



USAID | **DOMINICAN REPUBLIC**
FROM THE AMERICAN PEOPLE

Building Dominican Institutions

A Retrospective Look at USAID Institutions Building
Assistance from 2000 to 2006



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Introduction

In the United States Agency for International Development (USAID), we rarely stop and take the time to look at what we have accomplished over the longer term. We tend to look at accomplishments year by year and we often document achievement of each objective through evaluations at the end of a strategy period. However, evaluators are rarely long-term and tend to look at progress toward objectives based on indicators that are well documented. They often miss the less well documented, often more subtle progress in institution building, which is a complex process and does not lend itself to measurement by simple indicators. Unfortunately, few of us in USAID leadership positions have the opportunity to conceptualize an entire strategy and see it through to its final results. Thus, we rarely have a chance to garner the personal observations over time, which allow us to take a longer term perspective on institution building. The result is that USAID, as stewards of funds provided by the American people, has a hard time in articulating what is often the more important development and nation building story we have to tell, the story of how we help countries build the institutions that lead to the greater well being of its citizens over the long term. As I prepare to leave the Dominican Republic, I want to take this opportunity to document some of the advances I have seen in building Dominican public and private institutions with USAID collaboration and support over the past six years, from July 2000-2006. I think these changes represent what is truly transformational development.

Before continuing, I want to pause to reflect on the perspective of my analysis. I am purposefully writing this paper from the USAID perspective because I want to document the ways in which I believe USAID has influenced institution building in the Dominican Republic. This perspective is also somewhat unusual because we generally, and rightly, place our host country partners and counterparts in front in describing what USAID accomplishes. The reality is that USAID accomplishes nothing by itself. Every institution building advance USAID helps

bring about in the DR is led and driven by visionary Dominicans who are committed to their country and to the greater good of their fellow citizens, sometimes at the expense of their own personal well being or advancement. These are the real nation building heroes that one finds in every country and that we have consistently found in the Dominican Republic over the past six years. One of the challenges of a successful development professional is to locate those committed, capable leaders within a strategically chosen arena and support them with all the technical, financial and moral support we can provide, within the confines of our own limited resources.

USAID also does not work alone in other ways. As we work with our Dominican partners and counterparts we also collaborate with other U.S. government departments and agencies, other bilateral donors and multilateral institutions, and with non-governmental organizations and the private sector in helping to bring about the positive changes our Dominican partners seek. Thus, many of the institution building efforts I will discuss are the result of joint efforts. Again I want to acknowledge that up front. Lastly I want to make it clear that when I refer to USAID I am also including our contractors who are fully funded with USAID resources. However, in doing so I want to recognize the wonderful job that our USAID staff and USAID institutional contractors and their staffs, most of whom are Dominicans, have done in helping Dominicans build institutions that will serve this country and its development for years into the future.

I also want to clarify that this paper takes a broad view of institution building. I believe that institution building also includes building a consensus around a concept among a critical mass of citizens in a country to the point that the concept or principle becomes a part of that society's economic, political or social structure and thinking. Thus, concepts, principles, and values also become institutionalized. Sometimes these conceptual changes are necessary first steps in getting to the point of more traditional institution building. This paper takes into

consideration both the conceptual and more traditional types of institution building.

Dominicans also do not often stop to look back at all they have accomplished in terms of institution building. Rather, those interested in building institutions tend to look forward to the often frustrating and daunting tasks before them. Political success in the DR is often marked by infrastructure projects completed, or by economic growth achieved, rather than by institutions built or good, citizen-oriented governance provided. I hope that this informal retrospective will help the real nation building heroes of this country take heart and continue to move forward.

Government institutions are surprisingly weak in the Dominican Republic, given the size and vibrancy of the Dominican economy. Furthermore, over the past 30 years, building strong institutions and institutionalizing concepts of good democratic governance have not been a priority of most political activists or parties in the country. The personality centered, autocratic, manipulative, and highly clientelistic political system that has evolved over time has generally worked against the development of strong public institutions, respect for the rule of law and good governance that serves the needs of the general population. Over the past 10 years, much of the progress toward institution building has been driven by civic movements that have pressured the political establishment for institutional change and have supported those few leaders who have made real efforts to strengthen key institutions and to institutionalize concepts of good, democratic governance, be it in the economic, political or social spheres. Often those leaders who have expressed interest in building strong institutions and policies that would enhance sound democratic governance are fighting an uphill battle as they are influenced by the individual-interest focused political pressures of the Dominican political culture and the political cabals around them.

Over the past six years, USAID has played an important role in supporting those in both civic movements and in government interested in enhancing good economic, social, and political governance and in building the institutions needed to accomplish these goals. USAID support has been moral, monetary, and technical. In the Dominican Republic, the strong moral support that USAID has provided has often been more important than the other two.

Opening Economic Opportunities and Enhancing Competitiveness

Competitiveness: In 2000, a group of Dominicans, with USAID assistance, completed an initial National Competitiveness Strategy that identified the major issues the country should address to enhance its competitiveness. This strategy included maintaining a stable macroeconomic framework, improving basic education, protecting the environment, cultivating the development of clusters in key economic areas, improving the business environment, and enhancing trade. While there was a small core of private sector players who had helped develop the strategy interested in moving forward, there was little interest on the part of the incoming Mejia administration. The idea of a cluster was a little known and even less understood theory, and the concept was certainly not practiced anywhere in the country. The Dominican business culture did not include working together with your local competition for mutual benefit, much less working jointly with government on a common goal. Rather, the culture was one derived from the Trujillo and Balaguer years where the business sector learned to survive by watching out for him or her self and where each entrepreneur went individually to the Dominican President to obtain the favors that allowed his business to get ahead. There was no link between government policy making and the goal of enhancing the country's competitiveness.

Today, thanks to USAID's leadership and unfailing support of some visionary Dominicans, there are at least nine solid working clusters in the country, six in tourism and three in agriculture, and there are more forming every week that are seeking technical assistance through the National Competitiveness Council (NCC). Additionally, there are two Clusters of Clusters – one for tourism and the other for agriculture - for a total of eleven clusters. Most of the clusters are now demonstrating sufficient bottom line results that the cluster concept is widely accepted and the two-year old Fernandez administration, the private sector, and

other donors consider clusters and cluster formation at the core of the country's competitiveness initiatives. The principles that USAID introduced in cluster formation feature strategic partnerships among private companies involved in a lead economic sector such as tourism or specific niche market agriculture products such as mangos in a given region of the country. In addition, the principles include formation of strategic partnerships between private firms, government, and communities and the protection of the environment in the focus region. These concepts have become the founding principles for all clusters supported by the NCC. The NCC, chaired by President Fernandez and organized with USAID technical assistance, now serves as a focal point for cluster support and policy reform to improve competitiveness and the business climate. The NCC now has IDB support in the form of a \$9.4 million program that USAID technical assistance helped develop to support their work and further cluster development. The tourism and agricultural Clusters of Clusters, have now formed networks of the respective clusters across the country and continue to lobby for policy changes and government investments that will help make them more competitive and sustainable.

