

The Challenge

This past year has once again seen significant political and social unrest in Bolivia. In June 2005, former President Mesa resigned from office. Elections on December 18, 2005 brought the country a new President, Congressional representatives, and for the first time, prefects, who are similar to U.S. governors. A second election is scheduled for July 2006, in which citizens will choose representatives to a Constituent Assembly to rewrite the nation's Constitution and vote on regional autonomy. USAID's programs focus on strengthening democratic processes, reducing poverty, expanding the licit economy and state presence in coca-growing areas, improving the health of Bolivians, and sustainably managing the country's economically significant biodiversity. Funding assumes continued Government of Bolivia support for shared goals within the region.

Objectives, Sectors and Workforce

Mission Director: Michael Yates

MCA Status: Compact Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Provided

Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
511-002 Increased Economic Opportunities	8,550	6,111	6,327	6,734	-21.2%	1.07	Met
511-003 Improved Health	14,570	16,495	16,479	14,689	0.8%	1.07	Met
511-004 Natural Resources Sustainably Managed	4,773	1,976	3,665	3,700	-22.5%	1.02	Met
511-005 Integrated Development	35,260	35,462	33,660	29,000	-17.8%	1.24	Exceeded
511-006 Balance of Payments Support	8,000	0	0	0	N/A	N/A	N/A
511-007 Democracy	5,589	12,287	9,009	7,566	35.4%	1.33	Exceeded
PL 480 Title II	22,276	12,607	15,699	24,000	7.7%		
Country Total	99,018	84,938	84,839	85,689	-13.5%		

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Andean Counterdrug Initiative	41,740	39,714	36,630	31,000	-25.7%
Child Survival and Health Programs Fund	14,570	16,495	16,479	14,689	0.8%
Development Assistance	12,032	8,186	10,091	10,000	-16.9%
Economic Support Fund	8,400	7,936	5,940	6,000	-28.6%
PL 480 Title II	22,276	12,607	15,699	24,000	7.7%
Total	99,018	84,938	84,839	85,689	-13.5%

Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education DA	1,000	891	882	900	-10.0%
Agriculture and Environment ACI	26,340	1,000	1,700	1,680	-93.6%
DA	5,273	2,226	4,665	5,784	9.7%
Higher Education & Training ACI	120	0	0	0	N/A
Economic Growth ACI	10,250	32,312	30,560	27,320	166.5%
DA	4,050	2,970	1,970	850	-79.0%
ESF	8,000	2,000	2,475	2,900	-63.8%
Democracy and Governance ACI	4,030	5,402	3,370	2,000	-50.4%
DA	1,709	2,099	2,574	2,466	44.3%
ESF	400	5,936	3,465	3,100	675.0%
Family Planning / Reproductive Health ACI	0	200	0	0	N/A
CSH	7,611	7,722	7,227	5,704	-25.1%
HIV / AIDS CSH	900	893	990	1,000	11.1%
Child Survival and Maternal Health ACI	300	800	1,000	0	N/A
CSH	4,475	4,752	5,787	5,500	22.9%
Other Infectious Diseases ACI	700	0	0	0	N/A
CSH	1,584	3,128	2,475	2,485	56.9%
PL 480 Title II	22,276	12,607	15,699	24,000	7.7%
Total	99,018	84,938	84,839	85,689	-13.5%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	18	18	17	17	-5.6%
US Non Direct Hires	5	6	6	6	20.0%
Foreign Nationals	123	118	120	119	-3.3%
Total	146	142	143	142	-2.7%

Operating Expense	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	2,255	2,244	1,839	1,839	-18.4%
Travel	331	303	325	325	-1.8%
Transportation of things	198	167	163	163	-17.7%
Rent	403	371	372	372	-7.7%
Security	63	60	59	59	-6.3%
Equipment	179	338	59	59	-67.0%
ICASS - Operating Expense only	504	439	450	450	-10.7%
Other Operating Expense	397	336	357	359	-9.6%
Total OE Budget	4,330	4,258	3,624	3,626	-16.3%
US direct hire salary and benefits	2,192	2,544	1,938	2,147	-2.1%
Program Funded Administrative Expenses				2,209	
Country Total Administrative Budget				7,982	
Percent of Bureau OE Total				8.8%	

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	5,501	4,719	4,991	5,041
Program per All US (\$000)	4,305	3,539	3,689	3,726
Program per Position (\$000)	678	598	593	603
Operating Expense as % of Program Funding				4.2%
Program Funded Admin Expense as % of Total Admin				27.7%
Total Admin Expense as % of Program Funding				9.3%

Other Major Donors:

Bilateral: United States, Germany, The Netherlands, Japan, Spain, Sweden, Denmark, Switzerland, United Kingdom, Canada, Belgium, Italy, France, China

