

## The Challenge

Paraguay is undergoing a historic transformation towards consolidating its democracy and promoting a fair and licit market economy, both of which are primary U.S. national interests. Despite recent progress, challenges remain including a non-competitive business environment, high levels of corruption, few incentives for sustainable resource management, and a public health system that is centralized, poorly managed and inappropriately deployed. There is a low level of capacity within the public sector to address these challenges. USAID's program in Paraguay aims to institute democratic practices, increase trade and incomes for the poor, improve management of important eco-regions, and improve access to quality reproductive health services.

## Objectives, Sectors and Workforce

Mission Director: Wayne Nilsestuen

MCA Status: Threshold Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

### 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
526-004 Democracy & Governance	4,907	4,008	3,960	0	N/A	1.06	Met
526-005 Environment	928	929	920	0	N/A	1.11	Exceeded
526-006 Reproductive Health	2,325	1,980	2,884	0	N/A	0.88	Not Met
526-007 Economic Growth	1,287	990	1,485	0	N/A	1.84	Exceeded
526-008 Democracy and Governance	0	0	0	3,830	N/A	N/A	N/A
526-009 Health	0	0	0	2,106	N/A	N/A	N/A
526-010 Economic Growth	0	0	0	1,300	N/A	N/A	N/A
526-011 Environment	0	0	0	1,000	N/A	N/A	N/A
526-020 Paraguay Threshold Country Program - MCA	0	0	37,070	0	N/A	N/A	N/A
<b>Country Total</b>	<b>9,447</b>	<b>7,907</b>	<b>46,319</b>	<b>8,236</b>	<b>-12.8%</b>		

### Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	2,325	1,980	2,884	2,106	-9.4%
Development Assistance	4,140	3,748	4,385	4,130	-0.2%
Economic Support Fund	2,982	2,179	1,980	2,000	-32.9%
Millennium Challenge Account	0	0	37,070	0	N/A
<b>Total</b>	<b>9,447</b>	<b>7,907</b>	<b>46,319</b>	<b>8,236</b>	<b>-12.8%</b>

### Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Agriculture and Environment DA	928	929	920	1,000	7.8%
Economic Growth DA	1,287	990	1,485	1,300	1.0%
MCA	0	0	13,465	0	N/A
Democracy and Governance DA	1,925	1,829	1,980	1,830	-4.9%
ESF	2,982	2,179	1,980	2,000	-32.9%
MCA	0	0	23,605	0	N/A
Family Planning / Reproductive Health CSH	2,325	1,980	1,782	1,106	-52.4%
Child Survival and Maternal Health CSH	0	0	1,102	1,000	N/A
<b>Total</b>	<b>9,447</b>	<b>7,907</b>	<b>46,319</b>	<b>8,236</b>	<b>-12.8%</b>

### Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	2	3	3	3	50.0%
US Non Direct Hires	1	1	1	1	0.0%
Foreign Nationals	22	25	30	36	63.6%
<b>Total</b>	<b>25</b>	<b>29</b>	<b>34</b>	<b>40</b>	<b>60.0%</b>

<b>Operating Expense</b>	<b>FY 2004 (\$000)</b>	<b>FY 2005 (\$000)</b>	<b>FY 2006 (\$000)</b>	<b>FY 2007 (\$000)</b>	<b>Percent Change FY 04-07</b>
Salaries and benefits	243	240	247	268	10.3%
Travel	68	42	19	14	-79.4%
Transportation of things	0	0	15	0	N/A
Rent	167	168	169	169	1.2%
Security	91	110	101	101	11.0%
Equipment	36	75	6	5	-86.1%
ICASS - Operating Expense only	51	54	55	55	7.8%
Other Operating Expense	157	126	96	96	-38.9%
<b>Total OE Budget</b>	<b>813</b>	<b>815</b>	<b>708</b>	<b>708</b>	<b>-12.9%</b>
US direct hire salary and benefits	315	328	270	299	-5.1%
Program Funded Administrative Expenses				764	
<b>Country Total Administrative Budget</b>				1,771	
<b>Percent of Bureau OE Total</b>				1.7%	

<b>Mission Summary</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
Program per US Direct Hire (\$000)	4,724	2,636	15,440	2,745
Program per All US (\$000)	3,149	1,977	11,580	2,059
Program per Position (\$000)	378	273	1,362	206
Operating Expense as % of Program Funding				8.6%
Program Funded Admin Expense as % of Total Admin				43.1%
Total Admin Expense as % of Program Funding				21.5%

**Other Major Donors:**

Bilateral: Japan, Germany, Spain, Taiwan, Canada, Sweden, Switzerland, South Korea.

Multilateral: World Bank, Inter-American Development Bank, United Nations Development Program and specialized United Nations organizations (e.g.- United Nations Fund for Population Activities and United Nations Education Scientific and Cultural Organization), Food and Agricultural Organization, Inter-American Institute for Cooperation on Agriculture, Pan-American Health Organization, Organization of American States, Global Environmental Fund, European Union, and the Japan International Cooperation Agency.