The USAID-supported clusters have results to demonstrate. The Romana-Bayahibe Tourism Cluster, a leader in cluster development, is the first group in the Dominican Republic with Green Globe certified hotels and the country's first Blue Flag certified beaches. Both environmental oriented certifications increase their attractiveness, particularly with the European market. Other destinations are now trying to follow suit, because of the results that this cluster has achieved. This cluster now has above 85% occupancy virtually all year, smoothing out the seasonality of most tourism destinations. The town of Bayahibe has been incorporated into the cluster and the community work shows. The garbage that used to line the roads leading into and within Bayahibe is now gone. The town is growing rapidly, small hotels, restaurants, and dive shops are sprouting up to meet the demand for a different model of tourism. There is a new high school and vocational training center thanks to cluster assistance, and a semi-annual

artisan and local cultural fair has been established with Romana-Bayahibe Cluster leadership and USAID assistance. The aquifer that serves as the area's water source was being contaminated by a squatter community six years ago. The aquifer is now protected as part of the near-by Parque del Este. The squatter community is now a thriving, well-organized community close by where residents live in homes that were built with their own labor, USAID financial assistance, on Romana-Bayahibe Hotel Association purchased land. Sewage, water and roads were provided by the Dominican Government and the electric distribution system was put in with USAID and National Rural Electric Cooperatives Association (NRECA) assistance.

Other USAID supported clusters are also demonstrating significant results. The La Vega Horticulture (fruits & vegetable) Cluster is now exporting approximately \$50 million in products annually. In addition, the Mango Cluster is now exporting mangos to the U.S. for the first time, having addressed the phytosanitary issues that had prohibited such exports in the past. The La Altagracia-Punta Cana-Bavaro Tourism Cluster successfully convinced the government to support infrastructure development in the area, worked with the government to control malaria in the region, and is working together to address the problem of the uncontrolled squatter communities growing up around this key tourist destination. The Barahona Cluster, which has become a force that must be reckoned with in making government decisions on development in the south, has successfully gotten the Barahona airport reopened to commercial flights and has persuaded an airline to make regular flights to the local airport, making it easier for tourists to access the destination. Cruise ships are now visiting Samaná for the first time thanks to the work of the Cluster there. The Puerto Plata Cluster is on the move in getting its major contamination issues resolved and in getting the destination known as a site for cultural tourism, not just sand and sun. Most important from an institution building perspective, others are now seeing that cluster formation brings results and are beginning to get together to form clusters in other regions of the country and other sectors. Clusters are joining together with each other

and with other organizations to push for transparent land use planning in the tourism destinations, to protect the national parks from private interests trying to destroy them and to call for policy changes to improve the business environment.

USAID's collaboration in developing the Dominican specialty coffee industry deserves special attention as it largely preceded the most intense work on cluster development. In 2000, the price of commodity coffee world-wide had plummeted, coffee farmers were unable to adequately maintain coffee rust under control and many small farmers were switching to annual crops to keep food on the table. This had enormous implications not only for the farmers, but also for the environment since most coffee was grown under shade in mountainous areas.

There was only a nascent specialty coffee industry in the Dominican Republic when USAID began working with FUNDOCAFE and other small producers with good specialty coffee potential who were interested in the premium coffee market. USAID encouraged this group to work together, helped them connect with the American Specialty Coffee Association and introduced "cupping" to test the quality of specialty coffees in the DR. The Dominican Association of Specialty Coffee (ADOCAFES) grew out of that effort. USAID supported the US Geological Survey to help the newly formed Dominican Coffee Council (CODOCAFE) and ADOCAFES set up an internet based specialty coffee map of the Dominican Republic to help market specialty coffee internationally. The data base was adopted and is now being successfully used by CODOCAFE, ADOCAFES, the Jarabacoa Coffee Production Association (ASCAJA), and the Dominican Institute for Agricultural Research (IDIAF) for the worldwide promotion and marketing of Dominican specialty and organic coffee. As USAID assistance tapered off due to a lack of resources, French assistance fortunately came in to help further develop the Dominican specialty coffee industry. As a result of these combined efforts, ADOCAFES and the other organizations mentioned above

have quickly made Dominican quality coffee move forward and compete for the first time in several decades with other coffee producing countries in the region.

On the government side, the National Competitiveness Council, with USAID assistance has decreased the days required to register a business from 78 to 32 and is quickly headed for further improvements. Work is also moving forward in getting international arbitration and bankruptcy laws in place and in adjusting Free Trade Zone legislation to World Trade Organization (WTO) requirements. Most important is the fact that a national institution with private sector participation that is focused and working actively on these and other issues affecting the national business environment now exists thanks to visionary Dominican leadership and USAID assistance.

Trade: USAID played a key role in helping the Dominican Republic prepare for successful CAFTA-DR negotiations and supported the studies and public education initiatives that helped get the treaty ratified by the Dominican Congress in September 2005. USAID continues to help the country implement this treaty, particularly in getting sound government procurement laws and systems in place, changing intellectual property laws and procedures to meet international and CAFTA-DR standards, particularly for pharmaceuticals, and developing the policies and procedures needed to implement the country's environmental laws. Training of customs officials on rules of origin has helped strengthen their ability to implement all the international trade agreements. USAID has also helped the DR put in place the systems needed to adequately respond to WTO reporting requirements in a timely manner. Much still needs to be done; but with USAID help, the country has been and continues to rapidly develop the government institutions it needs to better negotiate and implement international trade agreements.

To assist Dominican private sector development, USAID has helped the National Competitiveness Council identify priority sectors (medical equipment, ICT,

footwear, electronics) and products most likely to be competitive for Dominican business in the future. In a collaborative effort with the American Chamber of Congress (AMCHAM), this information has now been widely disseminated to the business community throughout the country so Dominican entrepreneurs can quickly take advantage of the opportunities that are open to them. Thanks to a USAID-ADAZONA partnership a Pre-production Textile Training Center now is operational to teach small to medium sized companies in free trade zones how to adjust their strategies and production to compete in the absence of the old multi-fiber agreement.

Financial Markets: When I arrived six years ago a transparent securities market did not exist in the DR. There were no long term investment instruments in the country, no formal secondary market for government bonds, and there was a move afoot to establish a national pension funds system that would need a place to invest in long term securities. Furthermore the only market that did exist was used by the banks to cover up the existence of non-performing assets and to avoid taxes and reserve requirements, adding to the fragility of the country's banking sector.

Over the last six years USAID technical assistance and unrelenting advocacy helped Dominicans develop and approve a sound capital markets law. USAID assistance worked with Dominican counterparts to strengthen the organization, Board structure, oversight, internal procedures, market operations, and computer software of the Dominican Securities Market (Bolsa de Valores) to bring it up to international standards of security and transparency. This effort included establishment of the required insurance fund and of a transparent and secure custodial and transaction clearance facility, connected with the Central Bank, for securities that are bought and sold in the market. It also required extensive work with the Finance Ministry, Central Bank and Congress to develop government bonds that could be standardized, correctly registered with the Superintendent of Securities, and transparently traded in the Dominican Securities Market.

Development of a transparent market system has been an up hill battle in the DR because of strong interests on the part of the banking sector to maintain a non-transparent, unregulated securities trading system. Nonetheless, the system is now in place that will allow for transparent, electronic securities trading in both a primary and a secondary market. The faulty link is a very weak Superintendent of Securities and a continuing strong banking sector that appears to be more interested in maintaining a non-transparent, unregulated secondary securities market where they reap big profits, but continue to put the Dominican financial sector at risk. USAID public and private diplomacy and advocacy have more recently stimulated a growing public debate on the Securities Market, the reasons why it is not fully functioning and the risks that the unregulated, internal bank market trading of securities is creating for the banking sector. The end of the story has not yet been told. The technical work is essentially done, now it is a matter of government and financial sector commitment to take a longer term view of development that is in the interest of the country rather than a short term perspective focused only on the annual profitability of individual banks and the groups that own them.

