

INTER-AMERICAN FOUNDATION



MARIA OTERO, CHAIR

TABLE OF CONTENTS

- I. Mission and Structure of the Inter-American Foundation
- II. Synopsis of the Inter-American Foundation's Program Objectives
- III. The Inter-American Foundation's Distinct and Unique Characteristics
- IV. Role of the Inter-American Foundation as an Independent Agency
- V. Sample Inter-American Foundation Projects in Bolivia

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

1

Divider Title: _____

THE INTER-AMERICAN FOUNDATION

The Inter-American Foundation, an independent agency of the United States Government, was created in 1969 as an experimental United States foreign assistance program. The Inter-American Foundation works in Latin America and the Caribbean to promote equitable, responsive, and participatory self-help development by awarding grants directly to local organizations throughout the region.

The Inter-American Foundation is governed by a nine-person Board of Directors appointed by the President of the United States. Six members are drawn from the private sector and three from the Federal government. The Board of Directors is chaired by María Otero, Executive Vice President of Acción Internacional. The President of the Inter-American Foundation is appointed by the Board of Directors.

The Inter-American Foundation's operating budget consists of Congressional appropriations and funds derived through the Social Progress Trust Fund. The Inter-American Foundation's Fiscal Year 1996 budget was \$28 million. Since 1972, the Inter-American Foundation has made 3,992 grants totaling \$441 million. The Inter-American Foundation's small staff is based in Arlington, Virginia.

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

2

Divider Title: _____

THE INTER-AMERICAN FOUNDATION'S PROGRAM

The Inter-American Foundation has undergone a major transition during this past year. While maintaining its commitment to self-help and the poor, the Inter-American Foundation has sought to develop new strategies, partnerships, and mechanisms to increase its role as a development innovator and disseminate results and lessons learned for the benefit of other donors, such as USAID, the World Bank, the Inter-American Development Bank, private foundations and non-governmental organizations (NGOs).

This transition has been based on the following assumptions:

1. The value and effectiveness of the Inter-American Foundation as a development agency lies in its role in innovation and experimentation.
2. Despite budget reductions, the Inter-American Foundation can continue to exercise a leadership role in finding new approaches to grassroots development provided it focuses its funding on high learning grants which can influence the behavior of larger donors and other development practitioners.
3. Credible innovation requires continued and increased commitment to gathering and disseminating results data and best practices.
4. The resource base for development can only be made larger through the establishment of partnerships and collaborative ventures, both at the donor and beneficiary levels.
5. The continued spread and deepening of democracy in Latin America and the Caribbean, market reforms, and decentralization of government offer new opportunities for strengthening self help and initiative at the local level.

Rapid Change in Latin America

This past year has also brought new and wide ranging evidence of rapid change in Latin America. While the struggle against poverty faces ever increasing challenges, as evidenced by declines in quality of life in a number of countries such as Nicaragua, Peru, Haiti, Venezuela, and the Dominican Republic, new hope is provided by the growth of democracy, the increase in trade and investment, and the painful, but necessary, efforts to control inflation and deficit spending. The modernization of the state, legislative, and judicial reform, administrative decentralization, and the increasing role of regional and municipal governments are important new trends in Latin America and the Caribbean.

Of equal significance is the growing importance and influence of civil society. A plethora of national associations and organizations are emerging in most countries. The non-governmental sector, through which the Inter-American Foundation has worked over the past 25 years, is reaching a new maturity, both for its programmatic innovations, as well as for its responsible role in working with other sectors of society to bring about positive change. The private sector, as it gradually replaces the state in most governments as the principal engine of growth, is also realizing that it shares responsibility for ensuring that economic growth benefits all levels of society.

More needs to be done, as evidenced by increasing disparities in income in high economic growth countries such as Chile, Costa Rica, Peru, and Brazil. The World Bank and other financial institutions are beginning to recognize that economic development alone is not sufficient to reduce poverty. New approaches are needed to address the root causes of poverty to ensure that the impact of development, such as job creation, better health and education, and improved housing and the environment, reach a broad segment of the population.