Multilateral: Andean Corporation of Development, Inter-American Development Bank, World Bank, European Union, United Nations, Fund for the Development of Del Plata Basin, Agricultural Development Fund, Nordic Fund

Bolivia PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Andean Counterdrug Initiative	41,740	39,714	36,630	31,000
Child Survival and Health Programs Fund	14,570	16,495	16,479	14,689
Development Assistance	12,032	8,186	10,091	10,000
Economic Support Fund	8,400	7,936	5,940	6,000
PL 480 Title II	22,276	12,607	15,699	24,000
Total Program Funds	99,018	84,938	84,839	85,689

STRATEGIC OBJECTIVE SUMMARY

511-002 Increased Economic Opportunities				
ACI	3,000	0	0	0
DA	5,550	4,111	3,852	3,834
ESF	0	2,000	2,475	2,900
511-003 Improved Health				
CSH	14,570	16,495	16,479	14,689
511-004 Natural Resources Sustainably Managed				
DA	4,773	1,976	3,665	3,700
511-005 Integrated Development				
ACI	35,260	35,462	33,660	29,000
511-006 Balance of Payments Support				
ESF	8,000	0	0	0
511-007 Democracy				
ACI	3,480	4,252	2,970	2,000
DA	1,709	2,099	2,574	2,466
ESF	400	5,936	3,465	3,100

Mission Director,
Michael Yates

Data Sheet

USAID Mission:	Bolivia
Program Title:	Increased Economic Opportunities
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	511-002
Status:	Continuing
Planned FY 2006 Obligation:	\$3,852,000 DA; \$2,475,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$3,834,000 DA; \$2,900,000 ESF
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2009

Summary: USAID promotes economic growth in Bolivia by focusing on building markets, creating critically-needed jobs, mitigating sources of social tension and conflict, and promoting effective private sector advocacy and policy development for a market-driven economy. The program increases exports and sales of a range of manufactured and agricultural products. This results in increased incomes, more permanent jobs, and reduced poverty, while highlighting the benefit of an open economy to the Bolivian public. In both rural and urban areas, USAID links producers to local and international markets and helps them improve skills and production techniques to meet increased market demand. Financial sector activities complement trade capacity building efforts by supplying trade-based businesses with the working capital they need to expand their businesses. In El Alto, a quickly-growing, majority indigenous city with high unemployment and social strife, USAID stimulates job creation and promotes value-added, labor-intensive exports. USAID also helps farmers in the poorest rural areas of Bolivia benefit from market opportunities to improve their quality of life. Finally, USAID increases access to basic education in poorer areas of Bolivia.

Inputs, Outputs, Activities:

FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$882,000 DA). USAID works in the poorer areas of Bolivia which lack adequate municipal government services for schools, such as the city of El Alto and the Altiplano region in Southwest Bolivia. USAID is assisting these schools with the rehabilitation of classrooms and provision of furniture, libraries and computers, and civic education training for teachers and students. Principal grantee: Casals and Associates.

Increase Agricultural Sector Productivity (\$1,950,000 DA). USAID is providing technical assistance and training to link farmers with trade and market opportunities and to support the adoption of improved production techniques by small producers. This assistance will open access to markets for small producers, thereby raising rural household incomes and quality of life. USAID is working in some of the poorest regions of Bolivia, providing technical assistance to strengthen key local organizations and to provide financial support for local farmers. Principal contractors and grantees: Chemonics International, The Valleys Foundation.

Increase Trade and Investment (\$2,475,000 ESF). USAID assistance is helping to increase exports and create jobs, especially in key areas such as El Alto and Santa Cruz. Technical assistance and training will target labor intensive, value-added, nontraditional export sectors in which Bolivia has a competitive advantage. Business development centers in El Alto, Cochabamba, and Santa Cruz will connect producers with market opportunities and provide the techniques and skills needed to compete effectively, including clean production concepts. Technical assistance is also being provided to guide private enterprises to generate income, reduce poverty and mitigate conflicts. Principal contractors and grantees: Chemonics International, Florida International University, Bolivian Catholic University, and others to be

determined.

Protect and Increase Food Security of Vulnerable Populations. The P.L. 480 Title II program continues to introduce new agricultural technologies, effective food security assessment tools, and training materials to increase yields and reduce storage losses in the most food insecure areas of the country. USAID is organizing farmers' groups and marketing associations, and strengthening existing partnerships with communities. These efforts help to address both food security and economic inclusion of rural indigenous populations. Cooperating sponsors are the Adventist Development and Relief Agency, Food for the Hungry International, CARE, and Save the Children.

