

The Challenge

USAID's programs follow the precepts of the Millennium Challenge Account of transparent governance; economic freedom, and quality health and education. The greatest challenge for economic growth is strengthening rule of law. USAID supports laws and regulations for an independent judiciary and a better business climate. Economic activities increase the competitiveness of Nicaragua's products to take advantage of free trade agreements. Access to quality health and education are also program priorities.

Objectives, Sectors and Workforce

Mission Director: Alexander Dickie

MCA Status: Signed Compact

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Program Budget (Appropriations by Objective)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07	2005 SO Performance Score		Direct SO Admin. Cost Ratio
	(\$000)	(\$000)	(\$000)	(\$000)				
524-021 Ruling Justly	6,393	9,697	10,514	7,232	13.1%	1.12	Exceeded	0.14
524-022 Economic Freedom	15,168	14,074	7,755	4,030	-73.4%	1.28	Exceeded	0.18
524-023 Investing in People	13,100	14,457	13,639	11,395	-13.0%	1.55	Exceeded	0.13
PL 480 Title II	7,046	9,710	11,726	12,500	77.4%			
Country Total	41,707	47,938	43,634	35,157	-15.7%			

Program Budget (Appropriations by Account)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Child Survival and Health Programs Fund	7,805	7,703	7,699	6,661	-14.7%
Development Assistance	26,856	26,058	20,843	12,996	-51.6%
Economic Support Fund	0	4,467	3,366	3,000	N/A
PL 480 Title II	7,046	9,710	11,726	12,500	77.4%
Total	41,707	47,938	43,634	35,157	-15.7%

Program Budget by Sector and Account	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Basic Education DA	5,295	6,754	5,940	4,734	-10.6%
Agriculture and Environment DA	9,359	6,654	5,301	2,530	-73.0%
Economic Growth DA	5,809	7,420	2,454	1,500	-74.2%
Democracy and Governance DA	6,393	5,230	7,148	4,232	-33.8%
ESF	0	4,467	3,366	3,000	N/A
Family Planning / Reproductive Health CSH	3,870	3,534	3,499	2,661	-31.2%
HIV / AIDS CSH	500	496	990	1,000	100.0%
Child Survival and Maternal Health CSH	3,000	3,242	3,210	3,000	0.0%
Other Infectious Diseases CSH	435	431	0	0	N/A
PL 480 Title II	7,046	9,710	11,726	12,500	77.4%
Total	41,707	47,938	43,634	35,157	-15.7%

Workforce	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	6	8	9	9	50.0%
US Non Direct Hires	2	4	4	4	100.0%
Foreign Nationals	71	67	73	73	2.8%
Total	79	79	86	86	8.9%

Operating Expense	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	1,161	1,291	1,147	1,147	-1.2%
Travel	181	274	236	236	30.4%
Transportation of things	23	129	67	67	191.3%
Rent	151	123	172	172	13.9%
Security	229	130	153	153	-33.2%
Equipment	143	250	129	129	-9.8%
ICASS - Operating Expense only	104	74	81	81	-22.1%
Other Operating Expense	463	423	440	440	-5.0%
Total OE Budget	2,455	2,694	2,425	2,425	-1.2%
US direct hire salary and benefits	957	694	921	1,020	6.6%
Program Funded Administrative Expenses				2,012	
Country Total Administrative Budget				5,457	
Percent of Bureau OE Total					5.9%

Mission Summary	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	6,951	5,992	4,848	3,906
Program per All US (\$000)	5,213	3,995	3,356	2,704
Program per Position (\$000)	528	607	507	409
Operating Expense as % of Program Funding				6.9%
Program Funded Admin Expense as % of Total Admin				36.9%
Total Admin Expense as % of Program Funding				15.5%

Other Major Donors:

Bilateral: Denmark, Finland, Germany, Japan, Luxemburg, Netherlands, Norway, Spain, Sweden, Switzerland, Taiwan. Nicaragua also has a signed Compact with the Millennium Challenge Corporation.

Multilateral: Central American Bank for Economic Integration, European Union, Inter-American Development Bank, United Nations Development Program, World Bank.