New Strategy and Organizational Structure

Beginning in Fiscal Year 1997, the Inter-American Foundation launched a new strategy and organizational structure to address the challenges of the coming years and to maximize its effectiveness as an experimental development agency. The new strategy has three parts which will become the focal points of Inter-American Foundation activities:

- **Resource mobilization and the promotion of corporate social responsibility.** Approximately 50 per cent of Foundation grant making resources will be devoted to mobilizing local resources in Latin America and the Caribbean to be applied to supporting grassroots and local development initiatives. The Inter-American Foundation will be working through a number of regional programs and country specific programs to encourage the private sector and other local donors to assume a major role as funders of development.
- **Local Development.** Another 50 per cent of Inter-American Foundation grant making will be devoted to local development, which can be defined as the building of partnerships between NGOs, community organizations, the private sector, and municipal governments to address a host of social and economic issues that will led to increased living standards. Local development, which is rooted in the Foundation's 25 years of experience in grassroots development, is based on the full participation of beneficiary groups and citizens in defining project priorities

in areas such as health, education, housing, the environment, and economic opportunity.

Funding for these projects is raised through resource mobilization efforts, with contributions coming from municipal and national governments, the private sector, community organizations, and beneficiary groups.

- **Learning and Dissemination.** Funding and staffing for the Office of Learning and Dissemination is being increased to broaden the Inter-American Foundation capacity to produce and disseminate project results, lessons learned, and best practices.

New Program Strategy

The Program Office has moved from a system of considering grants throughout the fiscal year to one that establishes funding cycles. During Fiscal Year 1997, there will be three cycles. The first, covering the first quarter of the fiscal year, will review all proposals in the pipeline which fall in the two priority areas of local development and resource mobilization. The other cycles, roughly encompassing the second and third quarters, will review new proposals.

Two other changes in the Program Office will have profound implications in the manner the Foundation conducts its work.

- The first involves a broad announcement to contacts in Latin America and the Caribbean of the Foundation's interest in receiving proposals which fall in the priority areas. Instructions will be given for the preparation of the proposals, deadlines for submission, and approximate dates for decisions. Each funding cycle (with the exception of the first, which will handle Fiscal Year 1996 pipeline proposals) will start with such an announcement. The intention is to broaden the source of proposals and provide greater structure in the grant-making process.
- The second major change is the reinstatement of the proposal peer review process (this was phased out approximately ten years ago). The peer review, in addition to selecting proposals for funding recommendation, will become the principal tool for identifying innovative projects with high learning content. The Office of Learning and Dissemination will assign its own officers to participate in project reviews and help structure future learning tracks and criteria at the outset.

The driving force of the Foundation's new program focus and reorganization is the need to maximize its potential for experimentation, learning, and dissemination of best practices in

resource mobilization and local development. Ample evidence confirms the relevance and timeliness of the two priority areas. Most major development organizations are focusing their attention on the need to foster philanthropy and corporate social responsibility in Latin America and the Caribbean. The bulk of the resources for social and economic development must be derived locally. For these resources to be mobilized, local communities must come together to form alliances and partnerships to address pressing problems, create jobs, and combat poverty.

The Foundation's new program strategy will stress capacity building and enabling as the principal tools to foster the synergistic forces needed to set in motion sustainable development processes with broad-based local participation. Many organizations in Latin America and the Caribbean are moving in the same direction, opening the door for new and varied relationships for the Foundation.

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

3

Divider Title: _____

THE INTER-AMERICAN FOUNDATION'S DISTINCT AND UNIQUE CHARACTERISTICS

The Foundation's Visionary Structure and Governance

- ◆ The Inter-American Foundation (Foundation) is an **independent** U.S. Government agency with a mission focused **exclusively** on providing development assistance directly people-to-people at the grassroots level.
- ◆ The Foundation is governed by a Board of Directors consisting of six private and three public sector members.
- ◆ Unlike other Federal agencies, this unique governance gives the Foundation the benefit of the private sector's entrepreneurial expertise while ensuring that its programs are consistent with the interests of the United States Government.

The Foundation Does Not Operate Government-to-Government

- ◆ As an independent executive agency, the Foundation does not channel its resources through governments thereby avoiding the red tape and bureaucratic factors inherent in government-to-government programs.
- ◆ Unlike other Federal agencies, the Foundation responds quickly to private sector grassroots development initiatives based only on their merit and potential to achieve goals established by the beneficiaries involved.
- ◆ Because the Foundation is not a government-to-government program, it can support innovative new ideas and terminate projects without regard to political considerations.