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,020,000 DA). USAID is providing technical assistance to promote policy dialogue and to strengthen Bolivia's market-based financial system. Principal contractors and grantees: World Council of Credit Unions and others to be determined.

FY 2007 Program:

Achieve Equitable Access to Quality Basic Education (\$900,000 DA). USAID will continue working in the poorer areas of Bolivia which lack adequate municipal government services for schools, such as El Alto and the Altiplano. USAID plans to assist these schools by rehabilitating classrooms and providing furniture, libraries and computers, and training for teachers and students. Principal grantee: Casals and Associates.

Increase Agricultural Sector Productivity (\$2,084,000 DA). USAID plans to continue to link farmers with markets. It will also provide technical assistance on new production techniques as well as help the Valleys Foundation strengthen its management capability and diversify funding sources. Principal contractors and grantees: Chemonics International, The Valleys Foundation.

Increase Trade and Investment (\$2,900,000 ESF). USAID will further increase exports and create jobs throughout the country, including in key conflict-prone areas, by connecting producers with market opportunities, technical assistance, and training. Principal contractors and grantees: Chemonics International and others to be determined.

Protect and Increase Food Security of Vulnerable Populations. The P.L. 480 Title II program will continue to enhance agricultural yields, income generation, and community development activities with emphasis on the poorest, most food-insecure areas. New cooperating sponsors are to be determined.

Strengthen the Financial Services Sector and Increase Access to Capital (\$850,000 DA). USAID plans to continue providing technical assistance to promote policy dialogue and to preserve and strengthen Bolivia's market-based financial system. Principal contractors and grantees: To be determined.

Performance and Results: USAID has contributed significantly to a \$203 million (24%) increase in non-traditional Bolivian exports, which reached \$1.07 billion in FY 2005. This increased activity has created jobs, increased incomes, and supported economic stability in conflict-prone areas. In microfinance, USAID concentrated on financial system development and strengthened the regulated credit union system. Over 26,000 new savings accounts were opened in 14 credit unions. USAID's \$7.2 million investment in agricultural production played a key role in generating \$47.6 million in increased economic activity in targeted rural areas. USAID promoted value-added manufactured exports and generated jobs in critical urban areas such as El Alto and Santa Cruz, thereby creating trade-related economic opportunities and demonstrating, in a direct and practical way, the benefits of trade and open markets. In FY 2005, USAID assistance directly supported a \$10.4 million growth in exports and also improved the business environment. Once intellectual property rights service and other policy reforms are achieved, Bolivia will be in a better position to participate in trade agreements.

Upon completion of this program, several thousand farm families will have increased their incomes through improved products and through better linkages to domestic and international markets. Bolivia's artisan exports will have established long-term export markets that generate permanent jobs. Affordable credit will be available nationwide for small and micro-entrepreneurs. The lure of illicit coca cultivation will be reduced.

US Financing in Thousands of Dollars

Bolivia

511-002 Increased Economic Opportunities	ACI	CSH	DA	ESF
Through September 30, 2004				
Obligations	6,065	26	33,181	10,884
Expenditures	101	26	25,912	10,844
Unliquidated	5,964	0	7,269	40
Fiscal Year 2005				
Obligations	0	0	4,552	2,000
Expenditures	3,469	0	6,379	31
Through September 30, 2005				
Obligations	6,065	26	37,733	12,884
Expenditures	3,570	26	32,291	10,875
Unliquidated	2,495	0	5,442	2,009
Prior Year Unobligated Funds				
Obligations	0	0	0	0
Planned Fiscal Year 2006 NOA				
Obligations	0	0	3,852	2,475
Total Planned Fiscal Year 2006				
Obligations	0	0	3,852	2,475
Proposed Fiscal Year 2007 NOA				
Obligations	0	0	3,834	2,900
Future Obligations	0	0	19,020	21,000
Est. Total Cost	6,065	26	64,439	39,259

Data Sheet

USAID Mission:	Bolivia
Program Title:	Improved Health
Pillar:	Global Health
Strategic Objective:	511-003
Status:	Continuing
Planned FY 2006 Obligation:	\$16,479,000 CSH
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$14,689,000 CSH
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2009

Summary: USAID's health program focuses on improving the health of Bolivians, particularly historically marginalized groups with limited resources and poor access to health services. Activities strengthen the responsiveness of local elected officials to their constituents, and increase citizen participation and oversight in local health financing. Improving health requires a three-pronged approach: promoting behavior change and responsible community management of public health services; expanding the delivery of high impact, cost-effective public health interventions; and building a sustainable platform in both the public and private sectors for basic health services.