Government Securities and Land Expropriations: Since 2000, USAID technical assistance has helped the Secretary of Finance establish the necessary institutions, procedures, tools and capacity to transparently ascertain the value of expropriated lands (some going back more than thirty years) and use government bonds to pay for those and other government debts and obligations in a reliable manner. In the process, USAID has helped clear 247 old cases of expropriations and substantially reduced the cost to the Dominican government of clearing these old debts, allowing the government to save approximately 34% (approximately DR\$573 million) of the total amount earmarked for bonds to pay for expropriations. USAID has also helped the DR establish a data base of land values going back more than 30 years that can be used by both the public and private sectors for setting fair values for expropriated lands. The sustainability of

this system will depend upon the commitment, integrity, and continuity of individuals in the Secretary of Finance and the National Cadastral Office.

Environment: When I arrived in 2000, USAID had supported civil society groups to help the Dominican Republic develop and advocate for passage of a progressive, technically sound, integrated Environment and Natural Resources Law. Law 64-00 was passed immediately after the Mejia administration took office in August 2000. The Law mandated pulling together units dispersed in multiple ministries and independent agencies throughout the public sector into an integrated ministry under the Secretary of the Environment and Natural Resources. Conceptually it called for a two tiered implementation strategy, with responsibility at the national level assigned to the Secretariat of the Environment and Natural Resources and at the local level to municipal environmental management units. Passage of Law 64-00 provided the legal framework. However, the basic institutions did not exist. The Secretariat of Environment and Natural Resources was only on paper, no municipal environmental management units existed, the Law required sector laws in controversial areas, such as parks and protected areas, biodiversity, forestry, and coastal-marine resources. No environmental norms and standards existed and there were no internal procedures or regulations for issuing environmental licenses, or administrative sanctions. The law called for Environmental Prosecutors, but this group did not exist.

Since August 2000, USAID has supported the Secretariat of Environment and Natural Resources in forming a consolidated management team in the Secretariat, and in developing the policy and regulatory framework and some of the internal procedures needed to implement the law. Training and technical assistance on strategic planning and programming have helped focus Ministry efforts. The most important parts of the policy and regulatory framework supporting the National Environment Law are well advanced, with development and passage of a Parks and Protected Areas Law (flawed but existent), and draft

laws have been developed for Biodiversity and Marine and Coastal Areas. Environmental norms and standards were developed, approved and are being implemented for air, water, waste water, forestry, noise, toxic waste, non-metallic mining, and marinas. USAID assistance helped institutionalize the concept of active private sector participation in development of norms and standards as a Ministry practice. USAID also supported the Ministry's initiatives to protect key staff under the civil service career law by providing technical assistance on position descriptions and establishing job evaluation procedures.

A cadre of Environmental Prosecutors has been trained, is functioning and is now more effectively linked to the Public Ministry under the Attorney General. They are actively prosecuting environmental crimes. Internal regulations and procedures for application of administrative sanctions by the Secretariat of Environment are almost completed. The Secretariat has gained valuable experience in the design and dissemination of national environmental education campaigns. At the municipal level, 41 municipal environmental units are now active and 14 have now developed and are beginning to implement their own environmental ordinances.

USAID assistance helped design a national environmental information strategy and helped develop base line data and systems for monitoring and evaluation of environmental impact. USAID assistance started with a comprehensive Country Environmental Profile (CEP) that had not been done since USAID assisted in this work in 1981. The CEP provided recommendations on the country's most pressing environmental problems and served as a basis for ongoing assistance to the Secretariat. A comprehensive assessment of ground-water resources in the country was developed with emphasis on its role in massive tourism development and associated threats in the eastern coastal plain. In collaboration with The Nature Conservancy, USAID helped develop a biodiversity and an avian data base, two avian field guides, and a biodiversity assessment of freshwater conservation targets. A land use/land cover map and an internet-based coffee

information system for the whole country were developed in partnership with the US Geological Survey.

USAID also helped develop technical instruments to aid policy development. A methodology for economic valuation of protected areas was developed using Parque Nacional del Este as an example, and a number of conservation area planning and environmental education instruments were developed. Many of these instruments are being used by the Secretariat of Environment and private entities. A strategy for the sustainable management of the Jaragua-Bahoruco-Lago Enriquillo Biosphere Reserve was developed and is being partially implemented with Spanish and German funding. A micro-watershed management methodology was developed using the Tireo River as a model for the country. Three pilot projects resulting from the model are to be implemented with Brazilian financing. Economic incentives criteria for organic and clean production practices were also developed.

On the non-governmental side, USAID has enticed the private sector into investment in 26 model projects demonstrating voluntary implementation of norms and standards protecting the environment through the Environmental Investment Protection Fund (FIPA in Spanish). These efforts, along with the environmental awareness developed in the USAID supported tourism clusters, have helped expand private sector support for environmental protection in the country.

Energy: The electric sector has been in an on-going crisis during most of the last six years, with prolonged blackouts, high costs, and unreliable service. USAID served as a credible, objective source of information and analysis in identifying the real reasons behind the country's prolonged electricity blackouts and electric sector crisis, helped build a consensus among stake holders on the sector's major problems and, in collaboration with the World Bank (WB), helped Dominicans develop a two year plan for bringing the sector back to financial

stability and in tracking progress in doing so. Although the sector has stabilized in terms of prolonged blackouts and is no longer on the brink of imminent collapse, blackouts do remain, the sector only meets 80-85% of demand each day, costs remain extraordinarily high, distribution companies remain unable to recuperate costs, general government subsidies to the sector remain high, and the sector's major institutions remain weak. Fraud in the sector is still widespread and is one of the principal reasons for the slow progress in resolving the sector's financial problems. Political manipulation, powerful special interests and lack of transparency in the sector also continue to make it difficult to resolve fundamental problems.

USAID assistance helped launch a government led energy conservation strategy for the first time. The government is now preparing action plans to implement the strategy, giving priority to public buildings and forming institutional energy efficiency committees (CIURE - Spanish acronym). USAID assistance helped establish an energy efficiency technical team at the National Energy Commission (CNE – Spanish acronym), train representatives from 110 government institutions, 50 of which are in the process of forming their CIUREs, and conduct energy audits in at least 100 public buildings. The CNE technical team trained with USAID assistance is now capable of conducting additional energy audits, and has expanded the number of audited public buildings to nearly 150. In addition, as a result of implementing audit recommendations, two government entities, the Secretariat of Foreign Affairs and the Dominican Social Security Institute are saving 15%-25% of their overall energy bills.

In rural electrification, USAID and its partner the National Rural Electrification Cooperative Association (NRECA) helped the Rural Electrification Unit (UERS) of the CDEE (the national electric company) map the electric distribution system throughout the country and design a national rural electrification program. With USAID support NRECA also worked with the UERS and private energy sector partners to launch pilot projects to develop models for providing power to un-

served rural areas and informally served marginal urban communities through cooperatives that will turn low income households into paying clients and increase productive uses of electricity in the country.

