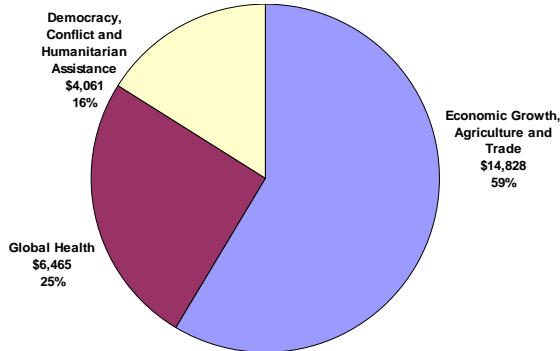
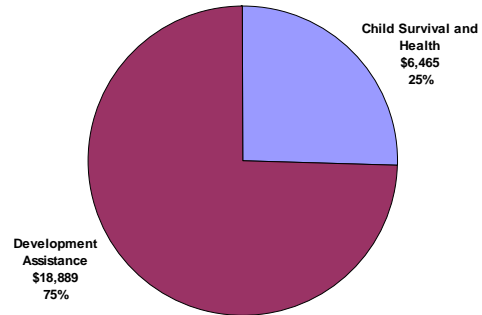


# El Salvador

**FY 2006 Assistance by Sector**



**FY 2006 Assistance by Account**



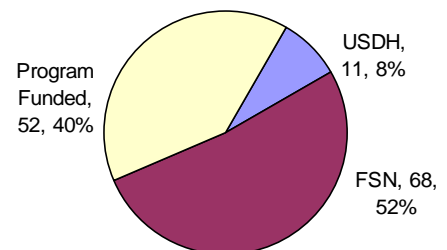
## Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Economic Growth, Agriculture and Education	519-001	2,534		
Democratic Consolidation and Governance	519-002	4,355		
Health of Women and Children	519-003	7,150		
Clean Water Access	519-004	3,600		
Ruling Justly	519-021	1,000	4,350	4,061
Economic Freedom	519-022	15,666	18,589	11,228
Investing in People	519-023		11,626	10,065
P.L. 480 Title II		630		
<b>Total (in thousands of dollars)</b>		<b>34,935</b>	<b>34,565</b>	<b>25,354</b>

## Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation	4,298	4,824	5,024
USDH Salaries & Benefits	2,043	1,336	1,365
Program Funds	2,957	2,730	3,809
<b>Total (in thousands of dollars)</b>	<b>9,298</b>	<b>8,890</b>	<b>10,198</b>

**FY 2006 Workforce**



Mission Director: Mark Silverman

## El Salvador

**The Development Challenge:** In the span of 13 years, El Salvador has implemented reforms from the Peace Accords that ended a long civil war; endured a devastating hurricane and two powerful earthquakes; and suffered the combined impacts of declining coffee prices, loss of apparel industry jobs, and high petroleum prices. In the face of these problems, El Salvador continues to make substantial progress along a path of transformational political, economic and social development. While much of Latin America has experienced negative growth rates during this decade, the Salvadoran economy has maintained a positive average annual growth rate of slightly below 2%. In March 2004, the country held presidential elections deemed transparent, free and fair, with a voter turnout of 67%. The newly-elected government faces the daunting task of delivering on its promises of economic and social reform.

Economic growth projections for 2005 are expected to be about 2.5%, given several factors. In 2004 the inflation rate, while modest by international standards, more than doubled to 5.3%, due to the high price of petroleum. In addition, 10,000 apparel industry jobs were lost as a result of new competition from China. Broad-based growth continues to be a challenge, with highly unequal income distribution, where the poorest 20% of the population receive only 3.1% of the nation's income. This translates to more than one million people who do not earn enough to take care of their families' basic needs. Remittances from Salvadorans in the United States are expected to reach \$2.5 billion in 2004.

