Front cover: A worker pours hot liquid sugarcane into a metal tub during panela production known as the *trapiche* process. Panela, made by pressing raw sugarcane into liquid, cooking the liquid in tubs at very high temperatures and then pouring it into molds to dry, is primarily used in *aguapanela*, or sugarwater, which is one of the most popular beverages in Colombia. IAF grantee Corporación Red Colombiana de Organizaciones Comunitarias Ambientalmente Amigables – Red Colombia Verde (RCV) facilitates exchange opportunities for 42 environmentally friendly community-based enterprises to teach and learn best business practices from each other. Small business owners visit the pictured panela plant, located in the outskirts of Bogota, Colombia, to observe how it improved sanitary conditions by providing hairnets for workers, purchasing metal tubs, and through the construction of an indoor facility that keeps bugs away.
Inter-American Foundation
Congressional Budget Justification
FY 2012

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EXECUTIVE SUMMARY

Over its four-decade history, the Inter-American Foundation (IAF) has improved the lives of millions of our closest and most disadvantaged neighbors in Latin America and the Caribbean. The poorest and most marginalized citizens of these countries are too often the first to suffer the ill effects of economic or natural calamity and among the last to see their quality of life increase when the situation begins to improve for others. Poverty remains pervasive and severe in communities throughout the Western Hemisphere and much remains to be done. IAF grant recipients come from poor, often hard-to-reach communities that are among the most vulnerable to economic downturns, natural disasters, illicit activities, insecurity and political instability.

The consequences of instability in our southern neighbors’ communities raise security concerns in the United States. Faced with too few opportunities for productive employment or entrepreneurship, the poor may feel forced to seek other options in search of income to support their families, including migration or even illicit or criminal activities. In thousands of communities throughout the region, the IAF has responded to requests for help, targeting small investments to the entrepreneurial and self-help ventures designed by local, grassroots groups of the organized poor to address the communities’ most acute challenges. In these challenging times, the IAF has an opportunity to positively affect the economic stability and security of communities that may have no other support available to them.

Tenets of the IAF’s Approach to Foreign Assistance

Since the IAF was created by Congress in 1969, it has led efforts to foster and support sustainable self-help development. The IAF fills a niche in U.S. foreign assistance, advancing long-term U.S. national interests. The IAF’s approach to foreign assistance is distinct from other agencies in several respects:

Direct to the Grassroots. The IAF is dedicated to providing foreign assistance directly to groups of the organized poor and marginalized in Latin America and the Caribbean to improve their quality of life. The IAF’s development grant program is not channeled through contractors or foreign governments.
Responsive, Market-driven and Community-owned. The IAF responds to proposals from poor communities that have designed projects to address their most important development needs. Grantees implement their projects with local cash and other resources along with IAF seed capital. Community ownership is key to achieving the depth and breadth of local commitment to increase the likelihood for success and sustainability. As a small independent agency, the IAF has the flexibility and agility to respond with just-in-time support to allow the organized poor to face their most difficult challenges or take advantage of emerging opportunities.

Sustainable. All recipient organizations and communities contribute their own resources to their projects, and the IAF encourages them to seek contributions from other sources, including local business or government, as appropriate. Since 1969, IAF grantees have contributed or raised nearly $1 billion on their own - more than matching the IAF’s $665 million investment. Local ownership and partnerships multiply the effect of IAF funding and help strengthen communities’ capacity to sustain their efforts and confront new challenges and opportunities over the long term.

An Independent Foreign Assistance Agency

Congress created the IAF as an alternative to traditional aid. The IAF works with long-term objectives in mind and provides the U.S. government with a positive, on-the-ground presence in countries where current political realities may make it difficult or impossible for other U.S. foreign assistance programs to operate. By collaborating with local, community-based organizations, IAF seed capital generates positive results and goodwill towards the United States as an important partner. At a time when foreign assistance to the region is decreasing, the U.S. benefits from the IAF’s ability to make small-dollar, targeted investments that yield results and meaningful impacts for poor people working to help themselves. A $19.1 million dollar investment in the IAF has strategic and symbolic importance for Latin America and the Caribbean, as the economic progress and goodwill fostered among the people of the Hemisphere is worth significantly more than the dollars reflected.

Indigenous children from a remote village in the Cuzco region of Peru receive a better basic education that incorporates indigenous culture and visual learning techniques to reinforce conventional concepts taught at school through a project conducted by Asociación Cultural Ayllu Yupaychay (Yupay).
Agency resources are targeted to areas of greatest need and progress is closely monitored. IAF staff have in-depth knowledge and understanding of the countries where the IAF operates, traveling to hard-to-reach places to work directly with the poor where they live. The IAF’s direct partnerships with organizations and communities of the marginalized poor are both effective and efficient, and this direct engagement of agency personnel facilitates bringing the views and voices of the people themselves into the development policy process.

Finally, the IAF can complement and enhance the local impact of investments made by other U.S. foreign assistance agencies in the region. By providing timely support in response to communities’ proposals in the economic area of influence of large-scale investments by the United States Agency for International Development (USAID) or Millennium Challenge Corporation (MCC), for example, these communities are better able to take advantage of the economic opportunities that could otherwise pass them by.

**A Laboratory for Development Innovation**

IAF-funded projects serve as a “development laboratory” in which the participating communities and development specialists can learn what strategies and investments work best to broaden economic opportunities, foster civic inclusion at the local level and address basic needs. Over the years, development experts have noted the IAF’s important role in this process as well as in accompanying efforts to build alliances between Latin American businesses and grassroots development organizations.

The IAF is a leader in the development community in terms of measuring results and project impacts. In 1996, the agency created the Grassroots Development Framework (GDF) to guide funding decisions based on clear results, and it continues to improve and refine the GDF to capture project results more accurately and completely.

By mobilizing its network of grantees, the IAF facilitates opportunities for local organizations to teach and learn from each other. Annual grantee seminars in each country is one way this happens. Another is through direct grantee-to-grantee exchanges.
Teaching Other Funders What Works

The IAF’s targeted approach and institutional know-how is instrumental in leading other funders to implement effective, sustainable local development. Through its RedEAmérica initiative (a network of 64 corporate foundations throughout Latin America), the IAF is helping its regional corporate partners that had previously engaged primarily in charitable philanthropy to invest strategically in sustainable self-help development. Over $11 million of corporate funding has been channeled into grassroots development through RedEAmérica and its projects.

The IAF is also a leader in collaborating with community foundations, hometown associations and other diaspora groups to direct private funds to initiatives that improve the quality of life in their home communities.

IAF Grants Impact Thousands of Lives

In FY 2009, nearly 158,000 people in Latin American and the Caribbean benefited from IAF programs that:

- Extended small loans for expanding businesses, agriculture and manufacturing;
- Created or improved jobs in communities throughout the region;
- Improved the diets of women, children and families;
- Helped facilitate medical care in remote villages;
- Provided better access to clean water or sanitation;
- Strengthened civic processes and citizen participation; and
- Provided training to build the skills necessary to increase family incomes.

Most IAF grants serve historically marginalized and excluded groups including women, African descendants and indigenous communities, as well as people with disabilities and at-risk youth. These projects strive to engage these groups in their countries’ economic and civic life.
President’s Request

The President has requested an appropriation of $19.1 million for the IAF in FY 2012 which reflects a 17 percent cut from the FY 2010 enacted level. With $5.3 million from the Social Progress Trust Fund, the IAF’s operating budget would total $24.46 million, administered by 47 employees. The IAF will seek to maintain its current program level by exploring opportunities for partnerships within the U.S. government and the private sector.

The agency’s FY 2012 request reflects a commitment to promote economic opportunity, reduce poverty and foster civic inclusion, in line with U.S. foreign policy and national security interests throughout the region. In light of the economic challenges facing the most vulnerable residents of Latin America and the Caribbean, this request takes on even more significance as the agency works to maximize the programmatic impact of its resources.

An appropriation of $19.1 million would continue to support the productive initiatives that provide vital opportunities for long-term, sustainable economic and social development to poor people in Latin America and the Caribbean, increase the democratic participation of the poor on a local level and encourage them to work together to strengthen civil society, transparency and a culture of accountability.
Section 1
JUSTIFICATION FOR THE REQUEST

“Ultimately, development helps countries become more capable of solving their own problems and sharing in solving common global problems.”

– U.S. Department of State’s First Quadrennial Diplomacy and Development Review, 2010

As an independent U.S. foreign assistance agency, the Inter-American Foundation (IAF) is a successful model for effectively supporting grassroots development, ultimately unleashing the power of the poor to promote their own advancement over the long term. The IAF provides the American people with a means of building lasting relationships and goodwill with our neighbors in Latin America and the Caribbean to work together around shared interests such as democracy and effective civic participation, social inclusion and the expansion of economic opportunities for the poor. The IAF’s approach to development is direct to the grassroots, responsive, community-owned and sustainable, which makes it both an effective and efficient channel for foreign aid resources. As an independent federal agency, the IAF works directly with private, nongovernmental and international organizations in the Hemisphere, outside of the traditional foreign assistance mechanisms. The IAF’s activities remain largely insulated from rapidly shifting political currents, both domestically and internationally. By working directly with communities to support their own self-help efforts with targeted small grants, the IAF is different from all other U.S. foreign assistance agencies working in Latin America and the Caribbean. Moreover, the IAF’s programs can complement and enhance the local impact of other U.S. agencies that work at a different scale and via government-to-government agreement.

Beyond the impact of the IAF’s grants on the ground, they are an important source of learning about the dynamics of economic and social development in communities where people live and work. The IAF’s investments in people help answer some of the most difficult questions about foreign aid, such as: Under what conditions can self-sustaining grassroots development thrive? How can external assistance promote democratic civic
processes to solve local problems? What are the most effective ways to engage local businesses in building productive communities? Through its funding, the IAF sows the seeds of sustainable development by helping communities create the economic, social and civic conditions in which grassroots development can thrive over the long term to advance opportunity, prosperity and security throughout Latin America and the Caribbean. The IAF then seeks to capture the results in each of the projects it funds through careful analysis and evaluation in order to enable itself, as well as other development organizations, to identify and support successful and sustainable approaches.

**Tenets of the IAF’s Approach to Foreign Assistance**

The IAF’s grassroots approach differs from other foreign aid agencies in several critical respects.

**Direct to the Grassroots.** The IAF is dedicated to investing *directly* in historically marginalized and excluded groups and organizations, playing a critical foreign assistance role in Latin American and the Caribbean. The IAF approach to investment provides targeted, limited funds, to those with the greatest need who are working to improve their circumstances.

**Responsive and Community-owned.** IAF investment consists of closely monitored, small-dollar commitments to a variety of development ideas. The IAF responds to local demands that are identified by poor communities who take the lead in determining the most effective use of these resources. Because the projects funded by the IAF are designed and implemented by the poor themselves, each community takes ownership of its project, creating greater local commitment to the project’s success and sustainability. The IAF grant process also allows grantees to propose amendments during the course of their projects in order to quickly address changing conditions on the ground or to expand successful projects to reach more people.

**Sustainable.** The IAF supports projects that help communities continue their efforts after the IAF grant is finished. Communities contribute resources to their projects, and the IAF encourages them to seek additional input from other sources as well as to establish other avenues for maintaining the development process beyond their IAF grant. These partnerships not only multiply the effect of IAF funding, but also further invest the community in project success. This process helps create well-established
partners for the U.S. government who can sustain development efforts, and their relationship with the U.S., over the course of time.

**An Independent Foreign Assistance Agency**

“*To be effective in the 21st century, American diplomacy must extend far beyond the traditional constituencies and engage new actors, with a particular focus on civil society. We cannot partner with a country if its people are against us.***

– U.S. Department of State’s First Quadrennial Diplomacy and Development Review

Congress created the IAF as an independent government corporation in 1969 and designed it to collaborate primarily with private and international organizations, outside of traditional, top-down foreign assistance mechanisms. IAF-funded programs give the U.S. government a direct link to these communities, build a positive image of the U.S. and help foster an environment of cooperation and partnership at the grassroots level throughout the Hemisphere.