Education: In 2001, there was a substantial amount of multilateral funding (European Union (EU), Interamerican Development Bank (IDB), WB) directed at basic education, pre-primary, primary, and secondary. However, little of it was focused on the problem of the poor quality of public education in the country. With few resources compared to other donors in the education sector USAID decided to focus on the issue of improving quality, in hopes of influencing the direction of other international assistance flows. USAID focused on getting the private sector and communities more involved in taking responsibility for the quality of primary public education.

USAID technical and financial assistance helped insert the issue of education quality into the public dialogue. With USAID help the country now has a scientifically reliable and credible testing system for reading comprehension and mathematics, developed in conjunction with local universities, Pontificia Universidad Catolica Madre y Maestra (PUCMM) and Instituto Tecnologico de Santo Domingo (INTEC). The first round of tests in May 2005 clearly demonstrated that public school graduating fifth graders were functioning at less than the expected third grade competency levels in reading comprehension and math. Furthermore, the average public school fifth graders were performing below the average Dominican private school third grader in reading comprehension and at approximately the same level as the average private school third grader in mathematics. These results clearly document the growing gap between the ability of rich and poor Dominican children to take advantage of opportunities that will open for them as adults. The local universities now know how to conduct and process these tests, the 2006 round of testing is now underway, and the methodology has now been recognized and is being adopted Latin America and Caribbean wide to evaluate the teacher training work of the

Summit of the Americas Centers of Excellence in Teacher Training (CETT) in Central America, South America and the Caribbean.

USAID collaboration with PUCMM and the Secretary of Education has also introduced the CETT methodology for improving reading comprehension into 80 pilot schools in the Dominican Republic. On an anecdotal basis, this methodology appears to be having a positive impact. The test methodology developed will be applied to CETT schools in September 2006, so the country and USAID can better judge results in terms of quality education, as measured by student competency. If the CETT methodology proves successful, it will be expanded to another 100 pilot schools and will incorporate fourth graders and math education over the next two years. At the end of that period the Dominican Republic may have the tools to substantially improve reading and math skills in primary education and can decide whether it wants to introduce the methodologies nationally.

USAID's ongoing exploration of private sector support for the improvement of Basic Education has identified dozens of corporate sponsors who are deeply committed to public education. In terms of thousands of dollars invested and thousands of students reached, the Dominican private sector is fully on board with the concept of social responsibility and the need for improved education. The entrepreneurs – big, medium, small – all have demonstrated a sincere interest in a school sponsorship concept that goes beyond infrastructure. Though public goodwill has been a motivating factor, a growing concern within the private sector has been the need for a brighter future for Dominicans of all social groups. USAID will continue to work with the private sector to see how the resources being invested can result in having a greater impact in improving quality in public basic education.

USAID has also worked on strengthening links between primary schools and the communities they serve. An interesting phenomenon occurred while implementing the USDA/USAID Global Food for Education Initiative (GFEI) and

Food for Education (FFE) programs. In the words of an NGO technician, the organizations that worked on grass roots community development always thought of beneficiaries in terms of people, be they children or adults. But in working with the school as the center for all interventions, this NGO representative discovered that all involved began to think of the school community as the beneficiary. Children and their parents were receiving many benefits (in the shape of improved nutrition and sanitation, infrastructure, didactic materials, and so on), but the larger, longer term benefit came from the realization that there was a central point in which the Dominican and United States governments, the NGOs, religious groups, teachers, students and their entire families could meet with common priorities. This does not yet constitute a full-fledged institution, but it is a concept that continues to prosper in most of the communities that the GFEI and FFE programs chose – the idea that a school is not just a building but the heart of a community where all actors can converge with a view towards improving the quality of their lives.

Democracy, Governance and Justice

Electoral and Political Process Reform: In August 2000, the DR had just completed its third free and fair election process since the controversial 1994 elections. USAID support to civic movements led by Participacion Ciudadana (PC) helped introduce the preferential vote for both mayors and Deputies in the 2002 Congressional and Municipal Elections. For the first time, this made it possible for voters to directly elect the individuals they want for mayor, rather than voting for a party and having their elected official chosen for them. For the first time, it was possible for a voter to elect a Senator and Deputy from one party and a mayor from another. The change also took the first step toward direct election of Deputies. Although the vote for Deputy is still tied to the vote for Senator, and City Councilmen are still elected as a party slate with the mayor, the changes in 2002 brought far more voter discretion than in the past and laid the basis for building the constituent-voter relationships characteristic of a mature democracy.

USAID support to Participacion Ciudadana and its civic movement also helped achieve changes that enhanced security and transparency in the electoral registry and voter cards, removing a significant opportunity for fraud from the electoral system. These changes permitted PC to advocate between the 2002 and 2004 elections for abolishing the closed polling site system. That system required all who were going to vote to arrive at the polling site to register before voting began and required women to vote in the morning and men in the afternoon. The increased voter participation in the 2006 elections in comparison to those in 2002 may well be a result of both the current open polling site system and the enhanced ability of the voter to cast a ballot directly for the individuals he or she wants. The fact that voters in 2006 clearly split their votes in many places, voting for a Senator and Deputy from one party and a mayor from another can be interpreted as an advance in voters voting their conscience. Also for the first

time in 2006, the security of the voter registration list and voter identification cards was not a major issue in the Dominican Republic, a reflection of the advances made in this area over the last six years. However, the system for counting, tabulating and registering votes remains a challenge that needs further work. Furthermore, the vast majority of candidates did not run on a clear platform that let voters know what they could expect of them if they won. The lack of transparency in campaign financing and the illegal use of government funds for election campaigns also remains a huge problem that must be addressed.

USAID's consistent and unflagging support of Participacion Ciudadana's election observation efforts with its year long pre-election monitoring, mobilization of thousands of local monitors on elections days, development of reliable and credible quick counts, and vigilant post election monitoring and analysis has helped assure fair, participatory and credible elections over the past six years, helped reduce tensions in each electoral process and contributed to the constant improvement seen in the Dominican electoral system. In 2004 two of the major political parties requested PC electoral observation of primaries for the first time, taking the first steps in making candidate selection more transparent. PC now has widespread credibility locally and has become recognized as a hemisphere-wide leader in election monitoring. PC is now providing technical assistance and training to civil groups in other parts of the hemisphere and world.

One of the most important challenges facing Dominican civil society organizations is the quest for financial sustainability in a way that does not compromise their independent voice on sensitive issues. Thanks to USAID support, in collaboration with the Synergos Foundation, Participacion Ciudadana has made substantial progress in assuring its own future sustainability as an independent voice for sound democratic processes and good governance. As a result of its well-organized sustainability campaign, PC has been able to buy its own headquarters, and start an endowment that already has substantial

contributions and pledges. Also PC has made great strides in diversifying its sources of funds, both national and international, and developing a portfolio of income generating activities and services.

USAID recently began to finance a consortium of two private universities (INTEC and UNIBE) and PC to design and implement a series of 12 week courses over a two year period to deepen the understanding of young Dominican political party leaders of democratic values, attitudes and practices, as well as of the role of public institutions within a democracy. The courses, to be organized in six different locations in the country, will be attended by approximately 1000 young party leaders and 100 members of civil society organizations. The initiative has been well received by the leaders of all major Dominican political parties. However, it is too early to tell what impact this might have in the future on Dominican institutions.

