

Data Sheet

USAID Mission:	Peru
Program Title:	Peru-Ecuador Border Region Development
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	527-008
Proposed FY 2004 Obligation:	\$1,988,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$2,000,000 ESF
Year of Initial Obligation:	FY 1999
Year of Final Obligation:	FY 2006

Summary: The Peru-Ecuador border program seeks to consolidate peace and build both individual and community capacities to address the most basic needs of the poorest border areas, thus reducing the risk of conflict. Interventions are geared to improve the effective decentralization of services through strengthening local government and developing citizenship accountability in target areas; increasing protection of human rights; increasing state presence and availability and access to social services; improving natural resource management in selected areas; promoting a culture of peace and public support to the Peace Accords; and promoting trade.

Phase I of USAID's Peru-Ecuador border program, which will conclude in 2004, includes training and technical assistance to improve local capacities of border communities to manage their own development processes; developing basic capacities for providing social services necessary for a healthy and productive life; increasing respect and protection of rights of the border population, particularly those of women and indigenous people; and increasing support to the 1999 Peru-Ecuador Peace Accords. While this last element will continue under Phase II, future initiatives will focus on economic integration of the border region through infrastructure development, especially based on private investment and improved linkages between local producers and national (Peruvian) and international markets.

Inputs, Outputs, Activities:

FY 2004 Program:

Increased economic integration and trade (\$1,748,000 ESF). In FY 2004, building on the capacity developed during the first years of the border program, USAID will enhance the ability of border communities to identify and implement productive initiatives to generate jobs and income as well as support the improvement of infrastructure to better link producers to markets. USAID will shift its focus to more populated areas (i.e., Piura and Iquitos). Specifically, USAID will fund technical assistance through economic service centers to provide current and projected market information along with information regarding financial and transport services. USAID will also fund technical assistance to facilitate commercial contacts between national and international buyers (including Ecuadorians) and local producers, identify companies willing to invest capital in local enterprises, and promote public-private partnerships to develop critical infrastructure (e.g., roads, ports, and energy) needed in the border region to increase competitiveness and trade. USAID will continue to co-finance two economic infrastructure projects: 1) a 155 meter bridge over the Nieva River in Amazonas, which will establish a reliable transportation route between population centers in the jungle and major markets/transportation hubs on the northern Peruvian coast, and is critical to Peru-Ecuador and Peru-Brazil transportation networks; and 2) a rural power distribution line in San Ignacio (Cajamarca), which will provide energy to 28 communities and benefit more than 8,000 people in one of the most promising coffee and cacao producing areas of Peru. Principal contractors/grantees include the Ministry of Transport, Ministry of Energy and Mines, local non-governmental organizations, and private sector institutions to be determined.

Increased support for the peace accords (\$250,000 ESF). USAID activities promote a culture of peace among Peruvians and Ecuadorians and between indigenous and non-indigenous communities in the

area, as well as develop greater support for the Peace Accords. Efforts will include information campaigns through mass media on the Peace Accords, bilateral trade regulations, and cross-border exchanges. As a complement to increasing economic integration and trade, USAID will finance a communications program to develop a better awareness of the benefits of peace and economic integration with Ecuador. The program will include outreach communication campaigns with regional and local authorities, as well as the general public, to increase their knowledge on benefits of trade and private-public partnerships in the operation of major infrastructure services. Major contractors/grantees are to be determined.

FY 2005 Program:

Increased economic integration and trade (\$1,750,000 ESF). USAID plans to continue the activities described above, and may expand to other communities in the border region. Implementers are not expected to change.

Increased support for the peace accords (\$250,000 ESF). USAID will continue the activities outlined above. Major contractors/grantees are to be determined.

Performance and Results: As a result of USAID assistance during FY 2003, mechanisms were established for citizens to oversee the performance of local authorities. Mayors held 16 public hearings to report on the use of public resources, and 14 target districts submitted their plans and budgets for 2004. Approximately 85% of target Amazonian indigenous communities participated in this process, incorporating these minority groups into national planning efforts for the first time. At the community level, almost 1,000 small producers improved their agriculture production (poultry, fishponds, honey bee, potatoes, orchids, sugar cane derivatives, palm heart, tropical fruits, and vegetables) for local consumption and local markets. USAID assisted parents and teachers in 227 rural schools to apply democratic, transparent, and participatory local school management methodologies, benefiting 8,500 students. Drop-out rates, especially among girls, decreased in target Amazonian communities. Additionally, more than 470 health providers (community health promoters and Ministry of Health workers) were trained and are working with more than 94 health community committees and networks. Fifty emergency committees under community management and oversight and 13 health posts with improved infrastructure and/or equipment (e.g., radio communication, boats, and cold chain equipment) provided access to health services for critical needs of isolated indigenous communities (approximately 50,000 people).

Important advances have also been made in the area of human rights in FY 2003. The six Ombudsman itinerant teams operating in the border area have processed more than 1,500 cases and requests. An additional 340 new human rights promoters were trained in issues of gender equity, diversity, bilingual-intercultural relations, domestic violence, and conflict resolution. In addition, USAID continued to finance training for 185 communication professionals who are working in local and regional media to disseminate the terms of the Peace Accords to promote a culture of peace, and arrange bi-national exchanges to discuss common development issues such as agroforestry production, health, and bilingual education.

Important outcomes expected during Phase I of the program are a 25% increase in the access to and use of basic services; a 20% decrease in child malnutrition rates; improved management capacity in 95% of targeted border local governments; and a 20% increase in people's knowledge of their basic rights, particularly among women and the indigenous population. Specific Phase II targets related to jobs, production, and increased trade will be established in FY 2004. By addressing these quality-of-life issues, USAID's interventions will promote political and social stability on the border with Ecuador and help ensure a lasting peace between the two countries.

US Financing in Thousands of Dollars

Peru

527-008 Peru-Ecuador Border Region Development	ESF
Through September 30, 2002	
Obligations	10,893
Expenditures	4,825
Unliquidated	6,068
Fiscal Year 2003	
Obligations	3,000
Expenditures	2,571
Through September 30, 2003	
Obligations	13,893
Expenditures	7,396
Unliquidated	6,497
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2004 NOA	
Obligations	1,988
Total Planned Fiscal Year 2004	
Obligations	1,988
Proposed Fiscal Year 2005 NOA	
Obligations	2,000
Future Obligations	0
Est. Total Cost	17,881