Nicaragua PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Child Survival and Health Programs Fund	7,805	7,703	7,699	6,661
Development Assistance	26,856	26,058	20,843	12,996
Economic Support Fund	0	4,467	3,366	3,000
PL 480 Title II	7,046	9,710	11,726	12,500
Total Program Funds	41,707	47,938	43,634	35,157

STRATEGIC OBJECTIVE SUMMARY				
524-021 Ruling Justly				
DA	6,393	5,230	7,148	4,232
ESF	0	4,467	3,366	3,000
524-022 Economic Freedom				
DA	15,168	14,074	7,755	4,030
524-023 Investing in People				
CSH	7,805	7,703	7,699	6,661
DA	5,295	6,754	5,940	4,734

Mission Director,
Alexander Dickie

Data Sheet

USAID Mission:	Nicaragua
Program Title:	Ruling Justly
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	524-021
Status:	Continuing
Planned FY 2006 Obligation:	\$7,148,000 DA; \$3,366,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$4,232,000 DA; \$3,000,000 ESF
Year of Initial Obligation:	2003
Estimated Year of Final Obligation:	2008

Summary: USAID's program will strengthen justice institutions, increase transparency and improve governance, leading to a more democratic Nicaragua. Activities to strengthen the rule of law will contribute to more modern laws drafted and approved with strong public participation and ownership. USAID programs will mobilize public oversight groups to help promote and preserve reforms, including increased protection of human rights. USAID will focus on greater transparency and accountability of government by implementing an aggressive anticorruption campaign and promoting freedom of information. The program will also support elections through citizen participation, voter and civic education, public awareness, and election observation.

Inputs, Outputs, Activities:

FY 2006 Program:

Promote and Support Anti-Corruption Reforms (\$2,398,000 DA). USAID is funding targeted assistance to professional associations to improve their capacity to advocate for transparency related reform on behalf of their members. Technical assistance and training for public oversight groups are raising public awareness and increasing civil society participation in government decision making and oversight. Provided that progress in promoting judicial independence continues, USAID will fund technical assistance for judges, prosecutors, public defenders, police, and other officials to strengthen prosecution of corruption cases. Principal contractors: Casals and Associates, Checchi and Company.

Promote and Support Credible Elections Processes (\$2,000,000 DA; \$4,368,000 ESF). With Atlantic Coast regional elections set for March 2006, and national elections scheduled for November 2006, USAID is supporting activities to increase citizen and civil society participation, encourage democratic processes within political parties, and organize Nicaraguan advocacy groups for electoral observation and voter education. Activities include updating civil registries and files for voter registration, mobilizing public oversight coalitions and media involvement for electoral monitoring, increasing voter participation and public awareness, and providing training and technical assistance to political parties. USAID is funding technical assistance to the Supreme Electoral Council to resolve electoral management issues and to ensure the integrity of the transmission of electoral results. Principal grantees: International Foundation for Electoral Support, International Republican Institute, National Democratic Institute, Organization of American States (OAS).

Strengthen the Justice Sector (\$2,750,000 DA). USAID is funding training and technical assistance to advance implementation of the Criminal Procedures Code and the Criminal Code, reforms that were developed with USAID assistance. With the passage of the Judicial Career Law, which establishes ethical standards and defines tenure for judges, USAID will fund training for implementation of the merit-based system for selection, promotion, and discipline of judges and other judicial personnel, as well as judicial ethics. USAID funded technical assistance is

helping consolidate public prosecution and defense functions by improving the public defenders office's capacity to provide pro bono defense services to the indigent and expanding use of alternative dispute resolution. Technical assistance and training for public oversight groups is helping mobilize support for judicial reforms and human rights protection. Principal contractor: Checchi and Company.

FY 2007 Program:

Mitigate Conflict and Support Peace (\$1,500,000 ESF). USAID will address the expanding threat of gangs in Nicaragua by advancing community based approaches to policing, and involving non-governmental organizations, business chambers, churches, schools, medical facilities, police, firemen, women's groups and others local level actors in targeted, high-priority municipalities. Municipal governments, especially key mayors, will be the focal point for the program, and private sector participation will be critical. USAID will also support programs to provide youth-at-risk with alternatives in the form of education and job training opportunities linked with the private sector (through a potential Global Development Alliance), again in selected, high profile, high priority locations.

Promote and Support Anti-Corruption Reforms (\$2,116,000 DA). USAID support will assist the Government of Nicaragua (GON) to complete and implement Nicaragua's Anticorruption and Governance Strategy and Plan, as well as the GON's commitments under the Inter-American Convention against Corruption. USAID plans to support initiatives to improve budget transparency and management, with particular attention to the defense budget, education, health, and the justice sector. USAID may provide targeted support for governance and institutional reform efforts to increase the accountability of elected representatives to their constituents. USAID plans to continue to train local officials on transparent governance and help build local non-governmental oversight. Planned activities, that will help implement the Access to Information Law, include training and technical assistance to key government agencies regarding responsibilities to provide public information, as well as media training in investigative reporting. Principal contractor: Casals and Associates.

