

Data Sheet

USAID Mission:	Ecuador
Program Title:	Northern Border Development
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	518-013
Status:	Continuing
Planned FY 2005 Obligation:	\$14,880,000 ACI
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$11,540,000 ACI
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2006

Summary: USAID's Northern Border Program is aimed at containing the spread of a coca/cocaine economy into Ecuador by strengthening northern border communities through preventive alternative development, consisting of: 1) social infrastructure and local democratic governance improvement; 2) productive infrastructure and licit productive activities; and 3) communications and public diplomacy.

Inputs, Outputs, Activities:

FY 2005 Program: Develop and Expand Alternative Development (\$14,880,000 ACI). The program will be implemented through the following subcomponents:

Social Infrastructure and Local Governance Improvement (\$7,750,000 ACI). USAID will fund social infrastructure and local government development with stronger citizen participation in decisions about priorities for location and management of such infrastructure. Construction or rehabilitation of water and sanitation systems for 20 communities will serve approximately 30,000 beneficiaries in six provinces, with increasing emphasis in the Amazonian provinces of Napo and Orellana. Specialized technical advisory services and training will build community capacity for the sustainable operation, maintenance, and management of these systems. At least ten local governments will be assisted in participatory planning, financial management, and transparent contracting in public services. USAID will expand community organization strengthening activities by building the capacity of local indigenous, Afro-Ecuadorian groups, and other community based organizations. The prime grantee is International Organization for Migration (IOM), and the subcontractor is CARE.

Productive Infrastructure and Licit Productive Activities (\$6,630,000 ACI). To promote licit income and employment opportunities, USAID will fund the construction of roads, bridges, and irrigation canals; technical support, training, and grants for agricultural crops; and land titling for individual farm families and indigenous communal titling. An estimated 20 new bridges, at least two small irrigation systems, and at least two rural road improvements will be completed. New product clusters (e.g. fruit pulp, fine woods, cassava, and plantain) will create permanent employment for an additional 2,000 families. The prime grantee and contractor are International Organization for Migration and Associates in Rural Development, Inc.

Communications and Public Diplomacy (\$500,000 ACI). USAID will support a media and communications strategy to underpin the other elements of the program and educate the Ecuadorian public about the potential coca/cocaine threat, and build awareness about the efforts by the U.S. Government and the Northern Development Unit to address the multiple spillover effects from Colombia. Prime contractor and grantee are Futures Group and State's Public Affairs Section.

FY 2006 Program: Develop and Expand Alternative Development (\$11,540,000 ACI). The

amounts listed below include administrative expenses associated with managing the alternative development program. The program will be implemented through the following subcomponents:

Social Infrastructure and Local Governance Improvement (\$4,340,000 ACI). USAID will continue to assist the construction and rehabilitation of water and sanitation systems in six provinces aimed at demonstrating to the population that their government works and provides useful services. Some 16 water systems and 10 new sanitation systems will be built. Local democratic government and civil society participation strengthening activities will be expanded to cover an additional eight local governments. During FY 2006, there will be continued technical and financial assistance and training to solidify the planning, budgeting, oversight and participation activities initiated in ten local governments in 2005. USAID will also expand its technical support for municipal water system operation and maintenance to an eleventh municipality. Prime grantee and subcontractor are the same as above.

Productive Infrastructure and Licit Productive Activities (\$7,000,000 ACI). To continue promoting licit income and employment opportunities USAID will fund productive infrastructure that will include another 15 to 20 bridges, small irrigation systems, and farm to market roads. USAID will also consolidate licit jobs and income activities of the selected crop, wood, and other agro-forestry sectors, and set up supply-demand contracts between producers and buyers, the organization of agri-business enterprises, the development of appropriate business skills, and sustainable development. An additional 3,000 families will benefit. Prime grantee and contractor area the same as above.

Communications and Public Diplomacy (\$200,000 ACI). Expanded support for the public awareness and communications activities initiated in FY 2005 is proposed, as a national effort to multiply the efforts of successful campaign techniques and methods. Opinion surveys to guide message development and evaluate program impact on attitudes and beliefs regarding narcotics-related violence, security, and development will continue. Prime grantee and contractor are the same as above.

Performance and Results: The Government of Ecuador partners with the U.S. Government's and other partners' assistance continues to successfully contain the expansion of coca in Ecuador. Official estimates report that only minor fields of less than five hectares were discovered and eradicated; however, studies show increasing impact of sales of precursor chemicals and drug transshipments, which will require continued long-term U.S. Government assistance to combat, through both development and security assistance. Social and productive infrastructure construction resulted in the construction and rehabilitation of 13 water systems, seven sanitation systems, and 17 bridges, across all six northern border provinces. A Regional Inspector General audit of the program was very positive, and found all infrastructure projects sustainable. The licit income and employment activities began in FY 2004 under the cocoa, coffee, and horticultural sectors. Through these activities the program was able to create nearly 300 new jobs and reach an average annual gross income per family of \$428.

By FY 2007, the spread of the coca/cocaine economy into Ecuador will be contained, and the lives of thousands of people along the northern border will have improved as a result of USAID's assistance. More than 120 potable water systems, 40 sanitation systems, and around 90 bridges will be constructed and or repaired. Also more than 12,000 families will be incorporated into the licit jobs and income program.

US Financing in Thousands of Dollars

Ecuador

	ACI	Plan Colombia
518-013 Northern Border Development		
Through September 30, 2003		
Obligations	25,896	8,000
Expenditures	8,316	8,000
Unliquidated	17,580	0
Fiscal Year 2004		
Obligations	14,912	0
Expenditures	12,591	0
Through September 30, 2004		
Obligations	40,808	8,000
Expenditures	20,907	8,000
Unliquidated	19,901	0
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	14,880	0
Total Planned Fiscal Year 2005		
Obligations	14,880	0
Proposed Fiscal Year 2006 NOA		
Obligations	11,540	0
Future Obligations	2,772	0
Est. Total Cost	70,000	8,000