The Foundation Does Not Design Or Manage Projects

- ◆ To promote genuine self-help and economic self-sufficiency, the Foundation does not design or manage projects as do other private and public donors. Rather it supports projects designed by the people of Latin America and the Caribbean themselves.
- ◆ The Foundation, unlike many other development agencies, requires an investment by its grantees. Historically, grantees have raised \$1.50 in counterpart funds for every \$1.00 invested by the Foundation.

The Foundation Is Lean And Agile

- ◆ With a staff of less than 70 employees in its Arlington office, the Foundation processes grants efficiently.

- ◆ In addition, unlike programs linked to short-term U.S. foreign policy, the Foundation is able to quickly modify its program strategy to address changing conditions and program priorities.
- ◆ Unlike other costly programs, the Foundation does not station staff overseas, thereby substantially reducing administrative expenses.

The Foundation's Resources Have A Multiplier Impact

- ◆ The Foundation maximizes its impact by focusing its approach on innovative programs, learning from this experience, and disseminating best practices throughout the hemisphere and the international development community. Therefore, the influence of the Foundation's relatively small investments have a much greater impact than the sum total of its grants. Accordingly, unlike other development institutions, the Foundation accomplishes a great deal with limited resources.

The Foundation Has Unique And Extremely Valuable Assets

- ◆ During the past 25 years, the Foundation has built a vast network of non-governmental, grassroots development organizations throughout Latin America and the Caribbean. This unique asset is unprecedented in Latin America and the Caribbean.
- ◆ Today, the Foundation is in a unique position to use this relationship capital to enhance the effectiveness of development programs carried out by U.S. public and private sector donors and the corporate community in Latin America and the Caribbean. For example, the Foundation is providing essential expertise on grassroots development methodologies to the World Bank, the Inter-American Development Bank, the European Union, and the Kellogg Foundation. These are prime examples of the multiplier effect of the Foundation's program.

The Foundation Possesses an Effective Results System

- ◆ The Foundation has developed and operationalized a state-of-the-art system that measures the results of grassroots development projects.
- ◆ Measuring the results of development programs has become increasingly important for Federal and private donor agencies.
- ◆ Federal agencies and private organizations request training in results methodology by the Foundation. As examples, the Foundation will train 20 Peace Corps field management staff, Partners of the Americas staff, and staff members of 15 non-governmental organizations (NGO's) in the Boston area.

The Foundation Pursues Aggressive Resource Mobilization

- ◆ The Foundation aggressively pursues the goal of mobilizing local private, public, and corporate resources for grassroots development to **lessen dependence on U.S. foreign assistance.**
- ◆ Because of its unique private and public sector focus, the Foundation is well positioned to work with international private sector donors, the corporate community, and multilateral banks to leverage additional resources for grassroots development in Latin America and the Caribbean.
- ◆ Over the next five years, the Foundation estimates that, with an operating budget of \$30 million annually, an additional \$255 million can be leveraged from local private, public, and corporate sources.
- ◆ In sum, unlike other Federal programs, the Foundation does not work through host governments but rather with the private sector and executes co-financing partnerships with private, public, and corporate institutions to mobilize local resources that would otherwise be unavailable for grassroots development in Latin America and the Caribbean.

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

4

Divider Title: _____

ROLE OF THE INTER-AMERICAN FOUNDATION AS AN INDEPENDENT AGENCY

The Inter-American Foundation's Visionary Structure

The Inter-American Foundation is an independent U.S. Government agency with a mission focused exclusively on providing development assistance directly to people at the grassroots level. It is governed by a bipartisan Board of Directors consisting of six private and three public sector members that includes at least one senior level State Department official. This gives the Inter-American Foundation the benefit of the private sector's entrepreneurial expertise while ensuring that its programs are consistent with U.S. national interests. Board members are not compensated, so their service is based solely on their interest and commitment to the Inter-American Foundation's mission.

While the Inter-American Foundation operates independently, it is subject to oversight and control by the Office of Management and Budget ("OMB") and Congress. OMB and Congress determine and oversee the Inter-American Foundation's budget. Descriptions of all grants are submitted to Congress for review before they are awarded. Also, in each country in which the Inter-American Foundation works, the United States Ambassador and the host country Ambassador to the United States receive descriptions of grants awarded by the Inter-American Foundation in that country.