To contend with the social and economic issues that could hamper the country's progress, the Government of El Salvador (GOES) plans to increase social investments in rural regions where poverty rates are the highest in order to improve the quality of education and health care delivery. To increase social investment, the GOES recognizes that it must push ahead with implementation of key fiscal reforms that will stimulate increased tax collection. Other items on the GOES agenda include security, transparent and responsible governance, economic competitiveness, and increased job creation and economic opportunities through trade and micro, small and medium enterprises. It is an integrated agenda with each part affecting another.

El Salvador's strategic location and strong ties to the United States make its political and economic stability a vital U.S. interest. The political and economic liberalization encouraged by the United States and adopted by El Salvador has made the country a model for post-conflict developing countries. The United States is El Salvador's most important trading partner, receiving 64.4% of exports and providing 46.7% of imports. Approximately two million Salvadorans reside in the United States, many of them illegally. By promoting prosperity in El Salvador through USAID programs and opportunities such as the Central America Free Trade Agreement (CAFTA), the United States can help strengthen the economy, thereby reducing the flow of economic migrants to the United States and reducing U.S. vulnerability to transshipment of narcotics and trafficking in persons.

**The USAID Program:** In FY 2005 USAID will complete four programs under its 1997-2004 strategy that focus on economic opportunities for rural poor families, democracy and good governance, health of rural Salvadorans, and rural household access to clean water. USAID will also finish its earthquake recovery program, having contributed to the reconstruction of rural housing, health and education facilities, water systems and reactivation of the most affected sectors of the rural economy. USAID will begin implementation, under the Central America and Mexico (CAM) Regional Strategy, of a new El Salvador Country Plan. Under this strategy, USAID will implement programs under three objectives consistent with Millennium Challenge Account objectives: Ruling Justly, Economic Freedom, and Investing in People. USAID will begin its new Investing in People program and continue implementing activities under the Economic Freedom and Ruling Justly programs.

**Other Program Elements:** In addition to the bilateral program, there are ongoing activities in El Salvador managed by regional programs. Under the Central America Regional Program (G-CAP), the Rural Diversification Program supports small and medium-scale specialty coffee producers by enhancing quality, introducing better practices, improving market differentiation and certification, and increasing value-added components. The G-CAP Trade program supports trade competitiveness and readiness to participate in sub-regional, hemispheric and global markets and promotes effective preparations for trade

negotiations. USAID's Latin American and Caribbean (LAC) Bureau supports efforts in civil society outreach to explain the objectives and benefits of CAFTA. The G-CAP Environmental program supports El Salvador in the area of cleaner industrial production processes related to proposed CAFTA requirements and environmental conservation of the Gulf of Fonseca. G-CAP's Regional HIV/AIDS activities support effective behavior change among at-risk groups.

Through its farmer-to-farmer program, USAID's Economic Growth, Agriculture, & Trade (EGAT) Bureau supports volunteer technical assistance to promote horticulture and dairy production and marketing. USAID's EGAT Bureau also funds a small grants program benefiting migratory birds and their winter habitats in El Salvador. Through USAID's Centers of Excellence for Teacher Training Program, training and technical assistance was provided to 93 teachers in 74 schools. USAID's Civic Educational for Reform in Central America program assisted the development of case studies on citizens' contribution for improving quality education and on the development of a School Report Card model in selected rural schools.

**Other Donors:** Donor coordination in El Salvador reinforces policy dialogue and enhances communication and coordination. With the active participation of the donor community, the United Nations Development Program (UNDP) is leading the development of improved coordination mechanisms among donors and with the Government. Sectoral working groups formed by the GOES, donors, and civil society representatives discuss key topics of national interest. USAID actively participates in a number of these groups.

In 2004 bilateral support to El Salvador totaled \$74.3 million. The United States continued to be the largest bilateral donor. Other major bilateral donors include Germany, Japan (economic reactivation and job creation; social development; environmental conservation; and democratic consolidation), Spain (poverty reduction; environment; human investment; infrastructure and economic promotion; institutional strengthening; good governance; and conflict prevention), and Sweden (housing construction).