Strengthen Democratic Political Parties (\$1,500,000 ESF). In the wake of national elections in November 2006, and an inauguration of a new administration in January 2007, USAID will provide assistance to strengthen the Supreme Electoral Council (CSE) and to carry out democratic reforms within Nicaraguan political parties. USAID assistance will promote reforms in existing electoral laws to depoliticize the CSE; will provide technical assistance to the CSE to include streamlining the processes of issuing new voter ID cards to all eligible voters and keeping the voter registry up-to-date, and instituting systems for registering voters living overseas. As a follow-up to electoral assistance for the 2006 elections, USAID will foster political party reforms to establish democratic procedures to include transparency and citizen participation in the selection of candidates to ensure free and fair democratic elections. Implementers to be determined through a competitive process.

Strengthen the Justice Sector (\$2,116,000 DA). USAID plans to fund training courses for prosecutors and defense lawyers and establish training units within the Public Ministry, the public defenders office, and law schools to continue advancing implementation of new, key laws such as the Judicial Career Law, the Prosecutor Career Law, and the Arbitration and Mediation Law. USAID plans to strengthen justice services by extending alternative dispute mechanisms and identifying reforms that will make the justice system more accessible to ordinary citizens. USAID expects to support public oversight activities to advocate for justice and human rights reforms. Principal contractor: Checchi and Company.

Performance and Results: Important results have been achieved from USAID activities since the program began, including preliminary passage of a new Criminal Procedures Code, and passage of a Mediation and Arbitration Law. The implementation of a modern Criminal Procedures Code, enacted with USAID support, promotes transparency in the courts and access to justice. USAID played an instrumental role in getting a new Judicial Career Law passed.

Another activity expanded the public defender system to help provide due process to Nicaraguan citizens. USAID expects full implementation of the Criminal Procedures Code during FY 2006 and passage of other key legislation that will enhance government accountability, transparency, efficiency and effectiveness. By program completion, USAID expects that Nicaragua will have made progress in establishing strong and democratic institutions and practices that are essential to achieving a full, functioning democracy and improving the domestic and foreign investment environment. Access to justice will have expanded through more capable justice institutions as well as availability of alternative dispute resolution mechanisms. Accountability of government and private institutions will have improved through better internal standards and increased citizen monitoring to prevent corrupt acts; and the government will have an enhanced capacity to identify and prosecute these acts when they occur.

US Financing in Thousands of Dollars

Nicaragua

524-021 Ruling Justly	DA	ESF
Through September 30, 2004		
Obligations	10,827	0
Expenditures	411	0
Unliquidated	10,416	0
Fiscal Year 2005		
Obligations	5,230	4,116
Expenditures	4,300	22
Through September 30, 2005		
Obligations	16,057	4,116
Expenditures	4,711	22
Unliquidated	11,346	4,094
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2006 NOA		
Obligations	7,148	3,366
Total Planned Fiscal Year 2006		
Obligations	7,148	3,366
Proposed Fiscal Year 2007 NOA		
Obligations	4,232	3,000
Future Obligations	7,619	906
Est. Total Cost	35,056	11,388

Data Sheet

USAID Mission:	Nicaragua
Program Title:	Economic Freedom
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	524-022
Status:	Continuing
Planned FY 2006 Obligation:	\$7,755,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$4,030,000 DA
Year of Initial Obligation:	2003
Estimated Year of Final Obligation:	2008