Advantages of Working as an Independent Agency

As an independent executive agency, the Inter-American Foundation does not channel its resources through governments, and thus avoids the red tape and bureaucratic factors inherent in government-to-government programs. The Inter-American Foundation can respond quickly to private sector grassroots development initiatives based only on their merit and potential to achieve goals set by the people involved. The Inter-American Foundation can therefore support innovative new ideas and terminate projects that do not work based exclusively on programmatic factors. These factors distinguish the Inter-American Foundation from government-to-government development agencies. If consolidated into the State Department or any other agency which carries out government-to-government programs, the Inter-American Foundation would be encumbered by government-to-government political, policy, and diplomatic factors which would preclude the Inter-American Foundation from making decisions based exclusively on programmatic considerations. This would seriously dilute the Inter-American Foundation's effectiveness and ability to support innovative, private sector, sustainable development programs.

The Inter-American Foundation places paramount emphasis on self-help and the economic self-sufficiency of its grantees. Historically, grantees have raised \$1.30 in counterpart funds for every \$1.00 invested by the Inter-American Foundation. The Inter-American Foundation is now aggressively pursuing the goal of mobilizing local private and public sector resources for grassroots development to lessen dependence on U.S. foreign assistance. It is also working with international private sector donors and multilateral banks to leverage additional resources. Over the next five years, the Inter-American Foundation anticipates that with a \$30 million annual operating budget, totalling \$150 million, an additional \$255 million can be leveraged for grassroots development projects. This figure includes increasing amounts from local private businesses and governments. If the Inter-American Foundation is absorbed into the State Department or any other government-to-government agency, it will lose its identity and credibility as an independent agency focused solely on private sector sustainable development. This will seriously impede, if not destroy, the Inter-American Foundation's ability to enter into co-financing arrangements with other international and local private organizations to leverage additional funds.

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

5

Divider Title: _____

SAMPLE INTER-AMERICAN FOUNDATION PROJECTS IN BOLIVIA

This section provides information on specific Inter-American Foundation sponsored projects in Bolivia which support credit and production programs, women's development, and basic education for needy children.

As set forth in this section, the Inter-American Foundation seeks to promote the self-help efforts of the disadvantaged by providing seed capital to support projects and programs designed by the beneficiaries themselves.

INTER-AMERICAN FOUNDATION (IAF) COOPERATIVE AGREEMENT

BOLIVIA

BO-453

GRANTEE FUNDACION PARA EL DESARROLLO DE CHUQUISACA

ADDRESS Calle Ayacucho 255
Sucre, Bolivia

TYPE OF ORGANIZATION Regional consortium

FUNDING	IAF*	\$105,000
	Grantee	69,627
	Others	0
	Total	\$174,627

* Congressionally Appropriated Funds

DURATION 18 months

DATE GRANT AGREEMENT

SIGNED: September 30, 1996

ORGANIZATIONAL BACKGROUND

The Fundación para el Desarrollo de Chuquisaca (FUNDECH) obtained legal status in 1995 as a regional consortium established by the Federación de Empresarios Privados, the Catholic diocese of Sucre, and the Unión de Instituciones del Sur (UNISUR) in representation of the businesses, non-governmental organizations (NGOs), and Catholic Church organizations active in the department of Chuquisaca, one of the poorest areas of Bolivia. While each of these organizations are well-established in Chuquisaca, their collaboration as a regional Foundation began only two years ago. During that period they have promoted greater coordination among the diverse development activities undertaken in the department and created a data bank to improve regional planning. The consortium's primary purpose is to establish a financial mechanism to support sustainable, participatory economic, social, and human development initiatives in the Chuquisaca region, and to attract financial resources for these efforts from private industry. FUNDECH is governed by a three-person executive committee composed of one elected representative from each of the sectors -- NGO, business, and church -- from which FUNDECH's membership derives. FUNDECH's membership organizations also provide resources to pay for

a part-time executive director and make in-kind contributions in administrative support, office space, and equipment for operational purposes. FUNDECH is seeking additional funding from national and regional government and private sources in Bolivia. FUNDECH has already begun negotiations with the regional government to mobilize up to \$500,000 of the funds which had been part of the Ex-FONDESA, a regional grant-making fund for production projects.