Multilateral assistance in 2004 totaled \$34.2 million. Major multilateral agencies are the UNDP (rule of law; environment; local health services provision; gender programs; and civil society without violence), European Union (micro and small enterprises), Inter-American Institute for Cooperation on Agriculture, and the Pan American Health Organization. UNDP is also helping the GLOES implement the \$23.5 million Global Fund for AIDS, Tuberculosis and Malaria program.

## El Salvador PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Child Survival and Health Programs Fund	9,800	7,150	7,626	6,465
Development Assistance	26,334	27,155	26,939	18,889
PL 480 Title II	1,809	630	0	0
<b>Total Program Funds</b>	<b>37,943</b>	<b>34,935</b>	<b>34,565</b>	<b>25,354</b>

### STRATEGIC OBJECTIVE SUMMARY

519-001 Economic Growth, Agriculture and Education				
DA	17,285	2,534	0	0
519-002 Democratic Consolidation and Governance				
DA	4,950	4,355	0	0
519-003 Health of Women and Children				
CSH	9,800	7,150	0	0
519-004 Clean Water Access				
DA	4,099	3,600	0	0
519-021 Ruling Justly				
DA	0	1,000	4,350	4,061
519-022 Economic Freedom				
DA	0	15,666	18,589	11,228
519-023 Investing in People				
CSH	0	0	7,626	6,465
DA	0	0	4,000	3,600

Mission Director,  
Mark Silverman

## Data Sheet

<b>USAID Mission:</b>	El Salvador
<b>Program Title:</b>	Ruling Justly
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	519-021
<b>Status:</b>	New in FY 2004
<b>Planned FY 2005 Obligation:</b>	\$4,350,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2006 Obligation:</b>	\$4,061,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Estimated Year of Final Obligation:</b>	2008

**Summary:** USAID's democracy and governance program strengthens rule of law, increases access to justice, and promotes greater transparency, accountability and more responsive governance. Program activities are intended to improve the transparency and responsiveness of the justice system, increase the use of alternative dispute resolution mechanisms, promote anticorruption measures, and encourage more transparent and effective management of public resources and decision making.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Improve Justice Sector/Legal Framework (\$2,000,000 DA). In the first year of the program, USAID will work with the Public Defender's Office, selected municipalities, universities, and other interested entities to strengthen existing mediation centers and deepen and institutionalize alternative dispute resolution in the country. An evaluation will be conducted to examine the results of work to date and provide recommendations for this component. USAID will explore supporting youth mediation activities as well as potential support to the municipality of San Salvador to open a mediation center. Efficiency and transparency will be increased by working with the Supreme Court, with judges through the National Judicial Council, and with lawyers' associations and civil society groups. Principal contractors and grantees will be chosen through a competitive selection process.

Promote and Support Anticorruption Reforms (\$800,000 DA). USAID will focus its efforts on prevention of corruption through increased transparency, education of public employees, and support to civil society organizations (CSOs) to promote accountability and ethics in government. If the draft Code of Ethics for government employees, now with the Legislative Assembly, is passed, USAID will support its implementation, including technical assistance and training for the establishment of an ethics or transparency office. Select CSOs will advocate for legislation for increased public access to information, as well as encourage the Government to publicize public information through websites, pamphlets, and other modes of communication. Principal contractors and grantees will be selected through a competitive, multi-country (El Salvador, Nicaragua, Guatemala and Panama) implementing instrument.

Strengthen Democratic Political Parties (\$880,000 DA). At the initial stages of this activity, USAID will focus on education and training for party institutes, mid-level party members, and those who are genuinely interested in making their parties internally more democratic. Primary mechanisms for training will include seminars, roundtables, workshops, and observational visits. Training will be on topics such as political party strategic planning and development; organizational development; membership recruitment; policy formation; campaign planning and management; and modern political thought. In addition, USAID may help improve accountability of elected and appointed officials and build the capacity of political parties to participate effectively in elections. Principal contractors and grantees will be chosen through a competitive selection process.