The IAF works to complement and enhance the investments made by other U.S. foreign assistance agencies in the region by helping grassroots groups expand the scale of their activities and creating new partner organizations for other U.S. government and business initiatives. By providing timely support in response to communities’ proposals in the economic area of influence of large-scale investments by the United States Agency for International Development (USAID) or Millennium Challenge Corporation (MCC), these communities are better able to take advantage of the economic opportunities that could otherwise pass them by.

The IAF does not fund governments, and it does not fund through contractors and subcontractors. The IAF’s funding is responsive to the best ideas from communities and can be directed flexibly to challenges on the ground.

This independent structure was established so that IAF activities would be insulated from quickly shifting political currents, both domestically and internationally. Because of this structure, the IAF can work with long-term objectives in mind, providing the U.S. government with a positive, on-the-ground presence.

**A Laboratory for Development Innovation**

IAF-funded projects also serve as a “development laboratory” in which both the participating communities and development specialists – through the IAF – can learn what investments and strategies are most effective for broadening economic opportunities and fostering civic awareness and inclusion in order to address communities’ basic needs. Grant recipients address local challenges through a wide variety of innovative activities from the creation of community-managed eco-tourist attractions to the cultivation of highly-nutritional and organic crops for family consumption and sale, to the marketing of high-end artisan products that preserve indigenous cultures, to microenterprise incubator programs for youth at risk of gang involvement. The IAF works with community leaders, monitors each project’s progress and is able to consider critical adjustments to project parameters along the way.
Communities that successfully manage their IAF-funded projects are better prepared to sustain their own development process beyond U.S. government assistance. Additionally, through the IAF, the U.S. government is able to leverage private and public support from local, domestic and international sources, amplifying the impact of each U.S. dollar.

The IAF has been at the forefront of teaching others how to effectively enable successful development models. This was the clear message of noted development economist Albert O. Hirschman in the book he wrote in 1984 about the IAF’s approach: Getting Ahead Collectively: Grassroots Experiences in Latin America. Last year, researcher and development practitioner Lester M. Salamon wrote about the IAF’s years of attention to efforts to build alliances between Latin American businesses and grassroots development organizations in his book, Rethinking Corporate Social Engagement: Lessons from Latin America.

Through its RedEAmérica initiative (a network of 64 corporate foundations throughout Latin America), the IAF helps corporate members go beyond short-term, charitable philanthropy and invest in self-help projects that improve the long-term quality of life for their least fortunate compatriots. The IAF has also been a leader in collaborating with hometown associations, community foundations and other diaspora groups to direct private funds to development initiatives in their communities that deliver real, sustained results.

By mobilizing its network of grantees, the IAF facilitates opportunities for local organizations to teach and learn from each other. The IAF provides other critical learning opportunities through grantee-to-grantee exchanges that occur as part of a project’s training activities. For example, the IAF enabled members of an incipient women’s cooperative in the Dominican Republic, Cooperativa para el Desarrollo de La Ciénaga (COOPDECI), to travel to Uruguay and meet with IAF grantee Cooperativa Delicias Criollas to learn how it built a successful jam and jelly business and to adapt its own plan for processing fruit into value-added products for sale in their home country. As a result of this exchange, the women of COOPDECI were able to refine their recipes, improve their jam-making process and identify additional potential markets for their products.

This success is in part due to the IAF’s approach to development and the knowledge, skills, and abilities of its staff. IAF staff members have in-depth knowledge and understanding of the countries where the agency operates, extending beyond capital cities and directly to the areas where the poor live.

“Cross-border trade and investment flows, if harnessed well, can have a transformative impact on societies. Remittances, totaling some $400 billion worldwide today, are an increasingly vital source of capital full of unrealized productive potential. Against this backdrop, and particularly in a time of fiscal constraint, State and USAID must work together with other agencies and the private sector to ensure that our development dollars will go further than ever.”

– U.S. Department of State’s First Quadrennial Diplomacy and Development Review
Expanding Economic Opportunity

Most of the grassroots project proposals that the IAF receives and supports include an economic development or income generation component; what is most noteworthy about these projects is the myriad ways in which communities seek to improve their microbusiness climate. Their projects are designed to increase access to capital; strengthen entrepreneurship; and obtain vocational skills, particularly for youths. By funding such diverse approaches, the IAF is able to help improve local conditions for business in participating communities, and also to begin to identify the patterns of conditions and strategies that produce fertile soil for sustainable development over the long run.

→ Access to capital: Obtaining access to capital plays an important role in spurring business development and growth. In Paraguay, Mennonite Economic Development Associates del Paraguay (MEDA-Py) is offering rural farmers access to microloans and technical assistance to increase production and improve quality of manioc and sugar cane in order to take advantage of increased demand from the starch and bio-fuel industrial plants in the area.

→ Promoting entrepreneurship: Microbusiness people from poor communities may lack the resources to execute their innovative business ideas, but entrepreneurial spirit abounds. Many IAF grantee organizations work to foster this spirit and promote incipient microbusiness development, especially among young people. Grupo Juvenil Dion (GJD) provides formal training for young microentrepreneurs in metropolitan Tegucigalpa, Honduras, through its center for training, employment and enterprise development in which students learn vocational skills such as cosmetology, woodworking, electrical trades, tailoring and bakery science. Following completion of their course of study, youths can acquire start-up capital for their microbusinesses from an investment capital fund and an in-kind loan fund established by GJD. By comparison, Instituto Hondureño de Desarrollo Alternativo y Sostenible (IHDEAS) works with Honduran youth entrepreneurs whose business ideas include a wide range of possibilities to provide them with business plan development and management skills. To reinforce their business acumen, IHDEAS matches participants with

Youth from Tegucigalpa are provided vocational skills training to help expand their opportunities for employment. The boys pictured here are learning how to do basic electrical wiring. GJD provides outreach programs, instruction and education, as well as modest investment capital, to help over 400 youth at-risk develop and establish small microenterprises.
experienced business owners who serve as mentors. Participants then present their business plans to a selection committee in order to receive a small loan to jumpstart their microbusiness.

Women from some of Rio de Janeiro’s poorest neighborhoods are learning construction skills. Already more than 70 percent of the graduates from FIB training program have been employed, and demand for these workers is expected to increase as preparations for the 2014 World Cup and 2016 Olympics ramp up.

→ Employment-related education: The IAF supports projects that offer technical and vocational skills courses so that graduates have access to greater economic opportunities. Through its Projeto Mão na Massa ("getting your hands dirty") project, Federação de Instituições Beneficentes (FIB) is offering women from some of Rio de Janeiro's most vulnerable neighborhoods, vocational courses to become professional masons, carpenters, electricians and plumbers. During the first two years of the initiative, 70 percent of the women were employed immediately following graduation, increasing their individual income by nearly 100 percent. Demand for graduates is expected to increase as preparations for the 2014 World Cup and the 2016 Olympics get underway.

→ Youth employment opportunities: The IAF also seeks to support sustainable models of youth engagement that are responsive to local needs for job creation and other economic activities in areas of the Hemisphere with some of the highest concentrations of young people. Fundación para el Desarrollo Juvenil (FDJ) is working with 250 at-risk adolescents from areas outside of San Salvador where gang activity is prevalent to develop their leadership and technical skills as well as to help them launch and expand microbusinesses that produce small livestock, including quails and rabbits. They raise and then sell the animals and their meat and eggs. Through the program, youths learn about livestock management, corrals and cage preparation, disease prevention and butchering techniques, and they develop a marketing plan to sell their products in local and municipal markets. In addition, FDJ is carrying out cultural and sports activities for the youths that emphasize collaboration, leadership and the importance of conflict resolution to provide an alternative viewpoint to gang culture.
Empowering Civil Society

The IAF and its grantees recognize that a strong civil society is essential in contributing to the rule of law and good governance required for sustained economic growth. IAF grants have contributed to building stronger organizations and capable citizens who are better prepared to engage at the local level in the challenges of planning and governance. Over time, many of these individuals and organizations have become important actors representing marginalized communities and their priorities at the state, regional and even national level. For many participants from traditionally excluded populations and regions, an IAF grant provides the first opportunity for these citizens to directly voice their concerns and contribute their ideas in a systematic way. As individuals talk with their neighbors and compare thoughts, fears and dreams, they can begin to develop a cohesive plan that is presented to local authorities, domestic government agencies, private funders and other potential supporters. By strengthening the technical, administrative, and leadership skills of groups and individuals, the IAF helps to create a strong network of local-level actors who are better able to express community priorities, mobilize local resources and partner with governments at all levels. In order for national governments to be able to effectively promote economic development for all citizens, it is essential to have a strong network of civil society organizations able to serve as partners in implementing programs and supporting change.

Along these lines, the IAF has recently funded:

→ **Citizen oversight:** One important role for civil society is providing oversight of government policies and programs to help ensure effective, transparent use of public resources. In Colombia, citizen oversight committees are the primary mechanism for organized citizen oversight of government activities and use of resources. Through the creation of a Grassroots Development Fund, Transparencia por Colombia (Transparencia) is supporting community oversight activities by providing subgrants to citizen oversight committees to promote community participation and engagement in public discussions that directly influence people’s lives. These activities include establishing dissemination tools, such as Websites, to enable the general public to monitor the allocation and use of local resources, better utilizing existing mechanisms for political and disciplinary actions when corruption is identified, and monitoring the implementation of municipal development plans.

→ **Culturally appropriate education:** Drawing on teaching techniques that are traditional in indigenous culture in remote communities outside of Cusco, Peru, Asociación Cultural Ayllu Yupaychay (Yupay) is adapting the standard Peruvian education methodology to emphasize visual cognitive skills as the primary means for teaching indigenous children. This approach helps children better comprehend the material while simultaneously enabling school and local officials to better measure their subject matter comprehension with standard Ministry of Education assessment tools. Yupay is also training community members as classroom assistants who reinforce formal lessons with painting, clay modeling, weaving, carving and sculpturing activities.
Media and information dissemination:
With IAF support, Fondation Festival Film Jakmèl (FFFJ) is training high school students in film and media skills through its Ciné Institute to enable them to speak with their own voices about local events and their lives in Jacmel, Haiti. These skills prepare students to work in the film and television industries and, in the wake of the January 2010 earthquake, FFFJ’s students began reporting on the wide-scale destruction in their town, a former colonial tourist destination. Their reports were featured in The New York Times and the Wall Street Journal, as well as on CNN and PBS, among other outlets, and drew much-needed aid to Jacmel.

Rule of law:
In Cochabamba, Bolivia, Fundacion Pro Justicia Bolivia (FPJB) is using its IAF grant to run two legal and citizens’ rights centers through which it works to promote nonviolent means of conflict resolution, raise awareness about human rights, reduce intra-familial and community violence, and help the poor access the justice system.

Addressing Basic Needs While Development Takes Hold

One of the ongoing challenges faced by poor communities is the difficulty in meeting basic daily requirements, such as food, clean water and secure housing, so that they may shift their focus to the longer term planning that sustainable development necessitates. In recognition of this challenge, the IAF funds projects that help families meet their everyday needs so that they are able to focus on the organizing necessary for communities’ social and economic development processes to begin to take hold. Since the IAF supports development programs as opposed to charitable or humanitarian work, projects must include a basic needs program paired with demonstrated community interest in and a plan for undertaking a more sustainable development process in order to receive funding from the IAF.
Some examples of IAF funding in this area include:

→ **Food security:** In São Paulo, *Organização Cidades Sem Fome* (OCSF) is increasing food security for 1,200 Brazilians with an award from the IAF. It is using the grant to convert 10 square hectares of arable, previously-abandoned land into a community garden hub producing vegetables, grains, fruits and medicinal plants. It also provides training in food production and marketing as well as agro-ecological practices, and it is establishing a mobile processing and packaging plant. Through this project, surrounding communities are able to cultivate, sell and distribute unprocessed fresh greens and other vegetables to local restaurants and markets; process fruits and vegetables into preserves, sauces, pickles, jams and jellies for sale; and produce and sell flowers, ornamental plants, and seedlings of native species.