PROJECT DESCRIPTION

FUNDECH and the IAF will establish a Grassroots Development Fund ("Fund") which annually will make short-term working capital loans averaging US\$500 to approximately 250 small-scale producers and microentrepreneurs throughout the department of Chuquisaca who otherwise have no access to credit. The areas of economic activity eligible for loans include agricultural production, natural resource management, and artisanry. To complement credit resources, NGO members of FUNDECH will offer training and technical assistance in production, marketing, and business development. FUNDECH will hire a general manager and limited staff to operate the Fund, produce appropriate manuals and training materials, analyze loan requests, monitor loan use by recipients, and report on Fund activities. In addition, as part of the activities under this Cooperative Agreement, both FUNDECH and the IAF will seek to mobilize at least US\$300,000 in additional contributions.

The Grassroots Development Fund established by FUNDECH and the IAF will provide loans to 250 borrowers the first year of its operation, 500 during the second, and 750 in the final year of its operation. The project's objectives are also to instruct 80% of borrowers in the procedures and conditions for obtaining credit from mainstream banks; increase average family incomes; enable borrowers to make improvements to their businesses and increase economic activity; and strengthen the capacity of civil society organizations in the Chuquisaca department to influence the allocation of development resources by local government.

IAF funds will be used for loans and grants, as well as for technical assistance, and monitoring and evaluation costs. FUNDECH will cover operational costs as well as costs for technical assistance and monitoring through in-kind contributions from member organizations.

INTER-AMERICAN FOUNDATION (IAF) GRANT

BOLIVIA

BO-243

GRANTEE Capacitación Integral de la Mujer Campesina (CIMCA)

ADDRESS Casilla 396
Oruro, Bolivia

TYPE OF ORGANIZATION private educational and development organization

FUNDING	IAF*	\$269,000
	Grantee	101,030
	Others	<u>78,620</u>
	Total	\$448,650

* Social Progress Trust Fund, Category D

DURATION 9 years,
3 months

DATE GRANT AGREEMENT
SIGNED: April 24, 1987
AMENDMENT 1: Jan. 16, 1990
AMENDMENT 2: Feb. 25, 1991
AMENDMENT 3: May 15, 1991
AMENDMENT 4: Feb. 25, 1992
AMENDMENT 5: Apr. 30, 1993
AMENDMENT 6: July 7, 1993
AMENDMENT 7: April 29, 1994
AMENDMENT 8: July 7, 1994

ORGANIZATIONAL BACKGROUND

Capacitación Integral de la Mujer Campesina (CIMCA) is a private educational and rural development institution created in 1982 which conducts activities in the altiplano area of the departments of Oruro and La Paz. CIMCA has a core staff of one professional and five paraprofessionals from peasant backgrounds. It also has several dozen female local promoters based in altiplano communities.

CIMCA's principal activity is training rural women in such topics as nutrition, child care, traditional and preventive medicine, administration and bookkeeping, horticulture, local organization and women's participation in

development. CIMCA has elementary, intermediate and advanced course offerings for peasants, leaders of local organizations, and rural promoters. CIMCA uses innovative teaching methodologies such as puppetry, socio-drama and other educational games to stimulate participation in its programs.

CIMCA also has organized local pilot projects which combine community vegetable gardens with women's training. Four pilot production centers are currently supervised by CIMCA. CIMCA coordinates various activities in the communities with official Bolivian agencies such as the Regional Development Corporation, the National Community Development Service and the Ministry of Agriculture.

PROJECT DESCRIPTION

CIMCA will expand its rural women's training program into new geographical areas and provide technical supervision to community organizations in other zones. The project objectives are to transmit important development skills to the local population and to increase the women's participation in leadership activities while strengthening grassroots organizations of the altiplano region.

CIMCA will organize local community meetings, basic educational and leadership courses, and specialized workshops for rural women. Members of some 70 communities from four altiplano provinces will participate in these educational activities. The educational topics include, health, nutrition, child care, bookkeeping and accounting, cooperative administration, horticulture and women's participation.

CIMCA will provide important training and promotional activities for the organization of an association of potato producers for transportation and marketing purposes in the Mohoza area of the altiplano. They will attempt to enhance the leadership roles of women in this association.

BO-442

FUNDING	IAF*	\$ 69,325
	Grantee	25,820
	Others	<u>87,890</u>
	Total	\$183,035

LA IMILLA has received support from the Instituto Femenino de Fomento Indígena (IFFI), OXFAM Trading of England, COTESU of Switzerland, and Self-Help of the United States.