Support Democratic Local Government and Decentralization (\$647,000 DA). USAID will foster dialogue at the national level to promote policies that devolve public services and decision making authority to the municipal level, as defined by the National Commission for Local Development and the President's advisory group. Agenda topics include the establishment of policy reforms for generating local resources, a municipal transparency code, and determination of the roles and responsibilities of local governments

with respect to the central government. Principal contractors and grantees will be chosen through a competitive selection process.

**FY 2006 Program:** Improve Justice Sector/Legal Framework (\$1,800,000 DA). Based on evaluation results in FY 2005, alternative dispute resolution activities may be expanded throughout the country in order to further institutionalize mediation. If a new civil and commercial procedures code is enacted into law, USAID will provide training and technical assistance to the Judicial Training School for the development of appropriate courses for judges and lawyers. Programs targeted at increasing the transparency and efficiency of the justice sector may continue. Same partners as above.

Promote and Support Anticorruption Reforms (\$1,250,000 DA). USAID plans to continue working with governmental institutions and with CSOs to implement a government ethics or transparency initiative. Transparency interventions with CSOs may be supported in the areas of government oversight and access to information. Public-private partnerships would be pursued to take advantage of the interest of businesses in more transparent government processes such as procurement. Same partners as above.

Strengthen Democratic Political Parties (\$461,000 DA). Training and technical assistance would continue for interested political parties. Depending on the level of party interest and political will, and the results achieved in the first year, USAID would determine the types of assistance most appropriate for the next stage of this program. Given that municipal and legislative elections will be held during this year, specific activities may be targeted at issues relevant to participation in those elections. Same partners as above.

Support Democratic Local Government and Decentralization (\$550,000 DA). USAID plans to continue to facilitate policy dialogue on topics that devolve more authority to local governments, and that promote increased transparency and financial responsibility. If some of the draft laws are passed or if policies are established to strengthen local governance, increase tax authority, and promote devolution of local public services, USAID would provide support for their successful implementation. Same partners as above.

**Performance and Results:** This new strategic objective began in September 2004 under the USAID/EI Salvador Country Plan for FY 2004-2008. Successful implementation of this program should result in improved access to justice through both the formal system and particularly through alternative dispute resolution mechanisms; a more transparent and more efficient justice system; increased governmental transparency and accountability; decentralized resource management and decision making to local levels; deepened citizen oversight and participation in government; and more democratic political parties that better represent their constituents.

## US Financing in Thousands of Dollars

El Salvador

519-021 Ruling Justly	DA
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2004</b>	
Obligations	1,000
Expenditures	0
<b>Through September 30, 2004</b>	
Obligations	1,000
Expenditures	0
Unliquidated	1,000
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2005 NOA</b>	
Obligations	4,350
<b>Total Planned Fiscal Year 2005</b>	
Obligations	4,350
<b>Proposed Fiscal Year 2006 NOA</b>	
Obligations	4,061
Future Obligations	10,589
Est. Total Cost	20,000

## Data Sheet

<b>USAID Mission:</b>	El Salvador
<b>Program Title:</b>	Economic Freedom
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	519-022
<b>Status:</b>	New in FY 2004
<b>Planned FY 2005 Obligation:</b>	\$18,589,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2006 Obligation:</b>	\$11,228,000 DA
<b>Year of Initial Obligation:</b>	2004
<b>Estimated Year of Final Obligation:</b>	2008