→ **Clean water:** Through a grant to *Fundación para el Desarrollo en Justicia y Paz* (FUNDAPAZ), 17,000 Argentines are increasing their access to water by learning how to identify new potential water sources as well as by building and managing mini-reservoirs, retention basins, storage tanks and windmills. FUNDAPAZ is partnering with another local organization to undertake community management of water resources, including the development of a set of rules regarding their use, the measurement and maintenance of water quality, and the use of geo-electric equipment to locate and map sources of potable water.
Stimulating Broader Participation

IAF-funded programs also create opportunities to learn about conditions that more indirectly promote sustainable development. One such condition is expanding participation in community and local decision-making processes to a broader range of actors and constituencies. Since its inception, the IAF has prioritized funding projects that incorporate historically marginalized groups, including women, African descendants and persons with disabilities, into communities’ economic, social, and political lives.

In the last few years, the IAF has supported:

→ **Women**

**Instituto Realice** is training producers and vendors of artisan crafts in low-income neighborhoods of metropolitan Rio de Janeiro to ensure quality in their production of Fair Trade goods. These artisans, most of whom are women, use ceramics, natural and man-made fibers, wood, cloth, metal, leather and other materials to create women’s accessories, men’s and women’s jewelry and home decor items. Producers and vendors are also working with Instituto Realice to develop a self-sufficient business structure to enable them to benefit from the aggregated production and sale of goods without the intervention of intermediaries in order to maximize their own earning potential. Instituto Realice promotes products’ sales via catalogues (at right), its Website and the 75 vendors in its Fair Trade direct sales network, Rede Asta.

In largely indigenous villages in western Guatemala with high poverty and illiteracy rates, **Asociación Consejo de Mujeres Mayas de Desarrollo Integral (CMM)** has worked with local women to make significant improvements in the health care for pregnant women, new mothers and infants through a project funded by the IAF. CMM trained and organized these women, who now form a network of volunteer community health trainers, midwives and community pharmacy managers in nine villages. The number of volunteer health trainers – who promote basic preventive health practices in their isolated communities – increased by more than 300%, and the number of local midwives increased from zero at the project’s inception to 39 nine years later. As a result, the maternal mortality rate dropped to zero and the infant mortality rate fell by roughly 40% from 2001 to 2010.
→ Afro-descendants

On the coast of Oaxaca, Mexico, Ecosta Yutu Cuii, Sociedad De Solidaridad Social (Ecosta) is working with women and men of African and indigenous descent by providing small amounts of credit and technical advice to poor but ambitious micro-entrepreneurs. In one example, an association of ten African-descendant women saw an opportunity to collect tropical fruit that would otherwise have gone to waste, including tamarind, pineapple, mango and guava, and are using it to make jams and jellies to sell to neighbors and in local markets. This small but significant source of income has enhanced family well-being and given women the opportunity to tangibly and visibly contribute to their family in a new way.

Through an expanded tutoring and mentoring program run by Bahia Street with IAF funding, 120 Afro-Brazilian girls in elementary and middle school in the favelas of Salvador da Bahia receive afterschool support five days a week in subjects taught in the public schools – including Portuguese, history, geography, math and English – to prepare them for the examinations they must pass in order to move onto the next grade and better position them to take on leadership roles in their communities as adults. Bahia Street also offers high school students a weekly math and science program as additional preparation for university entrance exams as well as offering parents and other caregivers weekly classes in parenting, literacy, health, math and English.

→ Persons with disabilities

The IAF’s grantee organizations include several disabled people’s organizations (DPOs) that work to educate, rehabilitate and develop jobs for their constituents. Receiving an IAF grant enables individuals with disabilities to work toward a better life for themselves; it also demonstrates that DPOs can compete successfully for development funding when measured by the same criteria as other applicants.

Fundación Saraki (Saraki) is providing courses to 1,300 representatives of disability rights organizations, neighborhood associations, government employees, teachers and students to raise awareness about the challenges Paraguayans with disabilities face and how they can be overcome. Saraki has also evaluated the accessibility of public services in six Paraguayan municipalities and, based on the results, schools, clinics and hospitals have begun to improve accessibility in their facilities. Additionally, a number of Paraguayan civil servants are now better able to serve
their deaf constituents after completing basic sign language courses offered by Saraki.

**Attracting Resources for Development at the Grassroots Level**

**Leveraging External Resources**

Another challenge for poor communities and donors alike is mobilizing the resources necessary to sustain and propel the development process as it moves forward and, ultimately, enabling the organized poor to acquire the necessary resources themselves. IAF-funded projects offer important learning opportunities about which conditions create the most effective funding synergy. The IAF requires all of its partners to provide counterpart funding from among their own resources, running the gamut of resources in cash and in-kind, as well as to cultivate partnerships with other organizations and funders outside of the U.S. government sources. Through the process of obtaining and managing these external resources, IAF grassroots partners gain the capacity to successfully acquire resources of their own accord, which enables them to continue to fund their development efforts beyond the life of their grant from the IAF. All of these factors combine to amplify the effect of each taxpayer dollar, leverage more resources and further advance sustainable progress.

**Complementing Other U.S. Government Initiatives**

In addition to attracting resources from the private sector, the IAF also works directly with other U.S. agencies to direct resources to the grassroots in order to foster and development and sustainable growth for local communities. Recently, the IAF partnered with Bureau of Western Hemisphere Affairs at the U.S. Department of State in support of the President’s commitment to the Inter-American Social Protection Network, highlighted at the Fifth Summit of the Americas in Trinidad and Tobago. The initiative is designed to foster cooperation through training and technical assistance between selected partners throughout the region. With funding from the State Department, the IAF is administering a training and technical assistance program to ensure that civil society organizations are included in the process to build, strengthen and access social protection services for those most in need. In Brazil, the IAF has partnered with the U.S. embassy to assist in selecting grassroots
organizations that bring Afro-Brazilians into the sustainable development process as part of the U.S.–Brazil Joint Action Plan to Eliminate Racial Discrimination. These partnerships further illustrate how the IAF complements broader foreign assistance policy, reaching out and promoting access to and ideas from the local level.

Building Lasting Partnerships

IAF programs also serve U.S. interests over the long term by building direct partnerships with people, rather than governments. The community development process for which IAF grants provide ‘seed capital’ enables the U.S. to accompany poor communities through their own development process. Over time, this demonstrated U.S. commitment establishes productive, enduring partnerships that can weather the political fluctuations that come with a focus on short-term goals and that provide common ground from which to identify and implement solutions to shared challenges.

The IAF’s small-dollar investments on the local level, outside of the processes of national governments, enable the U.S. government to maintain a beneficial presence in poor communities, including in many countries that have complicated relations with the U.S. government at the national level. This is especially meaningful in countries in which other U.S. foreign assistance programs currently have limited or no operations. IAF projects help improve the lives of the poor thereby creating goodwill toward the United States.

Return on Investment Through the IAF

The IAF is dedicated to funding at the grassroots in Latin America and the Caribbean. The IAF’s strategic, small-scale investments in the ideas and entrepreneurship of poor communities enhance the communities’ own physical and social capital and yield a return to the United States in terms of learning and goodwill with our neighbors’ citizens.

Making Every Taxpayer Dollar Count

The U.S. government – through the IAF – can make small, high-yield investments in novel development projects directed by the organized poor themselves. The small scale of IAF’s investments enables the U.S. government to strategically target its support for communities throughout the Hemisphere as well as its support for emerging initiatives in community-level development. This provides the opportunity to serve as an incubator for small-scale social and economic development innovations and efforts. For the last fifteen years, the IAF has applied its Grassroots Development Framework (GDF) to capture results and identify the conditions most important to cultivating self-sustaining development.

From its inception, the IAF has operated with limited bureaucracy, maximizing the impact of each dollar used by investing directly in community-owned projects. The IAF’s development grant program is not reduced or diverted by being channeled through large-scale contractors or government bureaucracies. Moreover, IAF funding
leverages the resources of others. Since 1969, the Foundation’s grantees have contributed or mobilized nearly $1 billion to match the IAF’s roughly $700 million in grants.

Operating with a lean budget, the IAF strives to streamline its administrative processes at every opportunity. Many non-core functions are outsourced through inter-agency agreements, and the IAF systematically seeks to reduce the administrative burdens of its grant review and clearance process while still maintaining robust oversight and vetting processes. This ensures that only the best projects are selected to receive funding and that they receive appropriate attention and assistance throughout the life of the project.

**Responding to Local Conditions**

Through the IAF, the U.S. government maintains direct contact with Latin American and Caribbean communities, which allows it to understand local needs and resources and tailor its response specifically to each community. Moreover, this direct relationship allows the U.S. government to respond quickly to shifting local conditions, as in Haiti and Chile in the wake of two significant earthquakes in early 2010. This approach also allows the U.S. to maximize the effectiveness of each dollar spent.

**Building Knowledge About Development**

The IAF’s results-based support for emerging ideas in grassroots development also contributes to the larger body of knowledge about the dynamics of long-term development at the local level, which helps inform the development community about how to support a self-sustaining development process in which each community directs its own efforts. The IAF seeks to fund numerous projects that include new ideas and perspectives with respect to development processes in order to learn what works best. To this end, the IAF has developed important tools to measure the results of IAF-funded projects and draw appropriate lessons.

Over the last fifteen years, the IAF has developed the GDF, an evaluation tool designed to aid the IAF and its grantees in measuring and reporting achievements as well as in identifying and learning from each project’s strengths and deficiencies. More recently, the IAF began conducting impact assessments of projects, which include an in-depth examination of a project’s impact at the individual organization and community level four to five years after the project ended. Both processes better enable the IAF to identify learning in each project.

Along the same lines, the IAF strives to share what it learns through this process. It seeks to improve its own understanding of and role in grassroots development. In addition, the IAF promotes information sharing among its grantees through periodic exchanges between grantee organizations; some exchanges are designed to expand the knowledge base around a specific type of development activity or theme, while others are set up as broader learning opportunities based on the cross-pollination of ideas and experiences across the entire sector of grantees in a region or country. Finally, the IAF aims to share this information with other donors and development organizations through its publications and participation in conferences.
Impact of IAF Funding

The IAF’s approach to development and support for grassroots initiatives helps communities start to establish the conditions and environment necessary for long-term, sustainable development and local self-sufficiency in the advancement of their communities. Each year, IAF funding achieves improvements in the quality of life of poor communities in Latin America and the Caribbean in a variety of ways, including addressing food security and agricultural production challenges, enabling greater access to microcredit for entrepreneurs, helping expand the role and public space for civil society, and providing leverage to engage significant additional resources in the development process. Recently, IAF projects have also:

- Created opportunities and venues for historically marginalized groups such as indigenous peoples, Afro-descendants and at-risk youth, to play an active role in advancing their civil and economic inclusion;
- Gained access to valuable networks of organizations with mutual development objectives through which organizations can learn best practices, fundraise and identify future project partners;
- Facilitated better access to and effectiveness to financial services through the creation of credit reporting in the microcredit community to avoid overextension of credit and identification of those who are less of a credit risk; and
- Enhanced grantee organizations’ capacity to mobilize resources and partner with other organizations to support increased project activities.
Rebuilding from the Grassroots

While the IAF’s mandate does not include humanitarian or emergency relief, developments in Haiti and Chile that occurred in the wake of the earthquakes in early 2010 underscore the agility of the IAF in working to quickly adapt projects to accommodate shifting local conditions and assist in sustainable, longer-term recovery efforts.

All of the IAF’s grantees in Haiti felt the impact of the catastrophic earthquake there, albeit in different ways. Infrastructure and equipment were severely damaged, many communities faced new challenges in adjusting to large-scale migration out of the Port-au-Prince area, and some members of grantee organizations even lost their lives. **Mouvement Paysan 3ème Section Camp-Perrin (MP3K)**, located in Camp Perrin, expanded project activities to include relatives who had migrated back to the community after the earthquake in yam-farming to provide a reliable food supply and a source of income to families in need. In Port-au-Prince, **Haitian Partners for Christian Development (HPCD)** lost its business incubator near Cité Soleil, but it was able to consolidate activities in another facility in Martissant to help the entrepreneurs rebuild their businesses.

