

Data Sheet

USAID Mission:	Peru
Program Title:	Democratic Strengthening
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	527-009
Status:	Continuing
Planned FY 2005 Obligation:	\$1,299,000 DA; \$7,936,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$1,732,000 DA; \$8,000,000 ESF
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2007

Summary: USAID's program strengthens democratic processes and institutions in critical areas, with a focus on: the overall decentralization process, to increase the capacity of regional and local governments to manage greater levels of resources and responsibilities; justice system reform, to more efficiently and effectively manage commercial and criminal cases; and implementation of recommendations from the Truth and Reconciliation Commission to address the structural causes and effects of past political violence. USAID will also help inform Peruvian citizens by providing pre-election support in FY 2005 for upcoming presidential, Congressional, and regional and local government elections scheduled for 2006. USAID incorporates anticorruption measures, including transparency, accountability and participation, within each of these program areas.

Inputs, Outputs, Activities:

FY 2005 Program: Support Democratic Local Government and Decentralization (\$750,000 DA, \$4,100,000 ESF). USAID will continue providing training and technical assistance to strengthen six regional governments, all local governments and more than 1,000 community organizations in the seven regions of USAID's geographic focus area. Training and technical assistance covers financial management, planning, budgeting, procurement, and citizen participation, with a focus on preparing regional and local governments to manage greater resources and responsibilities as the decentralization process moves forward. During FY 2005, USAID will expand training to another 214 local governments to cover all 537 local governments within the seven regions. These municipalities represent 30% of municipalities nationwide. In addition, in response to growing levels of conflict with elected local authorities, USAID will include conflict prevention and resolution strategies within its training programs. USAID will continue providing policy support for and oversight of the overall decentralization process. Major implementers include Associates in Rural Development (ARD) and a civil society coalition led by Catholic Relief Services (CRS).

Improve Justice Sector/Legal Framework (\$549,000 DA, \$3,336,000 ESF). USAID will provide technical assistance, training and equipment for new specialized commercial courts in Lima (to be inaugurated in early 2005) and in preparation for the implementation of a new criminal procedures code in 2006. Assistance for criminal code implementation includes advice on national policy and institutional reforms, training of the police, prosecutors, public defenders and judges on their role in the new system, and backlog reduction, case tracking and other management and administrative improvements in criminal courts in eight selected judicial districts. At the same time, USAID will continue to promote changes in the overall judicial career system so that it is merit-based and transparent, and to increase the accessibility to and predictability of judicial decisions. USAID will provide financial assistance to the Ombudsman to oversee public sector modernization and to consolidate its presence in areas of the country prone to conflict. USAID will also continue oversight of the overall justice reform process. Major implementers include: the Peruvian Office of the Ombudsman, a civil society coalition led by a local NGO, the Institutional Reform and the Informal Sector center (IRIS) at the University of Maryland, and potentially a new U.S. contractor (to be selected).

Promote and Support Free and Fair Elections (\$500,000 ESF). In preparation for presidential, congressional, and regional and local government elections in calendar year 2006, USAID will design a new activity to educate voters on election issues and candidates, and to provide oversight of the candidate selection process in order to strengthen Peru's democratic processes and increase voter awareness and participation. Principal contractor/grantee is still to be determined.

All areas of program intervention will include an emphasis on promoting and supporting anticorruption measures as part of the U.S. contribution to the Group of Eight (G-8) anticorruption compact with Peru. Although the Government of Peru's action plan is still being developed, the areas of most relevance are expected to relate to greater local government transparency and accountability.

FY 2006 Program: Support Democratic Local Government and Decentralization (\$1,000,000 DA, \$4,000,000 ESF). USAID will consolidate its support to 537 local governments, six regional governments, and more than 1,000 community organizations in the seven regions of USAID focus. USAID will also support new initiatives to enable a smooth transfer to the new regional and local authorities which will be elected in November 2006. USAID will continue its support to a civil society coalition, with an increased emphasis on the consolidation of oversight networks and tracking the transfer of resources and responsibilities from the central to the local level. Major implementers will remain the same.

Improve Justice Sector/Legal Framework (\$732,000 DA, \$4,000,000 ESF). USAID will reduce its technical assistance and training for commercial court operation as the courts gain greater experience. USAID will shift its focus to evaluating the impact of the specialized courts based on the efficiency with which commercial cases are handled, and preparing for the expansion of these courts to other locations. In the criminal justice area, USAID will intensify training of judges, prosecutors, public defenders and the police in those pilot locations where the new criminal procedures code will be implemented. Technical assistance and oversight will continue in relation to overall procedural and structural changes in the judicial career system and disciplinary mechanisms. Major implementers will remain the same.

Performance and Results: In FY 2004, USAID support for the decentralization process led to the passage of laws covering participatory budgeting, incentives for regional investment, fiscal decentralization and the formation of regions. USAID strengthened the capacity of 340 local governments and six regional governments in USAID's geographic focus areas, reaching 19% of municipalities nationwide. USAID trained nearly 650 nongovernmental organizations, including women's and indigenous organizations to strengthen their participation in local decision making. In a multi-donor effort, the Government of Peru produced a landmark national justice reform plan with technical assistance from USAID partners.

Through FY 2007, USAID expects that 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 stabilized, and key decentralization policies will be in place with broad input from civil society. All 537 local 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 implemented in pilot districts, resulting in improved efficiency in case processing. Specialized commercial courts in Lima will be fully operational, reducing case processing time from four years to 18 months.

US Financing in Thousands of Dollars

Peru

527-009 Democratic Strengthening	DA	ESF
Through September 30, 2003		
Obligations	5,017	22,500
Expenditures	3,190	8,265
Unliquidated	1,827	14,235
Fiscal Year 2004		
Obligations	2,932	7,553
Expenditures	2,270	9,765
Through September 30, 2004		
Obligations	7,949	30,053
Expenditures	5,460	18,030
Unliquidated	2,489	12,023
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	1,299	7,936
Total Planned Fiscal Year 2005		
Obligations	1,299	7,936
Proposed Fiscal Year 2006 NOA		
Obligations	1,732	8,000
Future Obligations	4,588	8,947
Est. Total Cost	15,568	54,936