Justice: When I arrived in July 2000, Dominicans had already taken a giant step forward in choosing a new, more credible and independent Supreme Court in 1997 through a new more transparent and less politicized mechanism. The Court had also adopted a less political, more technical and more transparent way of choosing judges for the rest of the Judiciary. However, many of the new judges had relatively little experience and there were whole new areas of law with which many were unfamiliar. Grave concerns remained about the independence of the Courts, there were no Public Defenders, the Public Ministry was highly politicized, case tracking information was weak or non-existent, time to trial was prolonged and many people were held in jail for years before ever being tried or even formally indicted. There were no career laws for either the Judiciary or the Public Ministry. Discussions had just begun about the need for a new criminal procedures code.

Sustained and committed USAID technical, financial and, particularly, moral support, combined with enlightened, committed leadership in the Supreme Court,

Judicial School, and more recently in the Office of Public Defense, the Attorney General's Office, the Coordinator for Reform of the Justice System and the Public Ministry School have yielded, impressive institution building results over the past six years. USAID support to civil society coalitions led by FINJUS to push for reform and for greater independence of the Judiciary, advocate for new legislation, and provide critical technical assistance has been key to the advances achieved.

USAID helped the Judiciary develop a world-class Judicial School. The School has supported fundamental reforms in the justice system, developed general and specialized curriculum for judges, trained sitting judges and administrative personnel, and supported the careful merit selection and training of new career judges, creating a superior cadre of capable judicial personnel. USAID also helped develop a cadre of Judicial Public Defenders, assisting with establishment of the Office of Public Defense and selection and training of the country's first 80 career Public Defenders. For the first time these Defenders are now protecting the rights of thousands of poor Dominicans accused of crimes, while their vigilance in assuring that the new Procedures Code is strictly applied is significantly improving the integrity and efficiency of the Dominican justice system.

Since August 2000, USAID assistance has helped the country write, advocate for, pass, prepare for, and implement a new Criminal Procedures Code. This Code fundamentally changes the nature of the criminal justice from a slow, overburdened, largely written system, lacking transparency, to a more agile, transparent, modern and fair oral adversarial system. With USAID assistance, all outstanding cases were reviewed prior to implementation of the new code, hundreds of inactive cases were closed, and the remaining cases were assigned to special judges for completion under the old code. New model organizational and administrative systems adapted to the new Code have been developed for all actors in the judicial process, the Courts, Prosecutors and Public Defenders.

These are now being piloted in three Judicial Districts in the country and will eventually be applied nation-wide. All justice sector actors, judges, prosecutors, public defenders, and police investigators have received USAID funded joint training in implementation of the new Code.

USAID assistance to the Public Ministry since August 2004 has resulted in selection and training of a cadre of young career Prosecutors for the first time. USAID and other USG joint training of public prosecutors and police is forging the teamwork between these two groups needed to make the new justice system work. USAID assistance helped develop an automated criminal case tracking system now being implemented throughout the Public Ministry.

USAID support to FINJUS and the civil society coalition it leads has helped reinforce and sustain advances in achieving an independent Judiciary. The coalition was also critical to passage of the Judicial and Public Ministry Career Laws and the Public Defense Law and to planning and preparing for implementation of the Criminal Procedures Code.

Finally, USAID assistance more recently has helped launch alternative dispute resolution initiatives in the Dominican justice system through support in exploring alternative models that could be adapted to the Dominican situation. USAID supported training of the first 60 mediators and assistance in establishing the first family mediation center have rapidly advanced this Dominican initiative to improve access by the poor to justice.

Anti-corruption: When I arrived in the DR in July 2000, I remember plenty of almost whispered references in private or on the cocktail circuit about corruption in the government and in virtually all prior governments. However, the issue of corruption rarely appeared in written or other media channels. I remember the shock I felt when I came to understand that the issue was not just a lack of compliance with internal controls, but that critical institutions were actually

structured in such a way to assure maximum discretion to the Presidency, high level politically appointed officials and the Congress to use resources and government positions as they saw fit, with no real oversight, control, or accountability. I am referring to institutions like control of budget planning and implementation, hiring and payment of personnel, government accounting, government procurement, and operations of oversight entities like the Controller General (internal audit) and the Camara de Cuentas (external audit).

In 2000, the Superintendent of Banks had little control over the financial sector and oversight was divided among two separate superintendents. Since then the Superintendents of Securities and of Pensions were added to the mix. Traditionally none of the Superintendents have been independent of strong political influence. There was and there remains no systematic information exchange between the four Superintendents, leaving the regulatory environment wide-open to manipulation by the powerful members of the financial sector. Impunity was and has traditionally been rampant when it comes to corruption. In 2000, there was little apparent commitment or interest in changing the situation. When I repeatedly asked why the business sector did not band together to fight corruption, I was informed that many were or had been involved in one way or another. Furthermore, none of the major civic groups wanted to take the lead on this issue for fear of negatively affecting their organizations or their other work and because they were not confident that anything could be done. The issue of corruption, if it even made it on to the list of concerns in public opinion surveys, appeared at the bottom.

Often the first step in institutional change is conceptual. I believe combating corruption in the Dominican Republic is an issue where conceptual change is critical to building the institutions that will eventually lead to sound governance. USAID diplomacy and assistance to civil society partners, in conjunction with the economic toll of the bank fraud cases of 2003, have contributed significantly to bringing about the required conceptual change. A recent poll showed that

corruption tied with jobs as the top ranking concerns for Dominicans, with 21% naming corruption as their highest concern. This is not a reflection of recent increases in corruption; there has been widespread corruption and impunity in the DR for a long time. Rather, I believe it is a reflection of an increased awareness of corruption and its negative impacts on the lives of all Dominicans, and a growing desire for change.

Relatively little real progress was made between 2000 and early 2003 on the issue of corruption, despite some valiant efforts on the part of the Mejia Administration's first Attorney General and its Controller General. However, as the Baninter bank fraud case, quickly followed by the Bancredito and Banco Mercantile cases, became public and their impact on the economy began to be apparent, USAID was able to help catalyze the formation of the Coalition for Transparency and Institutionalization (CTI). CTI quickly coalesced into a broad coalition of civic movements like PC and Foro Ciudadano, democracy building NGOs like FINJUS and Centro Juan Montalvo, leading business groups like CONEP and ANJE and a network of 51 NGOs focused on social change. USAID support for PCs seminal study of corruption cases, *Twenty Years of Impunity*, helped focus attention on the fact that only one out of 227 corruption cases in the justice system over the past twenty years ever reached a conviction, and that one was highly political and was quickly overturned. CTI members began tracking the progress of the bank fraud cases through a series of public forums, even though this process put the personal welfare of the leaders in this effort at risk. This has kept the cases in the public eye and helped keep the process moving forward through the justice system. Participacion Ciudadana, a leading member of the CTI became the local affiliate of Transparency International.

Leading journalists risked their own careers to begin reporting on corruption and the bank fraud cases. When a group of leading journalists found they could not get their articles on corruption and other sensitive issues published they moved

to establish an independent newspaper, now well known as Clave Digital, and USAID lent a helping hand. The on-line newspaper became a beacon for credible, transparent, and investigative reporting in the country. Hopefully with its recent purchase by a leading business group it will not succumb to the pressures that are common in the Dominican news media of editors protecting their owner's business interests by not publishing honest but controversial articles.