PROJECT
DESCRIPTION

LA IMILLA will carry out activities to increase artisan incomes, sweater production, exports, and self-management skills for 432 women knitwear producers in El Alto of La Paz and Arani province of the Cochabamba region.

To accomplish these objectives, LA IMILLA will organize technical assistance and training workshops for sweater producers to introduce new designs, develop skills in marketing, export, administration, product quality control, and financial management. They will sponsor a series of five-week long training workshops for both member and non-member producers. LA IMILLA will hire the services of Alpaca Works to assist them in developing new designs and markets with large retailers in the United States.

Foundation support will cover the major portions of the salaries, office administration, and in-country and international travel. LA IMILLA will cover a smaller portion of the salary, office, administrative, and transportation costs. The Foundation, La IMILLA, Alpaca Works, and other participating knitwear producers will share in the technical assistance and export promotion costs.

INTER-AMERICAN FOUNDATION (IAF) GRANT

BOLIVIA

BO-443

GRANTEE Centro de Mujeres Rurales

ADDRESS Casilla 4846, Minero
Santa Cruz, Bolivia

TYPE OF ORGANIZATION Federation of women's associations

FUNDING	IAF*	\$ 75,750
	Grantee	49,855
	Others	<u>84,030</u>
	Total	\$209,635

* Congressionally Appropriated Funds

DURATION Two years

DATE GRANT AGREEMENT
SIGNED: March 31, 1993

ORGANIZATIONAL
BACKGROUND

The Centro de Mujeres Rurales (CEMUR) is a federation of 35 women's associations located near Minero in Norte de Santa Cruz. CEMUR was founded in 1980, primarily to channel donated food items to approximately 500 families in 10 communities. CEMUR is governed by a directorate that is elected annually from its membership.

Since its creation, CEMUR has provided training to its female members in health, literacy, organizational development, and project planning and implementation. CEMUR has also organized health promoters, planted communal vegetable gardens, and initiated a poultry project that produces eggs, chicken roasters, and corn-processed feed for use in poultry operations.

CEMUR has received assistance from the IAF to train its members in basic skills and establish production enterprises (BO-108 and BO-264). CEMUR has also received support from International Volunteer Services and Private Agencies Collaborating Together.

PROJECT
DESCRIPTION

CEMUR will assist 40 peasant women to acquire accounting and administration skills needed to manage poultry and other local income-generating activities. CEMUR's training program will complement its efforts to expand and upgrade poultry production and marketing activities in the Minero area of Norte de Santa Cruz. In addition, CEMUR anticipates that project participants will be better able to manage income-generating activities in CEMUR-affiliated mothers clubs.

CEMUR will conduct approximately 15 training courses which will coincide with CEMUR's monthly meetings. Courses will cover rural development strategies for women, micro-production and project planning, the use of non-formal educational materials and techniques, participatory research, operation of rotating loan funds, and financial management. Project participants will be selected on the basis of local leadership experience and their previous training and involvement in community affairs. CEMUR will also provide project participants with opportunities to utilize their new skills in their respective community organizations and local enterprises.

The IAF will cover costs for training, educational materials, and gas and vehicle maintenance. CEMUR will cover workers salaries for its centralized poultry operations and a public social development organization, the Fondo de Inversión Social (FIS), will cover technical staff costs. The IAF, CEMUR, and FIS will each contribute to administrative costs. CEMUR and FIS will share costs for the purchase and installation of educational and production equipment for the poultry enterprise. The participating communities will cover the costs of the family chicken coops, promoters' in-kind labor, and rental of farm equipment.

INTER-AMERICAN FOUNDATION (IAF) GRANT

BOLIVIA

BO-454

GRANTEE Asociación Nacional Ecu mica de Desarrollo

ADDRESS Calle General Gonz lez No. 1259
 Casilla de Correo No. 12528
 La Paz, Bolivia