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

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Child Survival, Health and Nutrition (\$5,787,000 CSH). USAID is providing technical assistance to the Government of Bolivia (GOB) on policy development and service delivery guidelines, while working with local partners to implement maternal and child health activities in 18 networks at both the clinical and community levels. The program will expand coverage of the national immunization program. Technical assistance is helping launch a municipal matching fund that will leverage local financing. This will allow for expanded access to services and facilitate sustainability. USAID's health program will also incorporate a tailored model for improving access to health services in the indigenous city of El Alto. Under the P.L. 480 program, USAID provides technical assistance to local and government partners to standardize approaches to a community-based "growth promotion" strategy. This will further reduce childhood (under three years of age) malnutrition rates, improve food production, and reinforce long-term sustainability in the poorest areas. Primary contractors and grantees: John Snow International, Save the Children, Food for the Hungry, CARE, and Adventist Development and Relief Agency.

Prevent and Control Infectious Diseases Of Major Importance (\$3,465,000 CSH). USAID is providing technical assistance and policy support in the prevention and control of tuberculosis, chagas and leishmaniasis. USAID assists the Ministry of Health and local nongovernmental organizations (NGOs) to expand access to voluntary testing and counseling for HIV/AIDS. A formative research study on hard-to-reach groups is being conducted as a first step toward developing a program of prevention messages and voluntary testing and counseling for HIV/AIDS. USAID continues to assist the Ministry, local health providers, and health service clients to prepare for contagious influenza in general, and for contingency plans related to avian influenza should an outbreak occur. USAID is also working with partners on contingency plans for a possible influenza pandemic. Principal contractors and grantees: John Snow International, the Centers for Disease Control (CDC), and local NGOs.

Support Family Planning (\$7,227,000 CSH). Technical assistance is helping to ensure that women and couples have greater access to voluntary family planning services. USAID is implementing a basic package of family planning services in 18 health networks (each consisting of several local health centers/posts and a hospital). USAID continues to support a national social marketing program to promote family planning among urban and rural populations that historically have lacked access to reproductive health services. USAID is also working on improving the financial sustainability of key Bolivian public health entities. Principal contractors and grantees: John Snow International, EngenderHealth, and local NGOs.

FY 2007 Program:

Improve Child Survival, Health and Nutrition (\$5,500,000 CSH). USAID will provide technical assistance to reduce newborn illness and mortality, strengthen routine immunization services, and enhance management capacities at the local level. The matching fund will expand into additional municipalities and USAID will assist these municipalities to supplement funding for community-based health services. An additional seven to 15 health networks may be incorporated. The P.L. 480 Title II program will continue to implement the growth promotion strategy. Principal contractors and grantees: John Snow International, Engender Health, and local NGOs.

Prevent and Control Infectious Diseases Of Major Importance (\$3,485,000 CSH). USAID will continue to work with the Bolivian Ministry of Health to expand prevention and control efforts for tuberculosis, chagas and leishmaniasis. USAID will also expand access to voluntary testing and counseling for HIV/AIDS, especially for high risk groups. Principal contractors and grantees: John Snow International, CDC and local NGOs.

Support Family Planning (\$5,704,000 CSH). USAID will continue to provide technical assistance for the delivery of family planning counseling and services. The delivery of basic health services, including family planning, will be expanded from 18 to at least 25 health networks. Continuous quality improvement techniques will be reinforced to ensure that health facilities are focusing on quality of care and client satisfaction. USAID will continue to work toward greater partner cost-recovery through technical assistance in management and finance. An external evaluation of the social marketing program will be conducted. Principal contractors and grantees: John Snow International, EngenderHealth and local NGOs.

Performance and Results: USAID's health program has helped to develop contingency plans for a possible influenza pandemic, address longer-term structural reforms and behavioral changes, and improve overall health for Bolivians. Childhood malnutrition rates in P.L. 480 Title II service areas have continued to fall to a new low of 34%. Immunization coverage has increased to 81%. More than 53% of pregnant women had timely access to potentially life-saving prenatal care, and USAID counseling and testing for HIV/AIDS has helped to keep infection levels in Bolivia at less than one percent.

Upon completion of the health program, the coverage and quality of Bolivia's health services will be improved and the capacity of the public sector and NGOs to deliver and manage quality decentralized health services will be enhanced.