One of the biggest challenges for poor communities following the initial response to the earthquake and subsequent tsunami in Chile was re-establishing economic activities. In response to this need, the IAF worked with **Nonprofit Enterprise and Self-sustainability Team (NESsT)** to enable microentrepreneurs in some of the regions that were hardest hit to restart their businesses. Through the Levantando Chile fund, NESsT is providing subgrants to repair their workshops and other business infrastructure, purchase or fix tools, and buy materials and supplies to rebuild their business assets such as greenhouses for agricultural production and wool and leather for craft production. NESsT is also helping entrepreneurs start new social enterprises – socially-driven businesses or nonprofit organizations operating as businesses – through a process designed to cull and support the best social enterprises by providing training and modest financial support as they compete for $10,000 business start-up subgrants.
Section 2
Grassroots Development and U.S. Domestic Interests

Strategic support helps grassroots grantees address some of today’s most complex challenges. With IAF funding, they offer meaningful alternatives to migration, gangs and the trade in illicit drugs, problems that directly affect both U.S. and foreign interests.

Providing Alternatives to Engagement in Illicit Activities

Gangs

Many IAF grantees engage young people in acquiring the skills conducive to finding good jobs or managing their own microenterprise. Some programs directly target young people at risk of joining gangs; others encourage young people to become more involved in income-generating opportunities embracing their cultural heritage. Grantees in El Salvador and Honduras include Fundación Salvadoreña para el Desarrollo Juvenil (FDJ) and Centro de Educación Vocacional Grupo Juvenil Dion (DION) that are training young people in vocational skills or to develop their own enterprises. IAF support for youth programs in Central America and Mexico is particularly important at this time of great need for strong civil society organizations that address security concerns by fostering leadership development skills and better economic opportunities in their communities.

Drug Trade

In the 1980’s, the IAF funded a cooperative of subsistence farmers in the Alto Beni in Bolivia. Today, El Ceibo has evolved into Bolivia’s leading exporter of cacao and chocolate products, and showcases an organic agro-forestry production model that protects soil, rivers, forests and biodiversity. The enterprise buys approximately two-thirds of Bolivia’s cacao beans and those not processed into El Ceibo’s 40 different products for domestic and global markets are sold to other companies. It was the IAF that initially funded this group, based on the agency’s responsive funding model that heeded the voices of poor farmers and provided the investment capital to help them expand the conversion of their crops to experimental cacao production. The IAF invested in the federation’s organizational capacity and collective bargaining power. El Ceibo has since served as one successful model for alternative development programs funded by USAID that directly support larger U.S. and foreign interests in drug eradication.

Colombia’s Cauca region has been seriously affected by the ongoing civil conflict. Asociación de Cabildos de Caldono de la Zona Nororiente Ukawe’sx Nasa Cxamb (Asociacion de Cabildos), is working with young indigenous Nasa Colombians between the ages of 18 and 32 (at left) to create opportunities in enterprises producing organic coffee, meat and wool as an alternative to involvement in the drug trade. In the neighboring region of Chocó, 16 young leaders of African descent formed Asociación de Jóvenes Líderes para el Progreso del Río Quito y Pató (Ajoliproq) with the goal of
revitalizing the cultural and agricultural practices of their ancestors. With the IAF’s support, the organization funds farms that produce yucca and plantains for family consumption. Through these activities the young Colombians in these remote communities are acquiring skills, becoming responsible leaders and improving the future of their communities.

**Generating Opportunities in Border Communities**

Among the many challenges currently faced by poor communities along the border in Mexico is a lack of economic opportunities for local residents and migrants alike, especially youth, as well as the influx of narco-trafficking activities and the violence that comes with them. With the help of the IAF, Fundación Comunitaria de la Frontera Norte (FCFNAC), a community foundation dedicated to increasing local philanthropy and funding for projects along the U.S. Mexican border, supports groups like Centro de Accesoria y Promoción Juvenil (CASA), in Cuidad Juarez. CASA helps young people find productive alternatives to the pervasive violence and crime that impact their communities by providing a safe place to engage in activities such as hip-hop music production, graffiti art and break-dancing in an attempt to avoid gang related activities or drug-trafficking recruitment. FCFNAC has raised more than $3.6 million to invest in initiatives such as CASA and mobilized more than $253,000 for 30 community development projects along the border.

**Creating the Opportunities to Stay Local**

Many IAF grantees address conditions that motivate people to migrate to the U.S., especially the lack of economic opportunities. By supporting programs that create jobs and provide training in vocational skills, IAF-funded projects create incentives for people to remain with their families in their communities of origin.

A 2005 award to Maquiladora Dignidad y Justicia (MDJ), an import/export processing partnership co-owned by the factory’s employees and a U.S. and a Mexican nongovernmental organization, supported the expansion of its program offering jobs to women whose employment in apparel plants had ended due to factory closings. MDJ’s program created new jobs, improved management and production skills and gave workers incentives to remain within Mexico. It also identified new markets for MDJ’s products. Workers benefit from higher wages and better conditions than “sweatshops” offer, and employees can become shareholders and managers.

IAF support for Fundación Salvadoreña para la Reconstrucción y el Desarrollo (REDES) helped provide employment opportunities to Salvadoran youths who have started cyber cafes, silk screening services, bakeries and a community radio station in an area with high rates of migration to the United States. More than 2,700 Nicaraguan coffee producers have benefited from better income due to training and technical assistance from Unión de Cooperativas Agropecuarias Sociedad de Pequeños Productores de Café (SOPPEXCCA) (at left). The organization’s efforts have improved product quality, resulting in significant increases in sale in Nicaragua and in international markets. Peet’s Coffee is a U.S. client.
Grassroots Development and the Environment: Opportunities through Community-Management of Natural Resources

Throughout its history, the IAF has funded grantees that promote environmental stewardship and the conservation of natural resources essential to income-generation and a better quality of life.

Rewarding Responsible Forestry Practices

In Mexico, Consejo Civil Mexicano para la Silvicultura Sostenible A.C. (CCMSS) helps indigenous communities engage the private sector and government agencies in partnerships that work to reduce environmental degradation by providing farmers incentives to replace destructive practices. In Ecuador, Corporación para el Desarrollo de los Recursos Naturales Renovables (CEDERENA), a network of agronomists, foresters, economists, engineers and sociologists, has improved living conditions in the highlands by offering sound alternatives to harmful agricultural methods. Its accomplishments include the development of a system that requires downstream consumers to pay a small surcharge on their water bill. These revenues are then used to pay farmers upstream to preserve the natural vegetation in the parámos, a unique ecosystem that captures and purifies rain and snow and filters water downstream. As a result, residents’ access to water has increased to eight hours a day, up from two hours each morning and afternoon, and farmers receive a steady income.

Water: Improved Access and Conservation

Water from rainfall previously lasted residents of Pesqueira, in Northeastern Brazil, just one month beyond the end of the brief wet season. With an IAF grant, Centro Diocesano de Apoio Ao Pequeno Produtor (CEDAPP) (below) is building cisterns and applying conservation practices, which extends the availability of water through the eight-month dry season. Communities raised funds to cover 30 percent of the cost of the cisterns and residents volunteered their labor. This effort has been particularly beneficial to women and children, who had to carry the water long distances. With IAF support, these communities have also been able to conserve water by installing “dry” toilets that operate mainly with ash or lime. In Jamaica, the Mocho Development Committee (MDC) is constructing a water capture system, or “micro-dam,” in a reclaimed bauxite-mining pit by clearing land at the bottom of the pit and lining it with impermeable sheeting to collect up to 20,000 gallons of rain and
runoff. Solar-powered pumps will propel the water from the pit to storage tanks, so that farmers and other residents can access it year round.

Alternative Energy Sources

In the buffer zone of El Duende Regional Park of Colombia, the Asociación de Campesinos Agro-ecológicos de la Zona de Amortiguamiento al Parque Natural Regional del Duende (Asoduende) is working with 15 communities to develop grassroots organizations dedicated to reconciling conservation and local economic development. Asoduende is also installing biodigestors to trap methane gas and convert organic wastes into a nutrient-rich liquid fertilizer and a biogas for cooking. IAF support for the Centro de Estudios e Promoção de Agricultura de Grupo (CEPAGRO) in Brazil has allowed the organization to collect used vegetable oil and recycle it into biodiesel to power cars and fishing boats. CEPAGRO provides hundreds of farm families and producers’ associations biodiesel collected through this program. By working together to transform their waste into fuel, the farmers reduce their production costs, pollution and carbon emission while expanding their market opportunities.

Biodiversity for Tourism and Environmental Conservation

Organización para la Conservación de Cetáceos (OCC) is a network of Uruguayan environmental activists and representatives of civil society, government and small enterprises, who work to identify or design opportunities for ecotourism, including watching whales and dolphins (right) in their natural habitats. OCC applied to the IAF for support to conduct educational activities and workshops on conservation and responsible tourism in schools and other educational institutions. The IAF grant has enabled OCC to train tour operators and other community residents in sound environmental practices related to water management, waste recycling and renewable energy technology.
Incubating Businesses and Ideas

IAF grantees have a long history of promoting entrepreneurship by incubating ideas, providing access to credit, reaching out to women, building networks for better market access and encouraging investors to support local businesses.

Access to Credit

Access to credit is important to business development and growth. In addition to supporting more traditional microlending models, the IAF responded to Coordinadora Interinstitucional de Guatemala (COOINGUA), a group of 40 microlender organizations that is developing a regional computerized credit reporting system in a part of Guatemala where no such system exists. By developing software to capture borrower data, COOINGUA is helping more than 250,000 Guatemalans obtain microloans to finance businesses, agriculture, housing and personal needs. COOINGUA also encourages better practices as lenders acquire more information on borrowers so that they discourage the excessive lending that can ruin struggling microbusiness.

Most lenders will not extend credit to individuals with insufficient traditional collateral so Associação Ateliê de Idéias (Ateliê), a small cooperative of 60 Brazilian women who make clothing and accessories, created its own banking system by using the simple practice of setting aside a portion of members’ monthly income to reinvest in the cooperative’s business (at right). Eventually the women saved enough to extend loans to other groups. In 2005, the group formed Banco Bem, one of Brazil’s 33 community banks that serve the poor. With its 2009 IAF grant, Ateliê expanded to reach more than 24,000 people with the services Banco Bem offers through its partnership with Banco do Brasil and the Brazilian government’s Caixa Econômica Federal. Ateliê continues to adapt its financing techniques to the needs of low-income Brazilians it serves. These include a specialized line of credit to exclusively finance microenterprises; all participants in the business jointly and severally guarantee repayment.

Women as Entrepreneurs

Poor women trying to enter the job market face barriers that include a lack of childcare services. Parents have taken matters into their own hands. With IAF support, Fundación Comunitaria de Matamoros A.C. (FCMAT) is working with parents in poor neighborhoods of Matamoros, on the U.S.-Mexican border, to operate daycare centers that create jobs for single mothers or let them look for jobs elsewhere while providing a safe environment for children. FCMAT is also responding to the parents’ need for vocational training and is conducting workshops to improve the skills of those who are unemployed.
Corporate Social Engagement

In 1995, the IAF partnered with Latin American businesses to encourage them to support poverty alleviation, environmental protection and community development. As Lester Salamon, an expert on civil society, describes in his book, *Rethinking Corporate Social Engagement: Lessons from Latin America*, published in 2010, the IAF’s pioneering initiative has resulted in greater social engagement as Latin American businesses use their resources to advance the programs of nongovernmental organizations. IAF partner Fundación del Empresario Chihuahuense (FECHAC), formed by a group of Mexican businessmen in Chihuahua, addressed the damage of a devastating flood with a temporary “tax” on their business earnings. Fundación del Empresariado en Mexico (Fundemex), a foundation incorporated by a group of Mexican businesses, receives $70,000 every two months through a software program that enables companies to make financial contributions provided that 80 percent of the funds donated are reinvested in the state where the company is based.