USAID funded civil society roundtables hosted by FINJUS, PC or USAID have regularly discussed how transparency and corruption is linked with other key issues like elections, the justice sector, social services and poverty over the past four years. These civil society roundtables have now expanded from Santo Domingo and Santiago to other parts of the country. A series of USAID supported and FINJUS hosted forums in 2004 that invited each major Presidential candidate to present his platform for combating corruption put corruption squarely on the political agenda. Similar forums for Senate candidates were held by various CTI members in different parts of the country before the Congressional and Municipal elections of May 2006; once again forcing candidates to develop public platforms for combating corruption. The issue of corruption and its link to the country's economic, political, social, and security fabric now appears daily in the newspapers and other news media. It is little wonder that Dominicans now see corruption as a priority issue for the country when they did not six years ago. Progress on raising awareness is clear, but much more is needed.

While a conceptual change in the minds of the Dominican citizen on the problem of corruption is necessary, it is not sufficient. Government institutions must also be willing and able to respond to citizen demands to reduce corruption. In some cases laws must also be changed. USAID support has contributed in this area as well. When President Fernandez wanted help in developing a national plan to fight corruption, USAID helped him organize a Presidential Commission on Ethics and Fighting Corruption with a technical working group made up of

government and civil society representatives. USAID collaborated with the World Bank and IDB to help the Commission develop a solid national strategy and plan to fight corruption. The Plan now exists and some of it is being slowly implemented. A key first step was passage of the famous bridge decree for public procurement that was finally signed by the President. The bridge decree is supposed to mandate implementation of more transparent public procurement systems while the Fernandez administration works with Congress to pass a public procurement law that meets international standards for transparency and effectiveness. The National Plan to Fight Corruption is there, however, it awaits real Presidential leadership and commitment to move forward. The recent elections have given the PLD party a clear mandate. Now is the time for courageous actions that break with the country's political culture and moves dramatically forward in addressing the issue of corruption!

USAID supported civic groups have also analyzed and advocated for passage of key laws that will encourage greater transparency in management of public finances. Some of these are required under the country's IMF agreement, including the Public Credit and Treasury laws, which have been approved by Congress, and the Public Procurement, Internal Control and Budget laws that are still pending. USAID technical assistance and support for advocacy by civil society groups helped develop a new Freedom of Information Act (FOIA). Subsequent assistance helped the Attorney General and Public Ministry establish a unit and internal procedures for implementation of the Law that is serving as a model for implementing the FOIA in other government agencies. USAID has also helped the Public Ministry develop a unit and internal procedures for implementing the recent Public Procurement Bridge Decree and the future Public Procurement Law. This unit is fully functioning and has been adopted by the National Council for Reform of the State (CONARE) as the definitive model for executive branch institutions for procurement procedures and implementation of the FOIA legislation. The World Bank has agreed to support replicating the model in additional central government institutions.

A third pillar of enhancing government transparency and fighting corruption is holding elected officials accountable to voters. With USAID support, PC has begun formal monitoring of the performance of legislators and Congressional Committees, which could have long-term impacts on Congressional results and transparency. For the first time Dominican citizens are now receiving regular reports on Congressional actions, voting records, attendance and performance.

HIV/AIDS and Tuberculosis, Health Sector Reform, and Maternal and Child Health

HIV/AIDS and Tuberculosis: In 2000, there was no integrated care and treatment program for HIV/AIDS and no functional National Tuberculosis program. A progressive HIV/AIDS Law existed, but was not being fully implemented. The country had recently approved a national HIV/AIDS Plan and established the Presidential Commission on AIDS (COPRESIDA) to coordinate the efforts of all sectors in addressing an apparently growing HIV/AIDS epidemic. USAID had been providing support to a network of NGOs involved in prevention activities for several years. There was little reliable information on the actual size and focus of the HIV/AIDS problem in the DR.

USAID technical assistance and support helped the DR undertake the first household survey that included direct testing for HIV/AIDS using a simplified method, as part of the last ENDESA study in 2002. This survey provided the first reliable and internationally comparable information on HIV infection rates throughout the country and identified high prevalence areas that should receive priority attention in preventing the spread of the disease. This data base is now being used for national planning and programming purposes.

In spite of a \$48 million Global Fund program and a \$25 million World Bank loan for HIV/AIDS, USAID has been the principal and most reliable donor supporting the National HIV/AIDS Program in the DR over the past six years. USAID provided the prime technical and financial assistance in mounting an Integrated Care Unit within the Secretariat of Health (SOH), which oversees and supervises the treatment program. With USAID assistance the unit developed standardized protocols and norms for integrated treatment centers and integrated treatment. Unit staff was trained and regularly visit the treatment sites to oversee the service quality and resolve problems. USAID has helped develop a network of private

and public integrated treatment centers. Antiretroviral drugs (ARVs) are now purchased from Global Fund resources, and for now, the treatment program is well established and functional. In little more than two years, the National Program has over 2800 persons on antiretroviral drug therapy. The high cost and difficult availability of testing for treatment purposes remains a challenge that must be addressed.

Similarly, USAID has been instrumental in assisting the National Program to develop its prevention of mother to child transmission and Voluntary Counseling and Testing (VCT) programs. Both still have problems, including the need for a reliable data gathering and reporting system, but they are providing important prevention services to thousands of Dominicans. With sustained USAID support over the past six years, the capabilities of a large network of NGOs have grown substantially, allowing them to diversify the populations served and the services provided. The NGOs have moved from solely engaging in behavior change activities directed to adolescents and youth to providing home-based care for persons living with AIDS, specialized services for infected and affected children due to AIDS, and community mobilization for tuberculosis treatment and prevention. Through USAID support, a network of persons living with AIDS was created and is in the process of being institutionalized. This network is now advocating for the rights of those living with AIDS, for access to quality retroviral treatment, and for quality integrated care.

The USAID sponsored annual youth song contest on HIV/AIDS has completed its fourth year and has now become a part of the National AIDS Program. With its success in engaging youth in the fight against AIDS and in getting the message out to this critical target group, other donors have become interested and are now cost sharing in the annual contest. In 2005, the program was transmitted live on two important television channels locally and to the Dominican community in New York. CDs of song finalists have been produced for all four contests and have been widely used for educational activities. Four major mass media

campaigns on HIV/AIDS prevention were carried out during the last six years. One of the campaigns was awarded the second prize in the Listin Diario National Creativity Contest, a national contest among publicity and marketing agencies in the country. The spots from all of the campaigns continue to be aired even though the formal campaign has ended. The positive impact of the campaigns on behavior change in the target population has been evaluated and documented. Free air time contributed by the private and public media networks has been institutionalized and is now recognized as a social responsibility.

The National Tuberculosis Program improved its coverage, detection and cure rates nearly exponentially, once USAID support and technical assistance, in partnership with the Pan American Health Organization, were mobilized. In four years, more recently in collaboration with the Global Fund TB grant, detection and cure rates have improved. Service delivery sites increased from 31 sites in 2001 to 933 in 2005, providing access to TB services to 80% of the population. Tuberculosis cure rates have risen to 74.7% in 2005 from 46% in 2000. Detection has increased from 24,251 in 2002 to 64,028 in 2005, although detection rates have held steady at 27%. USAID is now supporting a study on multi-drug resistance, in order to provide effective second-line treatment to those persons who require stronger drugs.

Health Sector Reform: In the fall of 2000, the country had clearly expressed its interest in establishing a national pension system and undertaking a profound health sector reform process, but the direction of the health reform was very unclear. There was little consensus among the stake-holders. Congress was debating the Social Security Law and the General Health Law that would define the legal framework and direction for the reform of the health care system.