TYPE OF ORGANIZATION Private Nonprofit Association

FUNDING	IAF*	\$ 82,310
	Grantee	167,800
	Others	<u>56,800</u>
	Total	\$306,910

* Congressionally Appropriated Funds

DURATION	One year,	DATE GRANT AGREEMENT
	three months	SIGNED: September 30, 1996

ORGANIZATIONAL
BACKGROUND

The Asociaci n Nacional Ecu mica de Desarrollo (ANED) was founded in 1978 and obtained legal status in 1979. ANED's principal objectives are to promote and support financial development programs for poor people in rural and urban areas for the purposes of improving production and marketing, protecting the environment and natural resources, and improving women's working conditions. ANED's current membership today includes 21 of Bolivia's most prominent non-governmental development organizations, many of them with operations throughout the country. ANED is primarily a financial institution and since 1978 has loaned more than US\$8.2 million to 524 projects reaching more than 30,000 beneficiaries. ANED's board of directors is composed of seven representatives elected for two-year terms by ANED's membership organizations. The credit committee includes two board members, the executive director and three evaluators. ANED has a 27-person staff with offices in La Paz, Sucre, Cochabamba, Potos , and Santa Cruz.

ANED's primary support has come from the Inter-Church Coordination (ICCO), the Netherlands Organization for International Development (NOVIB), the Ecumenical Development Support Committee (EDCS) of Holland, among others.

PROJECT
DESCRIPTION

ANED and the Foundation will contribute funds to establish a Leasing Fund for Rural Development for the purpose of enabling peasant associations and rural economic enterprises to acquire machinery, tools, and other equipment to improve the productivity and income realized from their economic activities. During the first year, the Leasing Fund will finance approximately four leases for heavy equipment, (such as tractors and harvesters), and 80 leases for tools and lighter equipment to peasant associations of at least 10 members. Another 20 leases for tools and equipment will be made to rural enterprises.

During the first 15 months, ANED will establish a sustainable financial mechanism to assist peasant organizations and rural enterprises to acquire machinery, tools, and equipment for rural production and will finance approximately 100 leases. The program will stimulate savings of approximately \$90,000 among beneficiaries. The IAF and ANED will obtain between \$40,000 and \$100,000 in additional resources from the Leasing Fund, Bolivian foundations and corporations in order to make the Fund self-sustaining within three years. In the medium term (three to five years), ANED will test, refine, and disseminate broadly the feasibility of using leasing as a form of credit among poor rural families; and beneficiaries of the program will increase their annual average family incomes (US\$900-1,200) by at least 15 percent.

The IAF will provide funds to cover the costs of leases, to document project results, and to raise additional funds from Bolivian and other international sources. ANED will provide funds for leases and to cover the costs of technical assistance as well as the administration and management of the Leasing Fund.

INTER-AMERICAN FOUNDATION (IAF) GRANT

BOLIVIA

B0-425

GRANTEE Centro de Multiservicios Educativos

ADDRESS Casilla 283
La Paz, Bolivia

TYPE OF ORGANIZATION Private education center for youth

FUNDING IAF* \$100,560
Grantee 20,812
Others 11,400

Total \$132,772

* Congressionally Appropriated Funds, and
Social Progress Trust Fund Category E

DURATION Four Years DATE GRANT AGREEMENT
SIGNED: Sept. 30, 1991
AMENDMENT 1: April 30, 1993
AMENDMENT 2: March 29, 1995

ORGANIZATIONAL
BACKGROUND

The Centro de Multiservicios Educativos (CEMSE), an educational center located in a poor neighborhood in La Paz, was established in 1987 to provide health care and non-formal education programs for elementary and high school students and numerous youth organizations. Complementing formal school programs, CEMSE offers students access to laboratory equipment, a library, computers, and medical services. CEMSE's program is managed by a staff of six professionals and policies are formulated by a seven-member governing directorate composed of development specialists and members of the Bolivian Jesuit Order. CEMSE has received financial support from the IAF, the European Economic Community, UNICEF, and the Bolivian government.

PROJECT
DESCRIPTION

CEMSE will implement a curative, preventive, and educational health project to benefit grade-school and high school students and the parents of young children. A health team consisting of a doctor, nurse, and other health workers will conduct vaccination campaigns, childhood nutritional programs, tuberculosis control, medical check-ups and treatment, pre-natal and post-natal care, and educational activities through seminars, meetings, and short courses. The project will build teams of students to implement self-help strategies to address health problems of the low-income population of the community.

The IAF will share with CEMSE in financing salaries, office equipment, and educational and medical materials. The IAF and other international agencies will pay the costs of administrative expenses, medical materials, and printing costs for special educational and health pamphlets.