Grassroots Networks

In 2001, group of likeminded social entrepreneurs from the Argentine business sector formed Fundación Alternativa 3, Estrategias de Desarrollo Comunitario (A3), a powerful network linking poor communities with socially responsible companies to generate income and provide access to credit for small-business ventures and housing improvements. A3 has since provided more than 4,500 loans worth more than $1.2 million to more than 1,300 individuals and family-run businesses (at left). Its network has linked 30 community organizations and socially responsible companies, including 3M and Fonseca.

Engaging Diaspora Energy and Resources

The economic power of the two million Haitians living abroad was evident in the aftermath of the January 12, 2010 earthquake, as they donated vast amounts to emergency relief efforts. The Haitian diaspora has, in fact, been generating funds for Haiti for a long time. In 2010, the IAF awarded a grant to Fonkoze, Haiti’s largest bank for the organized poor, which serve more than 45,000 women borrowers, most of whom who live and work in the countryside, and engages more than 200,000 savers through its 41 branches. Recently, Fonkoze has focused efforts on persuading the Haitians abroad to invest in grassroots businesses and education efforts. With its grant from the IAF, Fonkoze is partnering with members of 50 Haitian Home Town Associations Resource Group in Boston, New York and Miami to provide subgrants to Haitian grassroots organizations as well as small and medium-sized enterprises.
Providing Support and Market Access to Indigenous Artists

IAF grantees in Colombia, Bolivia, Panama, Uruguay and Peru have created “model” programs for revitalizing indigenous and mestizo crafts and opening markets and cultural venues for their products. The quality and variety of crafts as well as the development of these enterprises have surpassed those of many initiatives funded by various Latin American government and private-sector organizations, whose impact fell far short of optimistic projections.

Expanding Networks for Artisans

In addition to training and technical assistance that enables indigenous artisans to preserve their heritage and increase their income, the IAF has supported exchanges that provide opportunities for artisan groups to market their crafts abroad.

National Museum of the American Indian, Washington, D.C.

In June 2010, the IAF facilitated the participation of grantees Centro Textiles Tradicionales del Cusco (CTTC), Centro de Investigación, Diseño Artesanal y Comercialización Comunitaria (CIDAC) and Nativos de Taquile (Taquile) (below) in exhibits at the National Museum of the American Indian (NMAI). CIDAC and its partner organization ARTECAMPO train indigenous Bolivian artisans to refine their pottery, woodcarving, weaving and other handicrafts. Since 2000, annual sales have climbed to more than $300,000. In addition to offering programs to weavers and youths from Quechua communities surrounding Cusco, Peru, CTTC is experimenting with the production of indigo dyes and is expanding its sales via a catalog, a website, sales agreements and the construction of a retail outlet in the Sacred Valley of the Incas. Profits help participants cover basic household needs and fund their children’s primary, secondary and university education. Residents of Taquile Island, in Lake Titicaca, launched a small ferry-boat business with their 1979 IAF grant, the first step toward shifting control of tourism away from mainlanders. They have since undertaken efforts to promote environmental preservation and encourage appreciation for their traditional dance, music and hand-woven textiles among Peruvian and international visitors. The NMAI exhibit gave the groups an opportunity to learn from each other, develop a network of contacts and sell approximately $27,000 in crafts.

Albuquerque, New Mexico

Artisans from K’inal Antsetik A.C. (K’inal), from Chiapas, Mexico, and Asociación Pro-Artesana Panameña (PROARTESEANA), from Panama, joined colleagues from CIDAC, CTTC and Taquile in Albuquerque, New Mexico, for a week of programs in November 2010. K’inal works with the weavers of the Jolom Mayaetik textile cooperative to improve quality, marketing and business management, efforts that doubled participants’ average income in the first year of the project.
PROARTESANA provides training and technical assistance toward diversifying products crafted by more than 300 indigenous Kuna, Wounaan and Emberá artisans in the Comarca Ngöbe-Buglé autonomous territory.

On display were vividly-painted woodcarvings and decorative ceramics crafted in Bolivia, Peruvian weavings fashioned from wool and alpaca colored with natural dyes, watertight baskets and hand-stitched cotton molas from Panama, and elaborately embroidered Mexican textiles (at right) from Chiapas. Representatives of the grantees and the IAF and various experts shared their knowledge of craft production and grassroots development, and visited businesses that import crafts. The Latin American and Iberian Institute of the University of New Mexico (UNM), the Albuquerque Hispano Chamber of Commerce (AHCC) and the National Hispanic Cultural Center (NHCC) co-hosted the events that offered participants the opportunity to learn how these Latin Americans preserve their heritage while improving livelihoods.

Connecting Goods to Markets

The IAF has a long history of helping grantees access domestic and international markets for the sale of their high-quality crafts. These sales opportunities increase incomes of poor indigenous people throughout the hemisphere, and bring Fair Trade and specialty goods to U.S. consumers allowing these entrepreneurs to take advantage of a growing market for conscientious consumerism.

Power of Chocolate

On Valentines Day 2010, former IAF grantee El Ceibo participated for the third consecutive year in the NMAI’s “Power of Chocolate” festival. The event provided representatives of El Ceibo, a federation of 40 Bolivian cooperatives comprised of more than one thousand cacao farmers from the Alto Beni, an opportunity to share with 20,000 visitors some of the world’s finest cacao and the story of the IAF’s investment in a grassroots organization that has evolved into Bolivia’s premier exporter of cacao and chocolate products making it a multimillion dollar business.

Santa Fe International Folk Art Market

Artists from CTTC and K’inal were among 132 from 50 countries selected to exhibit and sell their crafts at the prestigious Santa Fe International Folk Art Market, a premier outlet for specialized goods that attracts more than 22,000 visitors. IAF grantees have participated since 2006. This year, sales from the July event totaled more than $2.1 million of which the artists retained 90 percent.
Section 3
## IAF BUDGET RESOURCES

### I. OPERATING EXPENSES

#### Table 1.1 Multi-Year Estimates

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#### PROGRAM ACTIVITIES

**Grants and Audits**

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**Evaluations and Other Program Activities**

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**Total Program Activities - Grants/Evaluations**

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<tbody>
<tr>
<td></td>
<td>22,741,985</td>
<td>18,732,000</td>
<td>15,837,100</td>
</tr>
</tbody>
</table>

#### PROGRAM SUPPORT

**Program Management and Operations**

<table>
<thead>
<tr>
<th></th>
<th>FY2010 Actuals</th>
<th>FY2011 Request*</th>
<th>FY2012 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriated - Current Year</td>
<td>8,185,008</td>
<td>8,693,000</td>
<td>8,569,900</td>
</tr>
<tr>
<td>Carryover prior year (estimated)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carryover funds 09/10</td>
<td>126,799</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recoveries 09/10</td>
<td>33,445</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gift fund</td>
<td>1,967</td>
<td>5,450</td>
<td></td>
</tr>
<tr>
<td><strong>Total Program Support – Mngmnt and Operations</strong></td>
<td><strong>8,347,219</strong></td>
<td><strong>8,748,450</strong></td>
<td><strong>8,619,900</strong></td>
</tr>
</tbody>
</table>

**TOTAL OBLIGATION AUTHORITY**

<table>
<thead>
<tr>
<th></th>
<th>FY2010 Actuals</th>
<th>FY2011 Request*</th>
<th>FY2012 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31,089,204</td>
<td>27,480,450</td>
<td>24,457,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Object Class</th>
<th>Category</th>
<th>FY2010 Actuals</th>
<th>FY2011 Request*</th>
<th>FY2012 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROGRAM SUPPORT</td>
<td>Staff Salaries &amp; Related Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.1</td>
<td>Permanent Positions</td>
<td>4,067,765</td>
<td>4,247,000</td>
<td>4,247,000</td>
</tr>
<tr>
<td>11.7</td>
<td>Other Personnel Compensation</td>
<td>135,350</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>11</td>
<td>Subtotal -- Personnel Compensation</td>
<td>4,203,115</td>
<td>4,307,000</td>
<td>4,307,000</td>
</tr>
<tr>
<td>12</td>
<td>Civilian Personnel Benefits</td>
<td>1,106,268</td>
<td>1,142,000</td>
<td>1,142,000</td>
</tr>
<tr>
<td>Travel and transportation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Travel and transportation of persons</td>
<td>130,737</td>
<td>320,000</td>
<td>198,000</td>
</tr>
<tr>
<td>22</td>
<td>Transportation of things</td>
<td>1,776</td>
<td>10,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Support Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23.2</td>
<td>Rental Payments to Others</td>
<td>751,171</td>
<td>757,000</td>
<td>777,000</td>
</tr>
<tr>
<td>23.5</td>
<td>Communications, Utilities., Misc.</td>
<td>40,713</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>23.7</td>
<td>Non-ADP Rentals/Copier</td>
<td>8,350</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>23.8</td>
<td>Postage, Messenger, Non-ADP Rentals</td>
<td>13,300</td>
<td>22,000</td>
<td>20,000</td>
</tr>
<tr>
<td>24</td>
<td>Printing and Reproduction</td>
<td>49,651</td>
<td>59,000</td>
<td>50,000</td>
</tr>
<tr>
<td>25.2</td>
<td>Representation Allowance</td>
<td>3,934</td>
<td>7,450</td>
<td>2,000</td>
</tr>
<tr>
<td>25.2</td>
<td>Other Services</td>
<td>96,645</td>
<td>83,000</td>
<td>84,000</td>
</tr>
<tr>
<td>25.2</td>
<td>Staff Training</td>
<td>65,547</td>
<td>126,000</td>
<td>80,000</td>
</tr>
<tr>
<td>25.3</td>
<td>Services from Other Gov Agencies</td>
<td>1,769,647</td>
<td>1,715,000</td>
<td>1,770,300</td>
</tr>
<tr>
<td>25.7</td>
<td>Maintenance-Equipment</td>
<td>38,528</td>
<td>43,000</td>
<td>35,000</td>
</tr>
<tr>
<td>26</td>
<td>Supplies and Materials</td>
<td>46,406</td>
<td>67,000</td>
<td>50,000</td>
</tr>
<tr>
<td>31</td>
<td>Equipment</td>
<td>21,431</td>
<td>46,000</td>
<td>55,600</td>
</tr>
<tr>
<td>Total Program Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>8,347,219</td>
<td>8,748,450</td>
<td>8,619,900</td>
</tr>
</tbody>
</table>

PROGRAM ACTIVITIES

Learning & Dissemination

| 21 | Travel and Transportation of persons | 325,000 | 492,000 | 452,000 |
| 22.1 | Contract Mail Service | 19,500 | 20,000 | 20,000 |
| 23.8 | Postage | 60,000 | 120,000 | 80,000 |
| 24 | Printing and Reproduction | 188,400 | 200,000 | 160,000 |
| 25.1 | Studies & Evaluations | - | 225,000 | 50,000 |
| 25.1 | Fellowship Program | 610,625 | 730,000 | 450,000 |
| 25.1 | Translations | 72,073 | 100,000 | 100,000 |
| 25.1 | Other Services | 1,049,886 | 981,000 | 800,000 |
| 25.3 | Services from other Agencies | 811,627 | 1,228,000 | 900,000 |
| Technical Assistance to Grantees | | | | |
| 25.1 | Local Advisory Service (LAS) | 911,627 | 1,228,000 | 900,000 |
| 25.1 | Data Verifiers (DV) | 1,049,886 | 981,000 | 800,000 |
| 25.1 | Program Conference Support | 1,865,000 | 700,000 | 300,000 |
| Subtotal | 5,169,201 | 4,859,000 | 3,375,000 |

Grants

| 41 | Grants/Grant Audits | 17,572,784 | 13,873,000 | 12,462,100 |
| Total Program Activities | | | | |
| | | 22,741,985 | 18,732,000 | 15,837,100 |

TOTAL PROGRAM SUPPORT AND PROGRAM ACTIVITIES

| | | |
| TOTAL PROGRAM SUPPORT/Total Program Activities | 31,089,204 | 27,480,450 | 24,457,000 |
| Program Support/Total | 26.85% | 31.84% | 35.25% |
| Full-Time Equivalent Usage | 47 | 47 | 47 |

II. Programmatic Funding

In its total portfolio, the IAF has more than 270 active grants totaling nearly $70 million. (Note: Grants awarded in FY 2010 averaged approximately $182,000 over a two- or three-year period.) In FY 2010, the IAF funded 75 new grants in the amount of $13.7 million and amended 46 ongoing projects in the amount of $3.2 million, for a total of over $16.8 million in grant funding. (See Table 2.1; Brief descriptions of the new and supplemental grants for FY 2010 are included in Appendix I.) In addition, IAF grantees have committed over $19 million in counterpart funds from outside sources to projects funded in FY 2010 (see Table 2.3).