Summary: USAID's trade-led economic growth and sustainable environmental management program will help increase the competitiveness of Nicaraguan products in regional and international markets as well as conserve biodiversity and mitigate climate change. The program will provide technical assistance, technology transfer, and encourage value-added production to improve the quality and quantity of Nicaraguan exports. USAID will foster free trade and job creation by assisting the Government of Nicaragua (GON) in trade capacity building and economic policy reform activities related to the implementation of the Central America and the Dominican Republic Free Trade Agreement (CAFTA-DR) and other free trade agreements. These include the dual priorities of ensuring workers' rights and environmental conservation. The program will improve food security among the rural poor by diversifying their crops and linking them to markets. The program will also help mitigate the root causes of gang membership by training young adults and out of school youth in basic skills required to obtain and hold a job.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$1,500,000 DA). USAID is continuing activities to improve the business climate through better customs and sanitary and phytosanitary systems, more transparent procedures, and fee-based management systems. USAID is building a coalition of private and civil society groups to work in partnership with the government to advocate for legal, regulatory, and policy reforms that will reduce trade barriers. USAID is promoting management and labor relations whereby companies become more competitive while complying with environmental and labor laws and regulations. The U.S. Department of Treasury and USAID are partnering to provide advisory services to the Ministry of Finance to develop mechanisms and policies to reduce the GON's internal debt. This partnership will also provide expert advice to the GON Tax Administration Office that improves tax collection procedures that offset spending restrictions imposed by the International Monetary Fund's (IMF) Heavily Indebted Poor Country (HIPC) agreement. Principal contractors, grantees, and agencies: U.S. Department of Agriculture (USDA), U.S. Treasury Department, and a contractor to be determined through a competitive process.

Improve Private Sector Competitiveness (\$4,235,000 DA). USAID is working with small and medium scale enterprises and emerging competitive agricultural sectors in Nicaragua such as fresh produce, plantains, and specialty coffee with the intent of improving market competitiveness and establish market linkages. Market information is being widely disseminated through workshops, trade shows, and study tours. Such venues are helping Nicaraguan firms take advantage of new market opportunities resulting from the CAFTA-DR and other free trade agreements. USAID is beginning to expand its technical assistance to other clusters such as light industry, tourism, and certified forestry. USAID is also launching new activities to promote cleaner production technologies among micro, small, and medium firms and in priority economic clusters. Through the Development Credit Authority, USAID continues to provide capital to entrepreneurs

to expand services. USAID also is continuing to promote market-led diversification and improved agricultural technologies through the P.L. 480 Title II Program. Principal contractors and grantees: Adventist Development Relief Agency, Catholic Relief Services, Michigan State University, Project Concern International, Save the Children, two commercial banks in Nicaragua - Bank of Production and Central American Leasing Financial Company, other implementers to be determined through a competitive process.

Improve Sustainable Management of Natural Resources and Biodiversity (\$1,020,000 DA). USAID will help Nicaraguan firms begin the process of forest certification and other environmental certification in agriculture, aquaculture, light manufacturing, and tourism. By the end of 2006, USAID expects that some companies will receive environmental certifications and initiate trade under these certification systems. USAID will also develop new environmental models for protected areas and private nature reserves to bring more hectares under improved environmental management. Principal contractors, grantees, and agencies: U.S. Department of Agriculture Forest Service and other implementers to be determined through a competitive process.

Increase Trade and Investment (\$1,000,000 DA). USAID is helping establish a private foundation called the Nicaraguan Foundation for Social and Economic Development (FUNIDES). This Foundation will develop a portfolio of projects aimed at implementing the CAFTA-DR. USAID will support the high priority activities in the CAFTA-DR Environmental Cooperation Agreement Work Plan. Implementers to be determined through a competitive process.

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$1,000,000 DA). USAID will continue to assist the GON in developing its sanitary and phyto sanitary systems. Through FUNIDES, USAID will continue to implement activities that will lead to improvements in the business environment and the development of public/private coalitions. Principal contractors and grantees: FUNIDES and other implementers to be determined through a competitive process.

Improve Private Sector Competitiveness (\$1,800,000 DA). USAID expects to train Nicaraguan businesses to provide certification and business development services through fee based arrangements. USAID assisted firms which have adopted cleaner production technologies will serve as models for a total of 50 new firms that will be utilizing these technologies by the end of 2009. USAID will continue to increase the competitiveness of micro, small, and medium firms and expand their exports within regional and international markets with the goal of increasing sales by \$60 million between FY2006 and FY2009. Implementers to be determined through a competitive process.

Improve Sustainable Management Of Natural Resources and Biodiversity (\$1,030,000 DA). Through the application of environmental management models, USAID will work towards the target of bringing 300,000 hectares under improved environmental management by 2009. Implementers to be determined through a competitive process.

Increase Trade and Investment (\$200,000 DA). USAID will provide targeted technical assistance to help the GON implement commitments under the CAFTA-DR. Implementers to be determined through a competitive process.