US Financing in Thousands of Dollars

Bolivia

511-003 Improved Health	CSH	DA	ESF
Through September 30, 2004			
Obligations	81,669	56,978	2,000
Expenditures	54,946	56,516	0
Unliquidated	26,723	462	2,000
Fiscal Year 2005			
Obligations	15,294	0	0
Expenditures	16,247	321	1,533
Through September 30, 2005			
Obligations	96,963	56,978	2,000
Expenditures	71,193	56,837	1,533
Unliquidated	25,770	141	467
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2006 NOA			
Obligations	16,479	0	0
Total Planned Fiscal Year 2006			
Obligations	16,479	0	0
Proposed Fiscal Year 2007 NOA			
Obligations	14,689	0	0
Future Obligations	46,200	0	0
Est. Total Cost	174,331	56,978	2,000

Data Sheet

USAID Mission:	Bolivia
Program Title:	Natural Resources Sustainably Managed
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	511-004
Status:	Continuing
Planned FY 2006 Obligation:	\$3,665,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$3,700,000 DA
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2009

Summary: USAID's environment program promotes the sustainable use of Bolivia's rich natural resources by improving business practices for forestry exports and broadening community forest operations. USAID is also helping conserve biodiversity in the eastern slopes of the Andes, widely recognized as one of the most biodiverse regions on earth. Programs work with municipalities to generate local economic development through ecotourism and sound watershed management. In addition, USAID enhances environmental management of urban and industrial pollution.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Sustainable Management of Natural Resources and Biodiversity (\$3,665,000 DA). USAID is providing technical assistance to promote a public-private alliance among landholders, indigenous communities, and municipal development authorities. This will result in the creation of a centralized wood collection and processing center in northern Bolivia to increase wood exports and generate higher incomes. Public-private partnerships with the Bolivian Forestry Chamber and the Amazonian Center for Sustainable Forestry are strengthening institutional capabilities to preserve Bolivia's natural resources. Technical assistance is exploring use of partnerships and approaches to resolve illegal logging in Bolivia. USAID is also providing technical assistance to strengthen conservation efforts and natural resource use policies in the bio-diverse Amboro-Madidi Corridor of Bolivia by developing compatible land use planning processes, implementing sustainable natural resource management practices, and increasing awareness of local populations on the benefits of conservation. USAID is working with university programs to incorporate environmental economics curricula, build capacity through enhanced secondary classroom instruction and provide scholarships for promising students. Principal Contractors and Grantees: Virginia Tech University, Conservation International, World Wildlife Federation (WWF), Wildlife Conservation Society, and local non-governmental organizations.

FY 2007 Program:

Improve Sustainable Management of Natural Resources and Biodiversity (\$3,700,000 DA). USAID will continue to strengthen linkages between small-holder forestry concessions, municipal development planning, and medium-large scale forest concessions. Lessons learned from application of these models in three different sites will inform other local forestry initiatives in the country. Public-private alliances will produce jobs and market opportunities for both small and large holders, produce a steady supply of quality wood to meet local and export demand, and may begin to address illegal logging. USAID will continue to provide technical assistance to local organizations to conserve the ecologically important eastern slope of the Andes. Primary Contractors and Grantees: Virginia Tech University, Conservation International, Pact Inc., and local non-governmental organizations.

Performance and Results: As a result of investments catalyzed by USAID, Bolivia remains the

global leader in the management of natural tropical forests with over nine million of its 32 million hectares of designated forest lands under approved management plans. Of these, approximately 2.2 million hectares have been independently and voluntarily certified as well-managed, representing a doubling within just three years. The total value of wood exports is expected to be \$130 million this year, representing seven percent of Bolivia's total exports and supporting more than 50,000 direct jobs and 250,000 indirect jobs. To mitigate conflict in protected areas and guard Bolivia's globally significant biodiversity, the conservation program provided productive employment, strengthened governance systems, especially at local levels, promoted equitable land tenure policies and helped create proper incentives for municipal and private sector conservation efforts. Sixty-seven industries are applying cleaner production strategies, thereby improving their efficiency and productivity while minimizing pollution and energy use.

Upon completion of the environment program, sustainable forestry management will be institutionalized through both private sector bodies and the strengthening of Government of Bolivia natural resources management agencies, such as the Superintendancy of Forests. Communities living in and around parks and protected areas will enjoy increased income through diverse activities, consistent with sustainable resource management principals. Significant numbers of private industries will adopt new technologies lessening their negative impact on the environment while lowering operating costs.

US Financing in Thousands of Dollars

Bolivia

511-004 Natural Resources Sustainably Managed	DA	ESF
Through September 30, 2004		
Obligations	46,842	1,000
Expenditures	39,397	759
Unliquidated	7,445	241
Fiscal Year 2005		
Obligations	4,531	0
Expenditures	5,219	241
Through September 30, 2005		
Obligations	51,373	1,000
Expenditures	44,616	1,000
Unliquidated	6,757	0
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2006 NOA		
Obligations	3,665	0
Total Planned Fiscal Year 2006		
Obligations	3,665	0
Proposed Fiscal Year 2007 NOA		
Obligations	3,700	0
Future Obligations	16,770	0
Est. Total Cost	75,508	1,000