USAID assisted the congressional committee designing the Social Security reform to observe and analyze similar reform processes in the hemisphere in order to shape legislation. USAID support to organized civil society groups in the

health sector, led by INSALUD, facilitated broad public debate on the two pertinent laws that helped shape the legislation. USAID assistance to civil society groups advocating for passage helped the laws finally pass in 2001, establishing the general framework and direction for the reform.

However, the devil was still in the details. It was clear that implementation of the new law would require a long and difficult process that should start by creating the system's new institutions. USAID funded technical assistance worked with CNSS (the National Social Security Council), SENASA (the public health insurance entity), SISALRIL (family health insurance superintendent), and DIDA (the client advocate organization) on management systems they needed to prepare for the new system and with the drafting of norms and bylaws needed for implementation. The Secretary of Health asked USAID to work with the five provincial health directorates and 14 hospitals of Region V (the eastern region), to build local management capacity to implement the reforms and the family health insurance. (Three of the key reforms require strong management skills: the decentralization of service provision to autonomous regional public networks, the delegation of the oversight and public health functions to the provincial health directorates, and financing of service provision, moving away from subsidies to the supply to subsidies to the demand).

The Family Health Insurance Program was actually launched in Region IV (the southwest), a poor region that was totally unprepared for the management of such a radically different way of providing basic health services. It took the Dominican Government three years to launch in Region V (in August 2005), and by then, with USAID technical assistance and support, the Region was well prepared to assume the management responsibilities of the Family Health Program.

As a part of preparing Region V, USAID supported the Social Cabinet under the Vice President in identifying and registering beneficiaries for the subsidized

regime of the Family Health Insurance Plan in Region V. In doing so, USAID helped develop a survey instrument that allowed the Social Cabinet to simultaneously gather information for better targeting social subsidies and for identifying subsidized recipients of the Family Health Insurance Program, saving the government time and money. The instrument can now be used as a model for identifying beneficiaries in the rest of the country, as implementation of the system moves to other provinces.

Between 2001 and 2005 USAID supported technical assistance worked from the bottom up with the Regional Health Team, the five Provincial Health Teams and the 14 hospitals in the Eastern Region to develop appropriate organizational models, simplified assessment and management tools, teamwork and professional capacity, and community outreach systems needed to effectively implement the Social Security Family Health Insurance Program. A strategy that focuses on the patient as a client was introduced in all 14 hospitals. This meant a change in the culture of public hospitals. Client Service Offices were created to improve patient care and to develop a system for patient registration and identification, clinical records, registration of medical procedures and billing. Existing clinical records were reorganized and a patient data base was created. Suggestion boxes were placed in key areas and suggestions were regularly reviewed by committees that included community representatives.

Training has been a critical component of USAID support. USAID worked with INTEC and Centro de Especialidades en Salud (CES), a Colombian public health university to develop a graduate course in Management of Health Services and Social Security, in order to develop a critical mass of professional health care managers in the Eastern Region. To date, 106 participants have graduated from the course and are working in health service management in the region. The program was designed with the idea that USAID would gradually reduce the number of scholarships, while INTEC would increase the number of students funded by other sources. This is gradually happening, helping to assure long-

term sustainability. In addition, CES has been providing technical assistance to INTEC to develop marketing strategies for the program. The graduates themselves are the best promoters. Sixty of them are participating in a program called tutors in action (“tutores en accion”), under which they become mentors in Region V initially and later nationwide for the implementation of management tools.

The organizational models and management systems developed with USAID assistance in Region V are being widely viewed as models for implementation of the Family Health Insurance Program in other parts of the country. Client Service Offices are now being required by SENASA in all regions where the Family Health Insurance has started. Other management tools being applied in other regions are for service costing and prospective budgeting. There has been a gradual transformation of the public service providers and particularly the Regions 14 hospitals to better quality, client oriented services. For the first time Dominican public hospitals know the cost of providing each service, can account for resources used and can plan service provision. Hospitals have developed community outreach mechanisms and are now linked with their feeder primary health care clinics in service networks. All 14 hospitals have formed Administrative Councils (“consejos de administracion”) with wide participation, including community representatives. Extensive training will be required for both the Council members and hospital management. Accountability to the Council and to the community they serve is a new concept for public service providers.

The results of USAID assistance on institutions in the Region V are being widely recognized. PARME (Programa de Reforma y Modernización Del Estado) funded by the European Union gave an “outstanding organization in the health sector” award for promising practices to the hospital Dr. Alejo Martinez, of Ramon Santana, a small municipal hospital in Region V, the beneficiary of USAID management development support. Additionally, the staff of the same hospital was recently awarded a “Health Personnel Heroes” award by President

Fernandez for the outstanding, quality services provided to their clients. The experience of this small hospital demonstrates that with proper training, support and appropriate recognition, surprising results can be achieved far in excess of USAID financial inputs, a demonstration of the quality of true Dominican leadership and of genuine transformational development.

Maternal and Child Health: In 2000, available data showed surprisingly high maternal mortality rates for a country with 98% of births attended by medical personnel in a clinic or hospital. However, the reasons for the high mortality rates were unclear. In 2000 the country had recently confronted an outbreak of polio, the first one in the hemisphere, since PAHO had declared the region to be polio free. The ENDESA survey data of 2002 demonstrated remarkably low vaccination rates in comparison with other countries in the hemisphere; creating unnecessary vulnerabilities for Dominican children.

Maternal health in the DR used to be characterized by an “everyone talks about it, but no one does anything about it” syndrome. For years, Dominicans tolerated high numbers of maternal deaths, a large percentage of which were preventable. In 2001,

USAID commissioned an excellent assessment, led by the Population Council, to identify the causes of maternal mortality in the Dominican Republic. The results showed marked deficiencies in quality of the care and particularly highlighted the need to “humanize” treatment and care. It also showed the need to reduce overcrowding in the country’s main third tier maternity hospitals by improving services in feeder hospitals that could handle routine obstetrics cases. In response, USAID developed a pilot program, in collaboration with the Dominican Obstetrics and Gynecological Society, the Secretariat of Health (SOH), PROFAMILIA and other stake holders to address the problem. USAID helped develop an Emergency Obstetric Course (EmOC) and train doctors and nurses in emergency obstetric care and the appropriate management of the labor stage of births at seven hospitals, including the two principal maternity teaching hospitals.

The course included an important component of “humanizing health care services”, which struck an important chord in many of the trainees. The results so far have been excellent, and the staff of the Los Mina Hospital, the second largest maternity hospital, has now assumed the role of advocates for quality, humanized services to their peers in other hospitals. The SOH has now incorporated all medical practices taught in the course into new EmOC protocols that the government plans on publishing and distributing this year. The SOH called a meeting of international donors to present their national strategy to implement EmOC in an additional 15 hospitals and to get commitments from other donors to fund the expanded program. USAID continues to provide technical assistance to the SOH to ensure the quality of the courses and to emphasize the importance of conducting a baseline assessment and at the hospitals and establish a simplified monitoring system to measure the impact. The SOH has now completed 3 of the 15 courses in its expanded initiative to improve maternal services to major hospitals nationwide.

