent abandonment of illicit crop production.

Inputs, Outputs, Activities:

FY 2004 Program:

Strengthen national and local institutions (\$1,000,000 ACI). USAID will continue to strengthen the Government of Colombia's National Alternative Development Plan in the areas of planning, implementing, monitoring, and evaluating projects. Technical assistance will be provided to strengthen local non-governmental organizations (NGOs) in technical areas, as well as accounting and other aspects of internal management. USAID will also provide technical assistance to strengthen several business development service providers. Assistance will be provided to the Colombian Government to strengthen the long-term sustainability of their Family Forest Guards program. Prime implementers are Chemonics, Pan-American Development Foundation (PADF), Associates in Rural Development, Agricultural Cooperative Development International/Volunteers for Overseas Cooperative Assistance (ACDI/VOCA), Carana Corporation, Land O'Lakes and Aid to Artisans.

Rural social infrastructure (\$3,400,000 ACI). Infrastructure initiatives are an important component of the alternative development program because they provide short-term employment and income to families making the transition to licit crops. Projects are designed to be as labor intensive as possible, employing the maximum number of local people and educating them on basic construction methods. Technical and financial support will be provided to build or rehabilitate roads, bridges, electric power grids, schools, health clinics, potable water, and sewage systems in remote regions of the country to generate new jobs and improve access to basic services. USAID will continue to support community-based decision making and provide technical assistance in the sound financial management of infrastructure projects. The prime implementers are Chemonics, U.S. Army Corps of Engineers and PADF.

Supporting licit productive activities (\$37,600,000 ACI). USAID will continue to provide technical assistance to promote agricultural and non-agricultural alternatives through the provision of modern production technologies, food processing, credit, and marketing assistance to producer associations. Non-agricultural activities will include technical and managerial support to small and medium-sized private enterprises to generate employment in Colombia's secondary cities and help them become more competitive nationally and internationally. Other activities will include vocational training and technical workshops for rural families that are transitioning to licit agricultural activities. USAID plans to expand activities into other agricultural areas shifting the focus of the program from Putumayo to other illegal crop producing regions of the country. The program will concentrate on geographical areas involved in or under the influence of illicit crop production, where there is a strong market and economic growth potential for licit agricultural activities, and where the number of beneficiaries is significant and will result in a positive impact on the region. Additionally, USAID will focus on private sector, market-driven

activities for increased sustainability. Prime implementers are Chemonics, PADF, Associates in Rural Development, ACDI/VOCA, United Nations Office of Drugs and Crimes, and Aid to Artisans.

Improve management of natural resources and environment (\$9,200,000 ACI). In many drug-producing regions, the long-term success of alternative development depends on the conservation of fragile soils by small farmers and proper management of tropical forests. USAID will promote sustainable production for alternative crops through forestry systems particularly suited to the financial and ecological conditions of small farms in remote tropical lowlands. USAID will continue to assist the Colombian National Parks Unit (CNPU) to improve the overall management of the park system and to protect its resources and improve visitor services. This assistance covers all protected areas with priority given to areas where illicit crop cultivation occurs. USAID will continue to work with indigenous communities in Putumayo, Nariño, and Caquetá in protecting the environment and indigenous cultures. The assistance will strengthen CNPU institutional presence in protected areas and enhance their capacity to improve management. Activities to promote Colombia's potential to improve or create more integrated production chains for the forest products industry will continue in four geographically selected forest clusters. USAID will continue to provide support for forestry activities in Putumayo. The prime implementers are Chemonics and Amazon Conservation Team.

Program management (\$4,500,000 ACI). USAID will continue to use funds to cover the operating expense costs of managing the program.

FY 2005 Program:

Strengthening national and local institutions (\$4,000,000 ACI). USAID will continue to implement the activities described. Implementers are the same as above.

Rural social infrastructure (\$14,000,000 ACI). USAID will continue to implement the activities described above. Implementers are the same as above.

Supporting licit productive activities (\$48,000,000). USAID will continue to provide assistance in areas that support licit productive activity by working with the private sector in market-driven activities such as agri-business, forestry and small/medium enterprise development. Agribusiness activities are designed to leverage a significant amount of private sector financial resources from businesses, producer associations, and local non-governmental organizations. USAID will promote the growth of licit economic activities in secondary cities that currently serve as a conduit to illegal drug activity, while continuing to support small farmers and communities in rural areas. Implementers are the same as above.

Improve management of natural resources and environment (\$8,000,000). USAID will continue to implement the activities described above. Implementers are the same as above.

Program management (\$4,500,000 ACI). USAID will continue to use funds to cover the operating expense costs of managing the program.

Performance and Results: Since 2000, USAID has supported the establishment of 38,563 hectares of licit crops and completed 630 social and productive infrastructure projects in coca and poppy growing areas. The program has benefited over 31,170 families. These results were achieved through a strong collaborative effort of some 112 local NGOs. USAID continues to enhance the capabilities of local NGOs through technical assistance and training in financial management and procurement. The large-scale spraying of coca areas, especially in Putumayo, has helped convince small farmers to abandon their illegal crops. Continued fighting between the armed groups has contributed to farmers' growing distaste for illicit crop production in southern Colombia.

USAID's program will help reduce coca cultivation in Colombia and stem the flow of illicit drugs to the United States.

US Financing in Thousands of Dollars

Colombia

514-008 Alternative Development	ACI	Plan Colombia
Through September 30, 2002		
Obligations	52,000	42,500
Expenditures	49	36,048
Unliquidated	51,951	6,452
Fiscal Year 2003		
Obligations	55,700	0
Expenditures	32,485	3,804
Through September 30, 2003		
Obligations	107,700	42,500
Expenditures	32,534	39,852
Unliquidated	75,166	2,648
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2004 NOA		
Obligations	54,200	0
Total Planned Fiscal Year 2004		
Obligations	54,200	0
Proposed Fiscal Year 2005 NOA		
Obligations	54,300	0
Future Obligations	78,500	0
Est. Total Cost	294,700	42,500