Data Sheet

USAID Mission:	Bolivia
Program Title:	Integrated Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	511-005
Status:	Continuing
Planned FY 2006 Obligation:	\$33,660,000 ACI
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$29,000,000 ACI
Year of Initial Obligation:	2005
Estimated Year of Final Obligation:	2009

Summary: USAID's Integrated Alternative Development program is a critical tool for achieving U.S. and Bolivian counternarcotics objectives. The program complements eradication, interdiction, prevention, and public diplomacy efforts supported by other U.S. agencies, and closely coordinates with the Government of Bolivia (GOB) in support of its 2004-2008 Integrated Counter Narcotics Strategy. To ensure broad, strong democratic processes, USAID emphasizes the importance of local governance, indigenous leadership, and the involvement of private sector organizations. Activities strengthen the sustainability of the licit economies in coca growing areas of the Chapare and the Yungas through interventions aimed at: increasing the market competitiveness of licit rural enterprises; supporting more responsive, transparent and inclusive democratic institutions; and improving basic public services and social conditions. In this manner, the program integrates economic, democratic, and social development to help farmers as they transition out of coca cultivation to licit crops. The program also helps prevent coca expansion to new areas.

Inputs, Outputs, Activities:

FY 2006 Program:

Develop and Expand Alternative Development (\$33,660,000 ACI). The program will be implemented through the following activities:

USAID continues to strengthen the market-driven competitiveness of key licit on and off-farm (e.g. tourism and agro-processing) sectors so that farmers have alternatives as they transition out of coca cultivation due to law enforcement or voluntary reduction. USAID technical assistance will increase incomes generated from licit crops and increase employment opportunities along the value chain in coca growing regions. USAID is assisting financial institutions to increase access to diverse financial services for licit sectors of the economy. USAID also continues to improve sustainable management of natural resources and biodiversity conservation in coca-growing regions through technical assistance and training to families in vulnerable areas, including isolated buffer zones and neighboring protected national parks. Additionally, USAID funds transportation improvements in coca-growing regions and associated areas to expand market access for licit products. These efforts are closely coordinated with, and often co-financed by, municipalities and communities.

USAID supports GOB presence, democratic institutions and processes, and citizen rights in coca-growing regions. USAID funds technical assistance and training to improve citizen participation in and oversight of democratically elected local governments, as well as improve municipal transparency and performance in all municipalities in the Chapare and Yungas. USAID supports Integrated Justice Centers in coca-growing areas to provide citizens with access to the formal justice system and state-sanctioned conflict resolution services. Support includes training, technical assistance, and equipment to help justice sector staff (judges, prosecutors, human rights defenders, conciliators, mediators, forensic doctors) increase their effectiveness in

mediating conflict, applying the law, ensuring due process, and extending civic education to citizens. Depending on other donors' efforts, USAID may also expand current efforts to extend legal land titles to Chapare citizens, so that they can exercise their constitutional right to land ownership. This effort also strengthens judicial security and land markets in the Chapare.

USAID is building local support for coca reduction by funding small grants for local community social and economic development. Additionally, USAID funds technical assistance, training, equipment, and infrastructure to improve the delivery of health services and citizens' health knowledge, attitudes, and practices. These services strengthen primary health care, maternal and child health, and control of infectious diseases. These efforts help strengthen state presence and local commitment to coca control in these regions.

USAID's expansive social communications activity supports the GOB counter narcotics communication strategy and assists the GOB with monitoring, coordination and conflict management for its integrated alternative development program.

Principal Contractors and Grantees: Chemonics International, United Nations Office on Drugs and Crime/Food and Agriculture Organization (UNODC/FAO), John Snow International, Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA), and Checchi and Company Consulting Incorporated.

FY 2007 Program:

Develop and Expand Alternative Development (\$29,000,000 ACI). USAID plans to continue providing technical assistance, training and related support to farmers and businesses to increase the competitiveness of farming, tourism, and agroprocessing sectors, and improve access to domestic and international markets, including support for natural resources management in coca-growing and associated regions. USAID plans to initiate a new decentralization activity to strengthen local democratic governance in the coca-growing regions. The new activity will support Integrated Justice Centers, improving their ability to manage conflict, apply the law, ensure due process, and advance civic education. USAID plans to continue efforts to extend land titles in the Chapare in order to strengthen citizen rights to land ownership, strengthen judicial security, and improve land markets. USAID also plans to continue funding small social and economic development grants in coca-growing areas to strengthen social capital, community development, and local support for coca control. This will include support for emergency and immediate impact activities to help the GOB mediate conflict and preserve peace in these areas. Finally, USAID plans to continue the social communications activity to support the GOB counter narcotics communication strategy and to continue assistance to the GOB monitoring, coordination and conflict management unit. Principal Contractors and Grantees: Chemonics International, UNODC/FAO, ACDI/VOCA, Checchi and Company Consulting Incorporated.

