

## Data Sheet

<b>USAID Mission:</b>	Peru
<b>Program Title:</b>	Democratic Strengthening
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	527-009
<b>Proposed FY 2004 Obligation:</b>	\$1,632,000 DA; \$7,953,000 ESF
<b>Prior Year Unobligated:</b>	\$1,000,000 DA
<b>Proposed FY 2005 Obligation:</b>	\$1,565,000 DA; \$8,000,000 ESF
<b>Year of Initial Obligation:</b>	FY 2002
<b>Year of Final Obligation:</b>	FY 2007

**Summary:** USAID's program to strengthen democratic processes and institutions in critical areas includes the provision of technical assistance and training to promote key policy reforms; increase the capacity of regional and local governments; enhance congressional oversight and legislative capacity; improve the performance of selected justice institutions; and facilitate the efforts of the Truth and Reconciliation Commission in investigating past human rights abuses. USAID will support anti-corruption measures within each of these program areas.

### Inputs, Outputs, Activities:

#### FY 2004 Program:

Citizen participation in key policy reforms (\$1,632,000 DA; \$2,000,000 ESF). USAID will continue support to the development, promotion, and oversight of key policy reforms related to decentralization, Congressional operations, and the justice sector. Major contractors/grantees include civil society coalitions led by Catholic Relief Services (decentralization) and two Peruvian non-governmental organizations, Manuela Ramos Movement (congressional operations) and the Institute for Legal Defense (justice reform).

Decentralization and strengthening of local governments (\$2,853,000 ESF). USAID will continue training and technical assistance for regional and local governments and community organizations in the seven departments that comprise USAID's geographic focus area. USAID will support 178 local governments (in addition to the 145 that began receiving assistance in FY 2003). Specific areas of support include financial management, planning, budgeting, procurement, and accountability to their constituency to meet accreditation requirements and better serve constituency needs. USAID will also provide policy support for the decentralization process. In addition, USAID will assist the State Contracts and Acquisition Council to simplify and streamline the governmental procurement process for sub-national governments, and support the Controller General to finalize regional government financial and management audits and establish a prospective internal control system that reduces future risks. Major contractors/grantees include the National Decentralization Council, the Office of the Controller General, the State Contracts and Acquisition Council, and ARD, Inc. (U.S. prime contractor).

Congressional reform (\$100,000 ESF). USAID will provide technical expertise to organize public hearings as critical legislation is considered by Congressional committees in areas such as decentralization, access to government information, trade policy, counternarcotics, and justice reform. Direct technical assistance to Congress will be completed as permanent committee staff is installed, internal procedural changes are institutionalized, and an IDB program begins operating. Major contractors/grantees include the Peruvian Congress.

Justice sector reform (\$3,000,000 ESF). Activities will focus on strengthening the selection/ratification process and disciplinary procedures for judges; improving the business climate through the establishment of specialized commercial courts in Lima; and implementing improvements for the processing of criminal cases in Lima and selected judicial districts. USAID programs will help: 1) promote changes in the legal

framework to support justice sector reform in critical areas, including judicial recruitment, selection and retention processes, the criminal procedures code, handling of commercial cases, and the overall organization of the justice system; 2) establish and strengthen mechanisms for internal and external oversight of justice sector reform and operations; 3) develop justice sector capability to coordinate and manage reform efforts; and 4) improve technical and management capacity to handle critical commercial and criminal cases. USAID will continue support to the Office of the Ombudsman to promote public sector modernization and consolidate its presence in areas of the country prone to conflict. Major contractors/grantees include the Peruvian Ministry of Justice, the Office of the Ombudsman, and IRIS (U.S. prime contractor).

To the extent that work is carried out in Peru's major coca-growing areas in support of counternarcotics objectives, local government and justice sector activities will be partially financed by ACI funds referenced in the Alternative Development Data Sheet (527-013).

**FY 2005 Program:**

Citizen participation in key policy reforms (\$1,565,000 DA; \$1,500,000 ESF). USAID will continue to support the civil society coalitions mentioned above, with increased emphasis on anti-corruption and the consolidation of oversight networks. Major contractors/grantees are the same as above.

Decentralization and strengthening of local governments (\$3,400,000 ESF). USAID will expand its support to an additional 109 local governments and community organizations. Major contractors/grantees are the same as above.

Congressional reform (\$100,000 ESF). Based on the expected Peruvian congressional legislative agenda, USAID will continue funding technical expertise and public hearings to improve the quality of the most significant legislation. The Congress will be the principal grantee.

Justice sector reform (\$3,000,000 ESF). USAID will continue financing the Ombudsman's operations, and provide support to implement the Truth Commission's recommendations. USAID will assist in the implementation of the revised criminal procedures code, as well as with the full functioning of specialized commercial courts. Major contractors/grantees are the same as above.

To the extent that work is carried out in Peru's major coca-growing areas in support of counternarcotics objectives, local government and justice sector activities will be partially financed by ACI funds referenced in the Alternative Development Data Sheet (527-013).

**Performance and Results:** Major results of USAID's assistance in FY 2003 include: 1) increased access to information on decentralization, justice reform, and Congress nationwide (with 14.5 million people reached); 2) input to key policy reforms, including regional government and municipal laws, and formation of an inter-institutional body to coordinate justice reform; 3) implementation of institutional and operational changes in the roles and functions of sub-national governments, including the development of their 2004 budgets, and training of six regional and 145 municipal governments; 4) establishment of permanent technical staff for Congressional committees; 5) documentation of human rights abuses committed between 1980-2000 in the Truth and Reconciliation Commission's final report and adoption of the report's recommendations in Peruvian government's plans; 6) resolution of more than 87% of 65,000 complaints brought to the Ombudsman and the opening of offices in remote regions where coca is grown and political/social violence is most common; and 7) improvement in the judicial selection process. By 2007, key constitutional reforms related to the balance of governmental power, reform of the electoral system and the judiciary, the independence of government institutions and the structure of sub-national government will be in place and maintained. Citizen approval of the performance of government institutions will have improved significantly, and key decentralization policies will be in place with broad input from civil society. All 540 subnational governments in the seven geographic focus regions will be trained and more than 80% will be certified to receive greater authorities and resources. A new criminal procedures code will be in place with increased judicial efficiency, and specialized commercial courts will be fully operational.

## US Financing in Thousands of Dollars

Peru

	DA	ESF
527-009 Democratic Strengthening		
<b>Through September 30, 2002</b>		
Obligations	2,876	14,500
Expenditures	814	2,425
Unliquidated	2,062	12,075
<b>Fiscal Year 2003</b>		
Obligations	2,141	8,000
Expenditures	2,376	5,840
<b>Through September 30, 2003</b>		
Obligations	5,017	22,500
Expenditures	3,190	8,265
Unliquidated	1,827	14,235
<b>Prior Year Unobligated Funds</b>		
Obligations	1,000	0
<b>Planned Fiscal Year 2004 NOA</b>		
Obligations	1,632	7,953
<b>Total Planned Fiscal Year 2004</b>		
Obligations	2,632	7,953
<b>Proposed Fiscal Year 2005 NOA</b>		
Obligations	1,565	8,000
Future Obligations	0	0
Est. Total Cost	9,214	38,453