Performance and Results: USAID's activities in support of this Strategic Objective have achieved important results since the program began, including the harmonization of Custom Union procedures which are consistent with provisions in the CAFTA-DR; new regulations for the production and import of certified seeds; a new forestry law; and a 19% increase in gross tax collections in 2005. USAID assistance helped Nicaraguan producers increase sales by \$15.9 million and helped create about 24,000 full-time equivalent jobs in FY 2005. USAID programs led to improved environmental management of 40,339 hectares of land.

By program completion, USAID expects that the competitiveness ranking of Nicaragua will have improved relative to other countries. USAID anticipates an increase in the percent of higher value added sectors and subsectors (e.g., light manufacturing, tourism, services, nontraditional agricultural and green products), relative to the overall economy.

US Financing in Thousands of Dollars

Nicaragua

524-022 Economic Freedom	DA	DCA	PL 480
Through September 30, 2004			
Obligations	18,378	1,719	11,014
Expenditures	131	0	11,014
Unliquidated	18,247	1,719	0
Fiscal Year 2005			
Obligations	14,060	0	5,999
Expenditures	11,765	106	5,999
Through September 30, 2005			
Obligations	32,438	1,719	17,013
Expenditures	11,896	106	17,013
Unliquidated	20,542	1,613	0
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2006 NOA			
Obligations	7,755	0	6,597
Total Planned Fiscal Year 2006			
Obligations	7,755	0	6,597
Proposed Fiscal Year 2007 NOA			
Obligations	4,030	0	6,809
Future Obligations	37,695	0	4,366
Est. Total Cost	81,918	1,719	34,785

Data Sheet

USAID Mission:	Nicaragua
Program Title:	Investing in People
Pillar:	Global Health
Strategic Objective:	524-023
Status:	Continuing
Planned FY 2006 Obligation:	\$7,699,000 CSH; \$5,940,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$6,661,000 CSH; \$4,734,000 DA
Year of Initial Obligation:	2003
Estimated Year of Final Obligation:	2008

Summary: USAID's program will help strengthen social sector government ministries through better governance and management practices, procurement integrity, decentralization and public oversight. Activities will improve access to and quality and efficiency of basic education and educational opportunities. Health interventions will improve reproductive, maternal, and child health services, expand HIV/AIDS prevention and counseling activities, and support improved nutrition and hygiene practices. USAID will continue leveraging private sector contributions for public social investments through alliances and corporate social responsibility. All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

Inputs, Outputs, Activities:

FY 2006 Program:

Achieve Equitable Access to Quality Basic Education: (\$5,940,000 DA). USAID technical assistance to the Ministry of Education is helping improve teacher effectiveness, increase access to quality education, and promote community participation in education. USAID is funding 110 new municipal resource and mentoring centers for teacher excellence. USAID programs are expanding active teaching approaches to include learning-groups, integration of civic education and greater community parental participation and involvement in approximately 1,040 new schools. In addition, USAID is funding training in literacy, numeracy, and other basic skills for adults and out of school youth, including those likely to be drawn to gang membership. Principal contractors or grantees: Academy for Educational Development, American Institutes for Research, and Save the Children.

Improve Child Survival, Health and Nutrition: (\$2,210,000 CSH). USAID continues to provide assistance for community based health promotion and to strengthen the ability of the Ministry of Health to support and extend service delivery coverage in 1,000 additional vulnerable communities. USAID is strengthening the clearinghouse and coordination mechanism for nongovernmental organizations that are collaborating with the Ministry of Health. With P.L. 480 Title II resources, USAID is providing technical assistance to increase breastfeeding, immunization, infant feeding, and growth monitoring in the poorest areas. The Pediatric Hospital Improvement project is being extended to two more hospitals to cover 15 of the country's 20 hospitals that serve children. USAID is funding a demographic and health survey to assess improvements in maternal and child health status and service delivery coverage since 2001. Principal contractors and grantees: Adventist Development Relief Agency, Catholic Relief Services, Center for Disease Control, NICASALUD Federation, Project Concern International, Quality Assurance Project, and Save the Children.

Strengthen Public Sector Executive Function: (\$1,000,000 CSH). USAID is providing technical assistance, training, and targeted investments to the GON social service ministries and entities, and to selected local governments. Activities are improving planning, financial management, and procurement systems. This program promotes government policies that broaden participation of private entities to ensure availability of quality health, education, and other social services. USAID continues working with the Nicaraguan Social Security Institute (INSS) and a group of 50 private sector health service providers, to expand access to quality health care. Under the Development Credit Authority, USAID is extending loans to private health care providers to improve and expand services. USAID is promoting public-private

partnerships for corporate social responsibility to strengthen social sector programs. Principal grantee: Management Sciences for Health.