Performance and Results: From 1999 through September 2005, USAID assistance has benefited 49,901 Chapare and Yungas families. The value of licit crops leaving both regions has reached an estimated total of \$81.7 million. Moreover, assuming continued GOB commitment to trade, exports of high value licit crops such as banana, palm heart, pineapple, specialty coffee, and cocoa are expected to grow to about \$50 million; this is an anticipated 43% increase over 2005 figures. USAID has implemented a total of 337 projects in both regions, including packing plants, road improvements, potable water systems, and health posts. These efforts are winning citizen support for coca control by advancing locally-defined social and economic development agendas. Assuming continued GOB commitment and political will for counter narcotics efforts, it is expected that by the end of 2009, illegal coca production in the Chapare and Yungas will be significantly reduced, with the mutually reinforcing support of eradication, interdiction, and integrated alternative development.

US Financing in Thousands of Dollars

Bolivia

511-005 Integrated Development	ACI	DA	ESF	Plan Colombia
Through September 30, 2004				
Obligations	109,060	9,880	193,104	48,000
Expenditures	43,816	9,880	189,529	47,385
Unliquidated	65,244	0	3,575	615
Fiscal Year 2005				
Obligations	35,077	0	-5	0
Expenditures	60,492	0	3,458	615
Through September 30, 2005				
Obligations	144,137	9,880	193,099	48,000
Expenditures	104,308	9,880	192,987	48,000
Unliquidated	39,829	0	112	0
Prior Year Unobligated Funds				
Obligations	0	0	0	0
Planned Fiscal Year 2006 NOA				
Obligations	33,660	0	0	0
Total Planned Fiscal Year 2006				
Obligations	33,660	0	0	0
Proposed Fiscal Year 2007 NOA				
Obligations	29,000	0	0	0
Future Obligations	142,500	0	0	0
Est. Total Cost	349,297	9,880	193,099	48,000

Data Sheet

USAID Mission:	Bolivia
Program Title:	Democracy
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	511-007
Status:	Continuing
Planned FY 2006 Obligation:	\$2,970,000 ACI; \$2,574,000 DA; \$3,465,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$2,000,000 ACI; \$2,466,000 DA; \$3,100,000 ESF
Year of Initial Obligation:	2005
Estimated Year of Final Obligation:	2009

Summary: Democracy in Bolivia is fragile, as seen in the resignation of two Presidents over the past two years. USAID is promoting democracy at several levels, including supporting civil society oversight of democratic institutions and processes; promoting tolerance; and consolidating democratic institutions that can promote rule of law and foster overall economic growth. USAID assistance contributes to the transparency, efficiency and accessibility of justice sector institutions; increases government responsiveness to citizens; enhances effectiveness and inclusiveness of government at different levels; and improves government and civil society efforts to fight corruption. The program also provides election support.

Inputs, Outputs, Activities:

FY 2006 Program:

Strengthen Civil Society (\$1,109,000 ESF). USAID provides technical assistance to enhance the capacity of civil society to monitor the activities of the public sector as an important element of Bolivian democracy. As part of this support, and as a reflection of the importance of indigenous groups in pluralistic debates on issues, USAID also is identifying and supporting indigenous leaders and their participation in public discourse. Principal contractors: Casals and Associates.

Strengthen the Justice Sector (\$2,470,000 ACI, \$1,356,000 ESF). Justice sector activities focus on increased access to justice, implementation of justice reforms, and strengthening key justice sector institutions. ACI is being used to fund additional Integrated Justice Centers, increasing access to justice services by traditionally marginalized populations (women, youth, and indigenous) in coca growing regions. ACI is also strengthening the Public Defense Service by establishing a training institute, and providing technical assistance for legal reforms to improve both the investment climate and the criminal procedures code. ESF is being used to assist a national advocacy network of civil society organizations to promote accountability and transparency in the sector. Principal contractors and grantees: Checchi and Company Consulting, Inc., State University of New York at Albany (SUNY-Albany), Partners of the Americas.

Strengthen the Legislative Function/Legal Framework (\$480,000 DA, \$1,000,000 ESF). DA funds support technical assistance and training to new congressional representatives elected in December 2005 on their duties and responsibilities. ESF funds are being used to promote constituent consultation in order to increase Congress' effectiveness and responsiveness, as well as civil society oversight and interaction with deliberative bodies (e.g., Congress and Constituent Assembly). Principal contractors and grantees: SUNY-Albany, Vanderbilt University.