Table 2.1

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>No. of Grants</th>
<th>No. of Amendments</th>
<th>Total Funding (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>64</td>
<td>158</td>
<td>$15,276</td>
</tr>
<tr>
<td>1997</td>
<td>81</td>
<td>32</td>
<td>$14,494</td>
</tr>
<tr>
<td>1998</td>
<td>84</td>
<td>14</td>
<td>$17,973</td>
</tr>
<tr>
<td>1999</td>
<td>100</td>
<td>19</td>
<td>$22,671</td>
</tr>
<tr>
<td>2000</td>
<td>48</td>
<td>13</td>
<td>$11,393</td>
</tr>
<tr>
<td>2001</td>
<td>43</td>
<td>27</td>
<td>$13,874</td>
</tr>
<tr>
<td>2002</td>
<td>52</td>
<td>22</td>
<td>$13,378</td>
</tr>
<tr>
<td>2003</td>
<td>64</td>
<td>35</td>
<td>$15,930</td>
</tr>
<tr>
<td>2004</td>
<td>60</td>
<td>40</td>
<td>$14,264</td>
</tr>
<tr>
<td>2005</td>
<td>54</td>
<td>33</td>
<td>$14,102</td>
</tr>
<tr>
<td>2006</td>
<td>54</td>
<td>54</td>
<td>$14,153</td>
</tr>
<tr>
<td>2007</td>
<td>65</td>
<td>28</td>
<td>$14,390</td>
</tr>
<tr>
<td>2008</td>
<td>76</td>
<td>25</td>
<td>$17,068</td>
</tr>
<tr>
<td>2009</td>
<td>72</td>
<td>46</td>
<td>$16,956</td>
</tr>
<tr>
<td>2010</td>
<td>75</td>
<td>46</td>
<td>$16,837</td>
</tr>
</tbody>
</table>
Table 2.2

<table>
<thead>
<tr>
<th>Program Area</th>
<th>Grants</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture/Food Production</td>
<td>35</td>
<td>6,254,408</td>
<td>37.1%</td>
</tr>
<tr>
<td>Education/Training</td>
<td>33</td>
<td>4,294,803</td>
<td>25.5%</td>
</tr>
<tr>
<td>Enterprise Development</td>
<td>29</td>
<td>3,136,084</td>
<td>18.6%</td>
</tr>
<tr>
<td>Environment</td>
<td>11</td>
<td>1,612,950</td>
<td>9.6%</td>
</tr>
<tr>
<td>Health/Housing</td>
<td>2</td>
<td>468,220</td>
<td>2.8%</td>
</tr>
<tr>
<td>Legal Assistance</td>
<td>4</td>
<td>449,273</td>
<td>2.7%</td>
</tr>
<tr>
<td>Corporate Social Investment</td>
<td>3</td>
<td>397,263</td>
<td>2.4%</td>
</tr>
<tr>
<td>Research/Dissemination</td>
<td>2</td>
<td>116,000</td>
<td>0.7%</td>
</tr>
<tr>
<td>Cultural Expression</td>
<td>2</td>
<td>108,250</td>
<td>0.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>121</td>
<td><strong>16,837,251</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>

Figure 2.1

FY10 Grants by Program Area

- Agriculture/Food Production: 36%
- Education/Training: 25%
- Enterprise Development: 19%
- Environment: 10%
- Health/Housing: 3%
- Legal Assistance: 3%
- Corporate Social Investment: 2%
- Research/Dissemination: 1%
- Cultural Expression: 1%
### Table 2.3

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>IAF Funds (thousands)</th>
<th>Counterpart Contributions (thousands)</th>
<th>Total IAF &amp; Counterpart Funds (thousands)</th>
<th>Counterpart Funds as % of Total</th>
<th>Counterpart Funds as % of IAF Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>$2,794</td>
<td>$2,504</td>
<td>$5,298</td>
<td>47%</td>
<td>90%</td>
</tr>
<tr>
<td>1973</td>
<td>$2,944</td>
<td>$4,263</td>
<td>$7,207</td>
<td>59%</td>
<td>145%</td>
</tr>
<tr>
<td>1974</td>
<td>$11,884</td>
<td>$13,248</td>
<td>$25,132</td>
<td>53%</td>
<td>111%</td>
</tr>
<tr>
<td>1975</td>
<td>$12,634</td>
<td>$18,787</td>
<td>$31,421</td>
<td>60%</td>
<td>149%</td>
</tr>
<tr>
<td>1976</td>
<td>$12,190</td>
<td>$15,100</td>
<td>$27,290</td>
<td>55%</td>
<td>124%</td>
</tr>
<tr>
<td>1977</td>
<td>$14,967</td>
<td>$18,458</td>
<td>$33,425</td>
<td>55%</td>
<td>123%</td>
</tr>
<tr>
<td>1978</td>
<td>$11,726</td>
<td>$10,596</td>
<td>$22,322</td>
<td>47%</td>
<td>90%</td>
</tr>
<tr>
<td>1979</td>
<td>$16,866</td>
<td>$14,431</td>
<td>$31,297</td>
<td>46%</td>
<td>86%</td>
</tr>
<tr>
<td>1980</td>
<td>$22,399</td>
<td>$25,360</td>
<td>$47,759</td>
<td>53%</td>
<td>113%</td>
</tr>
<tr>
<td>1981</td>
<td>$21,811</td>
<td>$27,949</td>
<td>$49,760</td>
<td>56%</td>
<td>128%</td>
</tr>
<tr>
<td>1982</td>
<td>$21,060</td>
<td>$28,869</td>
<td>$49,929</td>
<td>58%</td>
<td>137%</td>
</tr>
<tr>
<td>1983</td>
<td>$17,662</td>
<td>$21,826</td>
<td>$39,488</td>
<td>55%</td>
<td>124%</td>
</tr>
<tr>
<td>1984</td>
<td>$17,683</td>
<td>$24,750</td>
<td>$42,433</td>
<td>58%</td>
<td>140%</td>
</tr>
<tr>
<td>1985</td>
<td>$22,659</td>
<td>$35,256</td>
<td>$57,915</td>
<td>61%</td>
<td>156%</td>
</tr>
<tr>
<td>1986</td>
<td>$18,817</td>
<td>$16,664</td>
<td>$35,481</td>
<td>47%</td>
<td>89%</td>
</tr>
<tr>
<td>1987</td>
<td>$19,552</td>
<td>$37,400</td>
<td>$56,952</td>
<td>66%</td>
<td>191%</td>
</tr>
<tr>
<td>1988</td>
<td>$20,267</td>
<td>$25,564</td>
<td>$45,831</td>
<td>56%</td>
<td>126%</td>
</tr>
<tr>
<td>1989</td>
<td>$22,026</td>
<td>$26,883</td>
<td>$48,909</td>
<td>55%</td>
<td>122%</td>
</tr>
<tr>
<td>1990</td>
<td>$19,414</td>
<td>$12,050</td>
<td>$31,464</td>
<td>38%</td>
<td>62%</td>
</tr>
<tr>
<td>1991</td>
<td>$26,934</td>
<td>$37,125</td>
<td>$64,059</td>
<td>58%</td>
<td>138%</td>
</tr>
<tr>
<td>1992</td>
<td>$21,917</td>
<td>$32,639</td>
<td>$54,556</td>
<td>60%</td>
<td>149%</td>
</tr>
<tr>
<td>1993</td>
<td>$24,429</td>
<td>$37,163</td>
<td>$61,592</td>
<td>60%</td>
<td>152%</td>
</tr>
<tr>
<td>1994</td>
<td>$24,739</td>
<td>$38,135</td>
<td>$62,874</td>
<td>61%</td>
<td>154%</td>
</tr>
<tr>
<td>1995</td>
<td>$22,926</td>
<td>$37,550</td>
<td>$60,476</td>
<td>62%</td>
<td>164%</td>
</tr>
<tr>
<td>1996</td>
<td>$15,276</td>
<td>$49,938</td>
<td>$65,214</td>
<td>77%</td>
<td>327%</td>
</tr>
<tr>
<td>1997</td>
<td>$14,494</td>
<td>$38,915</td>
<td>$53,409</td>
<td>73%</td>
<td>268%</td>
</tr>
<tr>
<td>1998</td>
<td>$17,973</td>
<td>$37,381</td>
<td>$55,354</td>
<td>68%</td>
<td>208%</td>
</tr>
<tr>
<td>1999</td>
<td>$22,671</td>
<td>$36,218</td>
<td>$58,889</td>
<td>62%</td>
<td>160%</td>
</tr>
<tr>
<td>2000</td>
<td>$11,393</td>
<td>$24,027</td>
<td>$35,420</td>
<td>68%</td>
<td>211%</td>
</tr>
<tr>
<td>2001</td>
<td>$13,874</td>
<td>$29,849</td>
<td>$43,723</td>
<td>68%</td>
<td>215%</td>
</tr>
<tr>
<td>2002</td>
<td>$13,378</td>
<td>$23,227</td>
<td>$36,605</td>
<td>63%</td>
<td>174%</td>
</tr>
<tr>
<td>2003</td>
<td>$15,930</td>
<td>$16,299</td>
<td>$32,229</td>
<td>51%</td>
<td>102%</td>
</tr>
<tr>
<td>2004</td>
<td>$14,264</td>
<td>$14,618</td>
<td>$28,882</td>
<td>51%</td>
<td>102%</td>
</tr>
<tr>
<td>2005</td>
<td>$14,102</td>
<td>$13,272</td>
<td>$27,374</td>
<td>48%</td>
<td>94%</td>
</tr>
<tr>
<td>2006</td>
<td>$14,153</td>
<td>$24,120</td>
<td>$38,273</td>
<td>63%</td>
<td>170%</td>
</tr>
<tr>
<td>2007</td>
<td>$14,390</td>
<td>$13,256</td>
<td>$27,646</td>
<td>48%</td>
<td>92%</td>
</tr>
<tr>
<td>2008</td>
<td>$17,068</td>
<td>$23,735</td>
<td>$40,803</td>
<td>58%</td>
<td>139%</td>
</tr>
<tr>
<td>2009</td>
<td>$16,956</td>
<td>$21,606</td>
<td>$38,562</td>
<td>56%</td>
<td>127%</td>
</tr>
<tr>
<td>2010</td>
<td>$16,837</td>
<td>$19,263</td>
<td>$36,100</td>
<td>53%</td>
<td>114%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$663,059</strong></td>
<td><strong>$948,294</strong></td>
<td><strong>$1,611,353</strong></td>
<td><strong>59%</strong></td>
<td><strong>143%</strong></td>
</tr>
</tbody>
</table>

Note: In 1994, the IAF revised its methodology for tracking counterpart resources provided to include them in routine project audits. In 2008, the IAF began to verify the amount of counterpart resources received in addition to those contained in the grant agreement. Combined with changes in the IAF’s annual appropriation, such adjustments result in apparent fluctuations in the amount of counterpart resources received by the agency.
III. SOCIAL PROGRESS TRUST FUND

For much of its history, the IAF has received a supplement to its Congressional appropriation in the form of receipts from the Social Progress Trust Fund (SPTF). SPTF funds consist of repayments for loans that were made to Latin American countries under the Alliance for Progress program. These loans are reaching the end of their repayment periods, and SPTF funds will diminish significantly over the next several years.