Support Family Planning: (\$4,489,000 CSH). USAID continues support for maternal and child health and reproductive health care provided through local health care systems, a national network of 1,000 public health clinics, and 15 key hospitals and emergency rooms. USAID funds are helping the Ministry of Health to develop quality standards and integrate voluntary counseling and testing for HIV within its family planning program. Assistance continues to nine private medical clinics and to the NGO ProMujer for gynecological services and family planning for some 14,000 clients. To reduce the incidence of sexually transmitted infections and HIV/AIDS, USAID is funding outreach and behavioral change information campaigns targeted at groups with higher risk behaviors in more than 1,000 communities, and ensuring the availability of condoms. USAID continues to procure public sector contraceptives and will promote a national contraceptive security plan to increase Nicaraguan government resources for contraceptives. Principal contractors and grantees: John Snow Inc., NICASALUD, and other implementers to be determined through a competitive process.

FY 2007 Program:

Achieve Equitable Access to Quality Basic Education: (\$4,734,000 DA). USAID will continue support to the Education Ministry to expand quality education to more public primary schools through 200 new mentor resource centers of excellence in 120 municipalities. At least another 650 schools will be reorganized to apply the active teaching method, civic education, and community participation. USAID expects to help the Education Ministry devise a plan for sustainability of the Centers of Excellence for Teacher Training presidential initiative. USAID training in literacy, numeracy, and other basic skills for adults and out of school youth will result in learners able to function effectively in a democratic society and free market economy. Principal contractors or grantees: Academy for Educational Development, American Institute for Research, and Save the Children.

Improve Child Survival, Health and Nutrition: (\$1,000,000 CSH). Activities in support of community and household health interventions are expected to continue, focusing on maternal and child services. Activities that support increased breastfeeding, immunization, infant feeding, and growth monitoring in the poorest municipalities are expected to continue under the P.L. 480 Title II program. Principal contractors and grantees: Adventist Development Relief Agency, Catholic Relief Services, Project Concern International, Save the Children, and other implementers to be determined through a competitive process.

Strengthen Public Sector Executive Function: (\$2,000,000 CSH). Technical assistance to the social sector government ministries in the areas of accountability, governance, management and leadership and to the INSS and private sector health providers is expected to continue. USAID anticipates that at least half of the loans under the Development Credit Authority will have been made, providing credit to private health investors to help shift the burden of service delivery away from the Ministry of Health. Principal grantee: Management Sciences for Health.

Support Family Planning: (\$3,661,000 CSH). USAID plans to continue programs to improve and expand maternal and reproductive health care and reduce transmission of HIV/AIDS and other sexually transmitted infections. Procurement of public sector contraceptives is expected to continue slowly. Principal contractors or grantees: John Snow Inc., NICASALUD Federation.

Performance and Results: Since this program began, USAID's activities have achieved important results since the program began, including a 32% decrease in the number of children dying from pneumonia over the last year, decreased infant deaths in hospitals participating in USAID programs, and a 25% increase in use of Ministry of Health family planning services. School completion rates in USAID supported model schools were 20% higher over other schools, and academic achievement increased 8% in Spanish and 12% in math since the program began. By program completion, the Nicaraguan education and health systems, and the social sector as a whole will be more efficient, with more capable, standardized, accountable and decentralized administrations.

US Financing in Thousands of Dollars

Nicaragua

524-023 Investing in People	CSH	DA	PL 480
Through September 30, 2004			
Obligations	8,138	8,899	9,671
Expenditures	89	48	9,671
Unliquidated	8,049	8,851	0
Fiscal Year 2005			
Obligations	6,703	6,755	4,536
Expenditures	4,449	2,684	4,536
Through September 30, 2005			
Obligations	14,841	15,654	14,207
Expenditures	4,538	2,732	14,207
Unliquidated	10,303	12,922	0
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2006 NOA			
Obligations	7,699	5,940	5,129
Total Planned Fiscal Year 2006			
Obligations	7,699	5,940	5,129
Proposed Fiscal Year 2007 NOA			
Obligations	6,661	4,734	5,691
Future Obligations	5,524	0	3,228
Est. Total Cost	34,725	26,328	28,255