Support Democratic Local Government and Decentralization (\$500,000 ACI, \$2,094,000 DA). DA

funds provide technical assistance to address social conflict at the local level by enhancing effectiveness of local governments in transparent financial management, local economic development, and inclusion in decision-making of marginalized populations. ACI is being used to provide technical assistance to support governance efforts in coca-growing regions. This is the first year that democratically-elected prefects, equivalent to U.S. governors, will exercise their authority over departmental governments. DA is being provided to assist and train prefects in the execution of their responsibilities. Principal contractors and grantees: International City/County Management Association, Federation of Municipal Associations, and others to be determined.

FY 2007 Program:

Strengthen Civil Society (\$1,100,000 ESF). USAID plans to continue to provide technical assistance to support an active, credible civil society as an important element for Bolivian democracy. As part of this support, USAID plans to continue to identify and assist indigenous leaders and their participation in public discourse. Principal contractors: Casals and Associates.

Strengthen the Justice Sector (\$1,500,000 ACI, \$466,000 DA, and \$1,000,000 ESF). USAID plans to use DA to provide technical assistance to support the strengthening and independence of the Supreme Court. Because many conflicts in Bolivia reflect the marginalization of large segments of the population, particularly the indigenous, USAID plans to use ACI to expand access to justice through the establishment of new Integrated Justice Centers in coca-growing regions. ACI may also support additional legal reforms related to terrorism and money laundering, public disclosure for government officials, and to provide technical assistance and training to strengthen the Public Ministry (Attorney General's Office) to better direct criminal investigations. USAID anticipates using ACI to support the integration of the Supreme Court and Public Ministry's internal systems to enhance their policy making ability. ESF is planned for consolidation of civil society coalitions that advocate for justice reforms and can serve as effective watch-dog entities. Principal contractors and grantees: Checchi and Company Consulting, Inc., and others to be determined.

Strengthen the Legislative Function/Legal Framework (\$650,000 DA, \$1,000,000 ESF). With DA, USAID expects to continue supporting the legislative branch while the Constituent Assembly rewrites the Constitution in FY 2007. USAID may support constituent outreach mechanisms of the Congress and/or Assembly and may provide substantive input on issues being deliberated in the Assembly. USAID will adapt to the new political processes that emerge from the Assembly, and adjust activities as required. USAID plans to use ESF to reach out to moderate indigenous leaders, and support conflict mitigation, and civil society oversight of deliberative bodies (e.g., Congress and Assembly). Principal contractors and grantees to be determined through a competitive process.

Support Democratic Local Government and Decentralization (\$1,350,000 DA, \$500,000 ACI). The Constituent Assembly and the Autonomy Referendum scheduled for July 2006 are expected to alter the interaction between different levels of government. The nascent departmental governments will still be evolving and the potential for social instability will continue to exist. Possible assistance using DA includes technical assistance to strengthen different levels of government, their relationship to one another, and each level's ability to provide checks and balances with other levels of government. USAID will further public-private alliances as well as coordinated initiatives between levels of government such as joint planning between municipal and departmental officials. USAID plans to use ACI to promote governance in coca-growing regions. Principal contractors and grantees to be determined through a competitive process.

Performance and Results: Eight new Integrated Justice Centers have increased access to justice for marginalized populations in conflict areas. By the end of the strategy period, these centers should be resolving over 10,000 cases per year, helping to significantly mitigate conflicts. The Congress has instituted important new mechanisms to increase communication and responsiveness to citizen input, which are key to promoting legitimacy of democratic institutions and mitigating potential conflict. Municipal governments have initiated a performance-based

evaluation system, developed local economic development strategies and enhanced inclusion of indigenous populations and women in decision-making processes.

With the completion of this program, key Bolivian government institutions will operate more effectively and transparently, and be more responsive to legitimate citizen demands. Citizens will have a much greater confidence in their political system and institutions of government. State presence will have increased, especially in the Chapare and Yungas regions where illicit coca is grown.

US Financing in Thousands of Dollars

Bolivia

511-007 Democracy	ACI	DA	ESF
Through September 30, 2004			
Obligations	3,480	1,709	400
Expenditures	0	0	0
Unliquidated	3,480	1,709	400
Fiscal Year 2005			
Obligations	4,252	2,099	4,950
Expenditures	3,206	855	150
Through September 30, 2005			
Obligations	7,732	3,808	5,350
Expenditures	3,206	855	150
Unliquidated	4,526	2,953	5,200
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2006 NOA			
Obligations	2,970	2,574	3,465
Total Planned Fiscal Year 2006			
Obligations	2,970	2,574	3,465
Proposed Fiscal Year 2007 NOA			
Obligations	2,000	2,466	3,100
Future Obligations	10,500	7,500	13,000
Est. Total Cost	23,202	16,348	24,915