Table 3.1

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Congressional Appropriation (thousands)*</th>
<th>SPTF Amount (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>$28,000</td>
<td>$8,617</td>
</tr>
<tr>
<td>1993</td>
<td>$30,960</td>
<td>$7,244</td>
</tr>
<tr>
<td>1994</td>
<td>$30,960</td>
<td>$7,654</td>
</tr>
<tr>
<td>1995</td>
<td>$30,960</td>
<td>$5,771</td>
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<td>1996</td>
<td>$20,000</td>
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<tr>
<td>1997</td>
<td>$20,000</td>
<td>$5,214</td>
</tr>
<tr>
<td>1998</td>
<td>$22,000</td>
<td>$4,690</td>
</tr>
<tr>
<td>1999</td>
<td>$20,000</td>
<td>$12,720</td>
</tr>
<tr>
<td>2000</td>
<td>$5,000</td>
<td>$9,673</td>
</tr>
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<tr>
<td>2012**</td>
<td>$19,100</td>
<td>$5,257</td>
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* Does not exclude amounts withheld under across-the-board rescissions, where applicable.

** If enacted at the President’s request level for FY 2011 and FY 2012.
Figure 3.2

IAF Appropriation and SPTF Amounts 1992-2012

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Congressional Appropriation (thousands)</th>
<th>SPTF Amount (thousands)</th>
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### Table 3.3

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<th>Fiscal Year</th>
<th>Congressional Appropriation (thousands)*</th>
<th>SPTF Amount (thousands)</th>
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* Does not exclude amounts withheld under across-the-board rescissions, where applicable. For purposes of comparison, the President’s request level for the IAF was used for FY 2011 and FY 2012.

** Total Operating Budget amounts are based on actual figures, where available, and therefore include smaller-scale adjustments such as rescission and carry-over amounts. Where actual figures are not available, Total Operating Budget reflects addition of estimated annual appropriation, SPTF receipts and projected carryover amounts.
Figure 3.3

SPTF & IAF Operating Budget 1992-2012

- Congressional Appropriation (thousands)*
- SPTF Amount (thousands)
- Total IAF Operating Budget** (thousands)
Appendix
FY 2010 New and Supplemental Grants

Argentina

Fundación Alternativa 3, Estrategias de Desarrollo Comunitario (A3), $260,350 over two years

Working with grassroots organizations, A3 is expanding its microcredit program to provide 690 families in four communities of Greater Buenos Aires with loans for housing improvements and business development, training in purchasing and marketing techniques, and assistance in accessing government and private sector resources and services. A3 is also training staff of Comunidad Organizada Unidos para Crecer (Crecer) to apply its “solidarity” group-lending approach to make microcredit available in other communities.

COOPSOL Ltda. (COOPSOL), $70,700 (Supplemental)¹

COOPSOL is providing training and technical assistance in hive management, conversion to organic production and accessing international markets to 70 additional beekeepers of Formosa and Chaco. It is opening two honey extraction centers that meet the requirements for exporting their Fair Trade-certified products and conducting a study on the feasibility of growing and marketing capers.

Fundación Pro Vivienda Social (FPVS), $129,845 over 18 months (Supplemental)

FPVS received a grant of $204,692 from the IAF in 2006 that was innovative in its approach to establish infrastructure to safely deliver natural gas to homes for cooking and heating. In 2010, FPVS was one of three winners of the 2010 ASHOKA Changemakers competition in Leveraging Business for Social Change for their work in organizing residents of Greater Buenos Aires, block by block, and mobilizing resources from businesses and public institutions. FPVS is using these supplemental funds to remodel a building to establish a center for community leaders to train 300 employees of nongovernmental organizations and other residents as community organizers in order to extend infrastructure for natural gas networks, sewage and other utilities into their communities.

Circo Social del Sur (CSS), $35,320 (Supplemental)

CSS is using circus arts such as aerial acrobatics, trapeze art and dance to teach communication, team work, critical thinking, decision-making and athletic skills to children, teenagers and...

¹ All supplemental grants are for a period of one year unless otherwise indicated.
young adults in low-income, high crime neighborhoods in Buenos Aires. Participating students are organizing a rotating series of performances in different neighborhoods to give visibility to CSS’s educational activities and generate income for the program.

Belize

**Plenty Belize** (PlentyBZ), $310,000 over four years

PlentyBZ is working to improve the nutrition of school children and teach residents of the Toledo district how to cultivate highly nutritional crops using techniques consistent with the sustainable use of their environment. PlentyBZ seeks to improve the nutrition of 3,620 Belizeans by supplying seeds and materials to develop new home and school gardens, establishing school kitchens that provide children with hot meals and a variety of fresh fruits and vegetables, and organizing local food fairs that teach residents about the importance of balanced diets.

**Sustainable Harvest International–Belize** (SHI-Bz), $297,380 over three years

SHI-Bz is working with 250 farmers of indigenous, Garifuna and Creole descent to adopt practices compatible with responsible environmental management. It is training participants in organic farming techniques and in the installation of energy-saving appliances such as fuel-efficient stoves and solar latrines, helping them market their crops, and creating tree nurseries for re-planting in areas identified for reforestation.
Bolivia

Desarrollo Social y Sostenible de Bolivia (DESSBOL), $275,440 over three years
DESSBOL is training indigenous Tsimane-Moseten and Tacana communities in the northern La Paz department in techniques for managing their native cacao forests. It is providing technical assistance with improving cacao seedling cultivation and bean harvesting, processing and marketing in order to establish a foundation for an incipient Amazonian chocolate business. The project is expected to improve the income of 170 Tsimane and Mosetén families and 100 Tacana families.

Instituto Para el Hombre, Agricultura y Ecología (IPHAE), $399,670 over three years
IPHAE is training families to renovate their lands in second-growth and degraded forest areas with diversified and ecologically-sustainable farming techniques appropriate for their rain forest environment. It is helping farm families to identify products to develop from cacao, the fruit of the peach palm and other native plants, and to complement agricultural production with sheep- and pig-farming as well as beekeeping. Some 500 families from 60 communities in five municipalities in the Beni department are expected to benefit from a more reliable, diversified food supply and better income.

Centro de Investigación Educativa (CIE), $50,000 over one year
CIE is working with 65 weavers from five rural indigenous Aymara communities in Bustillos province to improve their skills through monitoring visits and monthly, weeklong workshops on Andean designs and dyeing techniques, to revive and diversify their production of traditional textiles, and to explore sales opportunities in Bolivia’s urban tourist centers.

Centro de Capacitación y Formación para Mujeres (CCIMCA), $127,637 over two years (Supplemental)
CCIMCA is working to enhance gender equity in society and local political culture by building leadership and negotiation skills among low-income women and men of the urban neighborhoods of Oruro. It is holding additional interactive workshops on civic education and the role of gender in democratic governance at the municipal level as well as helping to strengthen the educational outreach efforts of a local women’s organization, Foro Ciudadano Municipal de Mujeres. CCIMCA is also providing legal guidance to victims of domestic
violence and rape as well as conducting training about women’s rights in the new Bolivian constitution.

**TUKUYPAJ**, $114,680 over 18 months (Supplemental)

TUKUYPAJ is bringing more families into its program of community-managed trout farming in high-valley Andean lagoons in the department of Cochabamba, developing a breeding facility to supply fingerlings (young fish) and engaging in exchange visits with small farmers from neighboring provinces to share their lessons in this grassroots development experience.

**Apoyo Para el Campesino Indigena del Oriente Boliviano (APCOB)**, $120,816 (Supplemental)

APCOB offers training, technical assistance and educational opportunities to develop timber enterprise skills, increase income and improve the sustainable use of tropical rain forest resources among indigenous residents of seven communities of Monte Verde, the Chiquitano territory in Santa Cruz department. APCOB is working with its participating communities to create a manual establishing the rules for utilizing forest resources sustainably as well as the responsibilities of the Asociación Forestal Indigena Monte Verde (AFIMV), a federation of community forestry organizations that represents Chiquitana interests.

**Formación Solidaria (FORMASOL)**, $62,003 (Supplemental)

FORMASOL is improving the skills of 45 community leaders who will develop radio broadcasts for an anticipated audience of 25,000 Chiquitano and Guarayo Bolivians, furthering their awareness of their rights as indigenous peoples under Bolivian law and their understanding of democratic practices. It is training more than 30 additional community leaders in writing proposals directed to the municipal governments and at least six indigenous radio technicians in multimedia technology and equipment repair and maintenance.

**Fundación Taller de Iniciativas en Estudios Rurales y Reforma Agraria (TIERRA)**, $99,930 (Supplemental)

TIERRA is reached an additional 21 communities in the La Paz, Chuquisaca and Santa Cruz departments with its land regularization program aimed at accelerating the processes of land titling, reducing land disputes and consolidating fragmented holdings into larger production units for farm families.

**Fundación Taller de Iniciativas en Estudios Rurales y Reforma Agraria (TIERRA)**, $149,850 over 18 months (Supplemental)

TIERRA is expanding its land regularization and titling training and technical assistance program into 35 additional communities in La Paz, Santa Cruz and Chuquisaca. To share its methodology with policymakers and other interested parties, TIERRA is producing three texts on its experience in consolidating land parcels and managing land conflicts in the municipality of Viacha.
Brazil

Federação de Instituições (FIB), $176,810 over 18 months
FIB is expanding its Projeto Mão na Massa, a six-month course in construction skills, to reach 160 additional women from favelas in Rio de Janeiro, whom it is training as masons, carpenters, electricians and plumbers. The workers and 300 members of their families are directly benefiting; another 900 Brazilians are benefiting from the practical component of the program during which trainees expand or renovate an existing structure.

Cooperativa das Trabalhadoras Autônomas da Pesca e Acessórios Artesanais (COPESCARTE), $122,780 over three years
COPESCARTE is refining the skills of its members – women who make leather and leather products from fish skin – and is converting a donated space into a tannery and office. The resulting improvement in sales is expected to benefit the 21 workers as well as nearly 300 members of their families and 30 other Brazilians expected to join the cooperative.

Centro de Educação Popular e Formação Social (CEPFS), $346,155 over three years
CEPFS is introducing new environmental and agricultural technologies to address local climate-related challenges in the semi-arid desert, such as water shortage, poor irrigation and the inability to effectively store water, in order to improve the production of farmers in eight municipalities of Paraíba state. CEPFS is training community members in the use of the newly-installed and other technologies. In the final stage of the project, CEPFS plans to bring community leaders together in local and regional exchanges and meetings to share their lessons learned and ideas about how to confront the local climatic challenges. The project is expected to benefit 200 farmers and 800 members of their families.

Instituto Alternativo de Petrópolis Centro Vicente Ferreira da Silva (ALTPET), $294,920 over two years
ALTPET is a nonprofit educational association of volunteer teachers and other local professionals that is expanding its course offerings for low-income young people beyond its preparatory classes for the vestibular, Brazil’s higher education entrance exam, in order to become a technical training institute that readies young adults for post-secondary education and the local job market in Petrópolis, Manaus. It is adding vocational and technical courses in
topics such as web and graphic design and small business administration. Some 1,200 young adults are expected to benefit directly and an additional 34,000 residents of Petrópolis are gaining access to ALTPET’s library and new technology center.

Associação de Estudos, Orientação, e Assistência Rural (ASSESOAR), $380,765 over three years
ASSESOAR is working in eight municipalities in southeastern Paraná to train 2,000 farmers, public officials and schools in agro-ecological techniques and technologies that offer viable alternatives for farmers to continue their livelihoods. Participants are learning to develop and manage “agricultural forests,” which combine staggered, diversified agricultural production and forest management, and build low-cost, low-maintenance silos to store grain and cisterns to catch rainwater. Through workshops, exchanges and brochures, an additional 25,000 Brazilians are expected to learn about and implement these techniques.