In December 2004, after returning from a USAID funded Latin America and Caribbean regional contraceptive security forum the Dominican government formed a national contraceptive security committee (disponibilidad asegurada de insumos anticonceptivos – DAIA). The DAIA committee was formalized with a ministerial decree. With excellent leadership and on-going USAID technical assistance the DAIA has become a unique monthly forum for addressing issues on contraceptive security, information sharing, decision making and collaboration on family planning issues. The SOH (CONAPOFA and DIGEMIA) are the coordinators of the DAIA and it is a unique opportunity for them to interact with other government, NGO, private sector and civil society representatives. The continued success of the DAIA is largely due to effective leadership, the proactive and positive response from the Dominican government and other actors and the cooperative environment that encourages transparency.

In the year and a half of existence, the DAIA has had many achievements. One of the first projects was an assessment of the current contraceptive situation with a focus on the public sector, although a small sampling of NGO and private sector sites were included. Thanks to the work of DAIA the Dominican budget now has a line item for family planning methods and the government signed an agreement with UNFPA to purchase contraceptives at the most economic prices, assuring regular supply in public clinics. DAIA has worked with donors to develop a single set of logistic forms and one information system for family planning methods. DAIA also got reproductive health included in the national accounts, making the DR the second country in Latin America and the Caribbean to do so.

USAID has also supported development and implementation of sustainability strategies in key NGOs that provide a substantial percentage of the quality family planning and reproductive health services reaching poor Dominicans and other vulnerable groups, such as adolescents, needing specialized services. All three NGOs have made significant progress toward sustainability. PROFAMILIA has had the most success in maintaining their sustainability of clinical services, community education, and quality youth reproductive health educational activities.

In 2000, the country's immunization program reacted to events and vaccinated children through campaigns, resulting in revaccination of the same children, dips and peaks in coverage and poor service provider data on vaccination coverage. A USAID funded assessment of the situation recommended that the country switch to a fixed vaccination site strategy that would capture children for vaccination anytime they contacted the public health system for preventive or curative care. This strategy combined fixed sites with community outreach to bring children into the system.

USAID support has strengthened the immunization system of Region V, with emphasis on establishment of fixed vaccination posts, as opposed to periodic vaccination campaigns. The Provincial Health Directorates and communities have been involved in the process of improving the quality of services provided by the fixed posts. Fifty six vaccination posts now comply with the criteria of excellence for accreditation and are accredited. The total number of accredited posts nation-wide is now 143. USAID assistance has helped strengthen the National Vaccination Program's management capacity. Personnel have received training in the immunization program, the use of the graphic monitoring strategy, using educational materials at the community level, and methods to make good use of opportunities to capture non-vaccinated children attending regular health services. USAID has also supported the cold chain in Region V through the provision of equipment, training (including equipment maintenance and repair) and establishment of a system of regular inspections. This support has been an incentive for others donors and the government to support and invest in the cold chain system in other regions.

USAID has also helped in introducing the Total Community Participation (TCP) model for management of rural potable water systems and getting it adopted as a national strategy. The model gives responsibility for management, fee collection and routine maintenance of rural water systems to a legally constituted community water board. This helps assure sustainability of rural water systems that traditionally have been prone to deterioration within a couple of years of construction. The Dominican National Water Authority (INAPA) in the Mejia administration created a rural water department. This unit continues to function, and 12 national promoters are assigned to work in INAPA's five water regions. These promoters, who received USAID-supported training in social/community mobilization, continue to work on the formation and maintenance of community water boards. The Total Community Participation strategy, promoted by USAID, is now being adopted and replicated by other donors. For example, the Spanish cooperation agency and European Union, through World Vision, plan to employ

TCP in 21 aqueducts to benefit 60 communities along the Haiti border. World Vision's proposal to the European Union also includes the behavior change component of the TCP model developed with USAID support. This component assures that communities are educated in basic sanitation techniques like proper washing of hands and utensils, maintaining latrines and safe use and handling of water for household use. The Santo Domingo water corporation (CAASD), with a World Bank loan, is planning to build a total of 60 water systems to benefit 75 communities of Santo Domingo province, using the TCP strategy. The TCP concept has clearly become institutionalized.

Perhaps most important, USAID supported the creation and development of a national network of rural community water committees (REDAR). Since 2004, USAID has provided support to REDAR in institutional capacity development, to advocate for its own legal institutionalization, and to lobby at the national level for increased support for the rural water sector. Currently, over 120 rural water committees participate in REDAR activities.

Dominican-Haitian Cross Border Programs

Haiti and the Dominican Republic have a long history as neighboring countries sharing the island of Hispaniola. This history is a complex mix of conflict and war, occupation and rebellion, and dictators and democracy. Today, uncontrolled migration of illegal workers from Haiti to the DR, driven by the radically different economic levels of the two countries, and unresolved economic and political problems still fuel tensions between Haiti and the DR. Yet, along the border, it is clear that both countries have much in common, such as communities living with extreme poverty and a lack of access to social services.

In 2003, USAID/Haiti and USAID/DR launched a pilot activity to help border communities focus on resolving their common issues and to reduce the causes of conflict and the competition for scarce resources. By “twinning” communities on the border, matching up pairs of Haitian and Dominican communities, the program promoted dialogue and cooperative problem solving with a focus on increasing trade and family incomes. Now other donors are following suit and are exploring work with twinned communities as a way of using abundant Dominican skills to help Haitian border communities, while enhancing cooperative efforts to improve the lives of those on both sides of the frontier. These first activities have helped to increase attention by the Dominican and Haitian governments and international donors on border issues. Increased focus is resulting in high level dialogue between the two governments on a series of development issues and has substantially increased donor flows to the border region.

Civil Society Strengthening

Over the past six years, USAID has treated civil society strengthening as a cross-cutting theme that helps meet other objectives such as enhancing competitiveness or furthering judicial and health sector reform. However, USAID also sees civil society strengthening as an end in itself because effective citizen participation in government oversight and decision making is a critical part of making a modern democracy work. In 2000, the Dominican Republic already had an impressive civil society network in the democracy arena and to a lesser extent in the health area that had received USAID assistance. The democracy network has continued to mature in its ability to analyze the country's problems in electoral and judicial reform, set an agenda that influences political platforms and policy setting and mobilize a coalition to prevent erosion of advances already achieved. Since 2000, this group, with USAID assistance, has expanded into other issues, such as corruption, added more members, begun work in other parts of the country, and added work at the community and municipal levels to the agenda.

Over the last six years, we have seen citizen coalitions and networks involved in advocacy coalesce in other areas as well. Many of those have received USAID assistance in one way or another, often indirectly. We now see an active coalition of private sector entities and NGOs working to protect the national parks and to protect the environment. There is now a network of rural water boards advocating for greater attention to the water and sanitation needs of rural communities. A network of people living with HIV/AIDS is now actively working to raise awareness of the problems facing this community. USAID assistance has helped link communities to their primary schools, primary health clinics and hospitals to both support these institutions and constructively work for better use of resources and better quality services. Tourism and niche market agriculture clusters are now linking together into networks to advocate for policy changes to

improve competitiveness in these sectors. This flowering of issue oriented networks and coalitions aimed at influencing the public debate and public policy represents a paradigm shift in how citizens influence the political, economic and social processes in the country. They also represent a real deepening of Dominican democracy.

In looking back over the last six years, I see truly impressive advances in institution building in the Dominican Republic. Many of these changes are likely to have a profound positive influence on the future of the country. Although there is always more to do when it comes to building a nation and its institutions, I think we can all be very proud and pleased with what has been accomplished. I salute the real institution building heroes of the Dominican Republic and trust that they will continue their fight for a better future for all Dominicans.