**Summary:** USAID is promoting new economic opportunity initiatives to contribute to a more open, diversified, and expanded Salvadoran economy. USAID's program supports increased trade and job creation through policy and legal reforms, enhanced competitiveness of small- and medium-sized enterprises (SMEs), increased SME access to financial services, and improved watershed management.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Increase Participation in Global Trade and Investment (\$2,800,000 DA). USAID will help the Government of El Salvador (GOES) strengthen its export promotion agenda and improve the competitiveness of SMEs to take advantage of new trade opportunities and create jobs. USAID will help SMEs adopt more efficient management practices, improve basic business management skills, and better access and use market information and business contacts. USAID will promote innovation and access to new technologies to boost private sector productivity through training and alliances with large companies and investors, and through a technology innovation fund. USAID will also assist SMEs to develop business cluster and alliance relationships between suppliers, producers, wholesale distributors and retailers. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Increase Agricultural Productivity (\$6,119,000 DA). USAID will target increased sales and incomes of small farmers engaged in fruit, vegetable, and quality coffee production by funding technical assistance in technology transfer, export marketing, training and processing. USAID will fund technical assistance to expand export opportunities by helping the Salvadoran agricultural-processing meet sanitary and phytosanitary (SPS) requirements for trade with the United States, Europe and Asia. USAID will launch a new activity building upon previous experience in helping farmers and agribusinesses compete and meet market demand through improved management practices and increased productivity. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Improve Economic Policy and Governance (\$2,545,000 DA). USAID will help the GOES and private sector identify and address key implementation challenges under the U.S.-Central American Free Trade Agreement (CAFTA) and other free trade agreements. USAID will also strengthen the capacity of the GOES and private sector to meet U.S. import standards, and help the GOES implement fiscal reforms to increase tax revenues needed to finance social sector investments. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Strengthen the Financial Sector's Contribution to Economic Growth (\$1,800,000 DA). USAID will help financial institutions increase lending to SMEs for sound economic activities by improving their understanding of SME requirements, introducing new lending products and methodologies, and reducing overall lending risks. USAID will fund up to \$500,000 to structure a guarantee mechanism to reduce lending risk, and enable a consortium of financial institutions to increase loans to SMEs for productive activities. USAID-funded technical assistance will also help two non-bank financial institutions become formal, regulated institutions. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$3,984,000 DA).



USAID will launch an activity to increase local capacity to better manage and conserve at least one critical watershed in order to provide more water for rural Salvadorans. Management organizations will be trained to conserve watershed resources, provide cleaner and more abundant water, and improve sanitation practices. USAID will also fund technical assistance and training for soil and water conservation, and seek public/private alliances to finance infrastructure investments for water and sanitation. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Reduce, Prevent and Mitigate Pollution (\$700,000 DA). USAID will start an activity that will improve clean production processes and energy efficiency. USAID will work with the Ministry of Environment (MOE) to help targeted firms to reduce energy and resource consumption while increasing profitability and making environmental improvements. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Expand and Improve Access to Economic and Social Infrastructure (\$455,000 DA). USAID will provide 10-15 grants for small-scale rural productive infrastructure projects to address bottlenecks in the expansion of rural trade and services. Principal contractors, grantees, and local partners will be selected on a competitive basis.

**FY 2006 Program:** Increase Participation in Global Trade and Investment (\$2,000,000 DA). USAID plans to continue to support programs that strengthen the capacity of the GOES to promote exports and improve the productivity, competitiveness, and job creation capacity of SMEs as they take advantage of increased trade opportunities. Same partners as above.

Improve Agricultural Productivity (\$2,803,000 DA). USAID plans to continue to help agricultural enterprises increase domestic sales and exports of nontraditional, high-value agriculture products; improve value-added processing, access to markets; develop long-term business relationships; and introduce new agricultural technologies. Same partners as above.

Improve Economic Policy and Governance (\$2,200,000 DA). USAID plans to continue to assist the GOES and key private sector partners to implement key parts of trade agreements. Anticipated activities include identifying and addressing implementation challenges; strengthen their capacity to meet selected SPS standards; and promoting fiscal policy reforms to raise resources for priority social sector investments. Same partners as above.

Strengthen the Financial Sector's Contribution to Economic Growth (\$1,000,000 DA). USAID expects to continue to implement activities to help increase selected SME access to critical financial services. Same partners as above.

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$2,164,000 DA). USAID plans to continue to increase local capacity to manage and conserve one or two watersheds to ensure greater access to water for rural Salvadorans. Same partners as above.

Reduce, Prevent and Mitigate Pollution (\$606,000 DA). USAID will continue to promote improved enterprise processes through cleaner production and energy efficiency; help selected Salvadoran private firms implement plans that will lead to reduced resource consumption; and work with the MOE to promote a voluntary system to support cleaner production processes. Same partners as above.

Expand and Improve Access to Economic and Social Infrastructure (\$455,000 DA). USAID will continue to provide grants for small-scale rural productive infrastructure projects to address bottlenecks in the expansion of rural trade and services. Same partners as above.

**Performance and Results:** By program completion, tax collection should increase by at least 1% of GDP, SMEs would increase domestic and export sales by \$40 million, SMEs and agricultural enterprises would create approximately 10,500 new jobs, and agricultural enterprises and farmers would increase domestic and export sales by \$25 million.

## US Financing in Thousands of Dollars

El Salvador

519-022 Economic Freedom	DA
<b>Through September 30, 2003</b>	
Obligations	0
Expenditures	0
Unliquidated	0
<b>Fiscal Year 2004</b>	
Obligations	15,659
Expenditures	0
<b>Through September 30, 2004</b>	
Obligations	15,659
Expenditures	0
Unliquidated	15,659
<b>Prior Year Unobligated Funds</b>	
Obligations	0
<b>Planned Fiscal Year 2005 NOA</b>	
Obligations	18,589
<b>Total Planned Fiscal Year 2005</b>	
Obligations	18,589
<b>Proposed Fiscal Year 2006 NOA</b>	
Obligations	11,228
Future Obligations	24,024
Est. Total Cost	69,500

## Data Sheet

<b>USAID Mission:</b>	El Salvador
<b>Program Title:</b>	Investing in People
<b>Pillar:</b>	Global Health
<b>Strategic Objective:</b>	519-023
<b>Status:</b>	New in FY 2005
<b>Planned FY 2005 Obligation:</b>	\$7,626,000 CSH; \$4,000,000 DA
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2006 Obligation:</b>	\$6,465,000 CSH; \$3,600,000 DA
<b>Year of Initial Obligation:</b>	2005
<b>Estimated Year of Final Obligation:</b>	2008

**Summary:** USAID interventions in health and education will promote improvements in maternal, child and infant mortality, strengthen responses to HIV/AIDS and other infectious diseases, and help children to successfully complete primary school, especially in poor, rural areas. Expected results will decrease infant mortality and maternal mortality, reduce total fertility rates, increase knowledge and practices in HIV/AIDS prevention, and increase primary education completion rates.

All family planning assistance agreements will incorporate clauses that implement the President's directive reinstating the Mexico City Policy.

### Inputs, Outputs, Activities:

**FY 2005 Program:** Improve the Quality of Basic Education (\$4,000,000 DA). The goal of this program is to increase investment in basic education and ensure equitable use of resources, especially for poor, rural areas and improve the quality of education, specifically in language and math competencies in approximately 150 of 500 targeted rural primary schools. The activity will demonstrate the economic and social returns on education investment, and provide technical assistance to the Ministry of Education (MINED) to improve expenditure tracking, and create public-private alliances for investment in education. Assistance will be carried out through the development of school clusters and teacher/principal networks, with planned national level expansion. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Build Health Systems Capacity (\$1,00,000 CSH). USAID will fund technical assistance and training to strengthen the financial and planning capacity of the Ministry of Health (MOH) to achieve greater basic health care effectiveness. USAID will help the MOH better utilize existing resources and increase public investment in health. Decentralized decisionmaking will be strengthened and financial and logistics management systems will be improved in up to four regional health divisions. Alliances will be sought with private sector partners to increase healthcare investments. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Support Family Planning Programs (\$3,100,000 CSH). USAID will fund technical assistance and training to improve reproductive health services. Efforts to increase family planning service access and quality will concentrate on the rural poor. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Improve Maternal Health and Nutrition (\$1,150,000 CSH). USAID will support strategies to improve safe birthing practices; antenatal and postpartum care; maternal and perinatal mortality, and nutrition monitoring; integrated communication campaigns; and service provision including nutrition. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Improve Child Survival, Health and Nutrition (\$850,000 CSH). USAID assistance will include an integrated community health program using the management of childhood illnesses and nutrition care strategies along with reproductive and maternal health services. Assistance will support improved practices and services related to growth promotion, especially for children under age two; promotion of

breastfeeding, hygiene, sanitation and water purification; and control of diarrheal diseases and acute respiratory illnesses. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Reduce Transmission and Impact of HIV/AIDS (\$500,000 CSH). USAID will focus prevention and control activities on high-risk groups to promote behavior change, and support referrals to voluntary counseling and testing services at the MOH. USAID will continue its participation on the Global Fund's Coordinating Committee for El Salvador to Fight HIV/AIDS, Tuberculosis and Malaria, and will coordinate its activities with those of the \$23.5 million Global Fund. Principal contractors, grantees, and local partners will be selected on a competitive basis.

Prevent and Control Infectious Diseases of Major Importance (\$1,030,000 CSH). USAID efforts will help the MOH strengthen maternal and neonatal infection prevention and control in hospitals and improve detection, diagnosis and treatment of such infections at the primary health level. Principal contractors, grantees, and local partners will be selected on a competitive basis.

**FY 2006 Program:** Improve the Quality of Basic Education (\$3,600,000 DA). USAID plans to continue its program to increase and improve investments in education, create and strengthen public-private sector alliances, and improve the quality of primary education, especially language and math, in approximately 250 additional schools in poor, rural areas. Same partners as above.

Build Health Systems Capacity (\$1,057,683 CSH). USAID would continue to strengthen the MOH's capacity to increase investments and efficiency in basic health, as well as to improve decentralized management systems in support of improved delivery of primary health services in four regional health divisions, with possible expansion to six. Same partners as above.

Improve Maternal Health and Nutrition (\$1,524,941 CSH). USAID would continue to help the MOH improve maternal health care in the pre-natal program, and delivery and postpartum care to reduce maternal and neonatal mortality in all hospitals in 10 targeted health divisions. Same partners as above.

Support Family Planning Programs (\$1,519,926 CSH). Support for family planning services will continue, including assistance to expand low prevalence contraceptive methods. USAID will also support planning for the 2008 National Family Health Survey. Same partners as above.

Improve Child Survival, Health and Nutrition (\$840,450 CSH). USAID plans to continue strengthening the MOH community health program, focusing on priority health interventions to reduce malnutrition, infant and young child mortality and morbidity. Same partners as above.

Reduce Transmission and Impact of HIV/AIDS (\$500,000 CSH). USAID plans to expand priority outreach interventions and extend coverage to high-risk and hard-to-reach groups through nongovernmental organizations. Same partners as above.

Prevent and Control Infectious Diseases of Major Importance (\$1,022,000 CSH). USAID plans to continue assistance, including training, to reduce maternal and neonatal sepsis caused from hospital-acquired infections and urinary tract infections. Same partners as above.

**Performance and Results:** Because this strategic objective is scheduled to begin in FY 2005, the Mission has no results to report. Through this program, which builds on previous program experience, USAID expects to improve the quality, efficiency and equity of basic education and expand access and quality of maternal and child health services in poor, rural areas.

## US Financing in Thousands of Dollars

El Salvador

	CSH	DA
519-023 Investing in People		
<b>Through September 30, 2003</b>		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
<b>Fiscal Year 2004</b>		
Obligations	0	0
Expenditures	0	0
<b>Through September 30, 2004</b>		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2005 NOA</b>		
Obligations	7,626	4,000
<b>Total Planned Fiscal Year 2005</b>		
Obligations	7,626	4,000
<b>Proposed Fiscal Year 2006 NOA</b>		
Obligations	6,465	3,600
Future Obligations	18,909	9,400
Est. Total Cost	33,000	17,000