Fundação Margarida Maria Alves (FDDHMMA), $99,930 over two years
FDDHMMA is expanding its training for legal specialists (juristas populares) to reach two classes of 30 students each in João Pessoa, the capital of Paraíba, and is developing a shortened course to meet the growing demand in rural communities in Paraíba. Through classes, visits with public officials and hands-on experiences with community members, students are learning about civic participation, how public policy is made, alternative dispute resolution and Brazilian law related to domestic violence, small claims and employment. Graduates make up a network of legal specialists that serve in the neighborhoods of João Pessoa to help address minor legal concerns and inform residents about how to access relevant legal information and resources.

Associação Vianei de Cooperação e Intercambio no Trabalho, Educação, Cultura e Saúde (AVICITECS), $303,365 over two years
AVICITECS is working with 151 women and their families in 21 communities in Santa Catarina to diversify and expand micro- and small businesses and their production and certification of organic products, such as pine nuts and vegetable oils, as well as to reforest the Mata Atlântica. Training also focuses on gender roles and strengthening the women’s groups that provide technical and marketing support for organic agricultural producers.

Federação das Indústrias do Estado do Rio de Janeiro (FIRJAN), $100,000 (Supplemental)
FIRJAN is matching this additional grant with contributions from Brazilian businesses to its Social Responsibility Fund, which is providing 10 new subgrants to support innovative self-help development projects such as recycling cooperatives and handicraft associations throughout the state of Rio de Janeiro. This fund provides a mechanism for private sector companies to support low-income communities and contributes to enhancing the culture of corporate social responsibility in Brazil.

Instituto Ethos (ETHOS), $100,000 (Supplemental)
ETHOS is creating a working group to study the role of race and gender in the personnel practices of the 500 largest Brazilian companies. ETHOS will use the results of the working group’s examination to conduct five workshops for representatives of businesses, nongovernmental organizations, international organizations and the Brazilian government,
who will then disseminate the information publicly and within their institutions in order to raise awareness of and promote best practices against racial and gender discrimination.

**Instituto dos Direitos da Criança e do Adolescente (INDICA), $30,000 (Supplemental)**

INDICA, which works to reduce violence among children and adolescents in the Federal District of Brasilia, is developing an educational campaign that celebrates diversity and is designed to combat prejudice based on race, ethnicity and disability through a series of multimedia events and a program to train 500 local public school teachers to lead discussions on diversity and social inclusion.

### Chile

**Nonprofit Enterprise and Self-Sustainability Team (NESsT), $227,840 for three years**

NESsT is extending financial assistance to help low-income victims of the February earthquake recover their means of earning a living, such as repairing workshops or damaged equipment, re-establishing commercial channels and providing technical assistance to microentrepreneurs. It is also offering them psychological counseling services to enable them to return to work. In addition, NESsT is supporting grassroots organizations with subgrants for the development of enterprises that generate revenue for their operations.
Colombia

Asociación de Jóvenes Líderes para el Progreso de Villa Conto (Ajoliproqp), $70,025 over 18 months
Ajoliproqp is working with 40 families from two Afro-Colombian communities to diversify and improve their crops, animal production and fish farming while working to incorporate young people into project activities. Each participating family develops its own farm improvement plan to implement after completing workshops on agricultural production techniques and farm management. Youth members of participating families, who are receiving additional training in topics such as environmentally-friendly production practices, natural resource management and organizational strengthening, are each responsible for monitoring four of the family farms on a bi-monthly basis to ensure successful implementation of the improvement plans.

Consejo Comunitario de la Comunidad Negra del Río Raposo-Palenque Regional el Congal (CCR), $52,453 over one year
CCR, the community-based council that governs the territory occupied by 13 African descendant communities along the Raposo river in the Valle del Cauca department, is drafting regulations related to self-government, demarcating a protected area and developing a strategy for the protection of natural resources. CCR and community residents are working to identify and fence in the places in the conservation area that are most susceptible to illegal extraction. The project is expected to impact approximately 120 Afro-Colombians who participate directly in community meetings or interactive training as well as the 2,800 community residents indirectly.

Fundación Sumapaz (Sumapaz), $90,267 over 18 months
Sumapaz is working with 60 leaders drawn from 150 grassroots groups and community-based networks in Comuna 3, a neighborhood in Medellín that has received many internally-displaced persons from the departments of Chocó and Antioquia, to develop skills in community project planning and conflict resolution as well as identify potential income-generating activities and local development priorities. It is also creating an information center to serve as a community meeting, telecommunications, and data storage space, which is expected to operate with municipality funding.

Corporación Buen Ambiente (Corambiente), $314,300 over three years
Corambiente is assessing the nutrition of approximately 1,500 children of families that belong to eight associations of farmers in the departments of Santander and Norte de Santander. Following these assessments, Corambiente helps the participating farm families develop a plan to grow crops with high nutritional value for household consumption in order to address gaps in children’s nutrition and for sale in local markets.

Corporación Red Colombiana de Organizaciones Comunitarias Ambientalmente Amigables—Red Colombia Verde (RCV), $320,350 over two years
RCV is working to improve communication and collaboration among its 42 rural, community-based, environmentally-friendly member-enterprises engaged in ecotourism as well as
handicraft and agricultural production throughout Colombia. Its program of hands-on and web-based training and its new subgrant fund are helping small business leaders develop their production and marketing skills.

**Fundación Natura** (Natura), $333,930 over two years and six months
Natura is working with representatives of the local governing body for communities of El Valle, Chocó, to reach formal agreements regarding the use of land and natural resources and to improve relations between communities of African descendant and indigenous Colombian residents. It is improving the production of family farms and gardens. The goal is to increase home consumption of diversified foods with higher nutritional content. Natura is also developing a plan to assist the communities in generating income through community-managed tourism services.

**Corporación Asesorías para el Desarrollo** (ASDES), $99,563 (Supplemental)
ASDES is training an additional 100 leaders of African descent in their constitutional rights under Colombian law, in natural-resource management and in self-governance in African-descendent territories in Tumaco and Buenaventura, resulting in a body of regulations and norms consistent with Colombian law. ASDES is also providing legal guidance regarding such processes as claiming collective rights, filing petitions and appeals, and enforcing contracts.

**Federación Nacional de Organizaciones No Gubernamentales para el Desarrollo de las Comunidades Afrocolombianas** (FEDEAFRO), $16,000 (Supplemental)
FEDEAFRO is producing a book based on research it conducted in Afro-Colombian and indigenous communities in the municipalities of Cali and Buenaventura as well as a video documenting the researchers’ experience. Both products highlight the use of statistical and census data and socioeconomic indicators to accurately reflect conditions in historically marginalized and underrepresented communities.

**Corporación Transparencia por Colombia** (Transparencia), $109,063 (Supplemental)
In collaboration with RedEAmérica member Fundación Corona, the AVINA Foundation and Fondo para la Sociedad Civil por la Paz, los Derechos Humanos y la Democracia (FOS-Colombia), Transparencia is expanding its program including subgrants, training and other support to community organizations in the departments of Bolivar and Caldas that encourage residents’ active participation in the oversight of government entities and in discussions of the issues that directly affect their lives, such as access to health care and education and the conditions of roads they use to reach markets, among others.
Fundación para el Etnodesarrollo de los Llanos Orientales de Colombia (Etnollano), $89,934

Etnollano is expanding its work with 250 Sikuani, Amorua and Piaroa artisans to two additional indigenous territories along the Orinoco River in the eastern Amazon region of northern Vichada department, to improve their production of baskets, carvings, ceramics and woven handbags.

Empresa Cooperativa del Sur del Cauca (COSURCA), $30,450 (Supplemental)

COSURCA is equipping a center for processing coffee and fruit from approximately 1,150 coffee-harvesting families and 120 fruit-growing families into products for sale, such as juices and pulp, in about 350 stores throughout Colombia.

Asociación BriBripa Kaneblo (ABK), $79,250 over two years

ABK, formed by and for indigenous Bribri Costa Ricans, is developing a tourism enterprise by constructing a cultural center, clearing trails, and designating observation sites and camping areas, while simultaneously preserving and protecting the community’s forests. It is offering training in organic agricultural methods to apply on the community’s land. Approximately 70 Bribri are participating and another 350 individuals are expected to benefit indirectly from the project.

Asociación Mixta de Piangueros de Purruja (APIAPU), $39,990 over 18 months

APIAPU is designing a plan for harvesting mollusks that ensures future stocks in area mangroves. It is also investigating for-profit options for organizational expansion and working to obtain health and unemployment insurance coverage for its 32 members. Another 30
independent mollusk collectors are expected to attend the trainings and join APIAPU, gaining access to membership benefits such as a secure market for their harvests.

Asociación de Guías de Turismo de Piedras Blancas (AGTPB), $30,650 over 18 months
AGTPB is promoting community-based tourism in the Piedras Blancas National Park in Puntarenas and surrounding areas by training young members to become licensed guides; conducting a feasibility study to identify the types of services that would be most beneficial to offer; acquiring administrative, communication and negotiation skills; and holding workshops in local schools on protecting the local flora and fauna.

Empresa para el Desarrollo, S.A (EDESA), $188,200 (Supplemental)
EDESA, an organization that strengthens rural community businesses that provide financial services such as microloans to low-income residents, is expanding its loan fund to meet the growing demand for credit from its member businesses and is incorporating principles and practices of grassroots development, such as collective action and democratic resolutions to common problems, into its training.

Dominican Republic

Visión Social, $99,439 over two years
Visión Social is providing training and technical assistance to 75 leaders of grassroots organizations in and around the city of Compostela de Azua to improve their administrative skills as well as the groups’ institutional infrastructure and capacities, expand the participation of young people and other community members in the groups’ efforts to protect economic, social and cultural rights, and enhance their effectiveness in analyzing and solving community problems.

Movimiento para el Auto-Desarrollo Internacional de la Solidaridad (MAIS), $197,901 over three years
MAIS is offering supplemental after-hours classes in academic subjects and skills training to children and adolescents who are at risk of dropping out of school. Parents and teachers, members of community-based organizations and churches, as well as other residents of Puerto Plata, receive training that complements students’ classes to raise their awareness of children’s rights under Dominican law and the UN Convention on the Child, such as the rights to education, health care, leisure and recreation, and protection from violence, abuse, neglect and exploitation. The program includes vocational courses for teenagers and adults in areas such as
pastry making, cosmetology, securing access to electricity in the home, sewing and upholstering.

**Fundación Taigüey** (Taigüey), $15,650 over six months (Supplemental)
Taigüey and Cooperativa para el Desarrollo de La Ciénaga (COOPDECI) are completing construction of an agro-processing center and refining the recipes and packaging for jams and jellies that they sell.

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**Ecuador**

**Corporación Pesquera Artesanal-José Mercedes Valencia** (CPAJMV), $169,155 over two years and six months
CPAJMV is building and equipping a fish processing and storage center and improving the technical skills of the cooperative’s 120 fisherwomen in coastal parishes in the province of Esmeraldas. It is also organizing a comprehensive production schedule in order to ensure consistent availability of its fish products and increase productivity and income from its sales.

**Fundación Papá Roncón** (FUNPARON), $98,250 over two years
FUNPARON is working with 65 children, adolescents and their families in the parish of Borbón in the province of Esmeraldas to promote the appreciation for their Afro-Ecuadorian culture and to lay the groundwork for a marimba instrument-making business. Adolescents are learning to construct marimbas from native wood, children are learning to play and sing traditional Afro-Ecuadorian music, and FUNPARON is conducting a study of the market for the traditional instruments and music.

**Asociación de Mujeres Afroecuatorianas “TIMIRE DEL FUTURO”** (AMATIF), $34,000 over one year
AMATIF is developing a plan to promote women’s leadership in their communities as well as through a national network of women leaders, manage community-owned natural resources and agricultural production, ensure a more reliable food supply, increase income and otherwise improve the quality of life for more than 400 women in Ríos Santiago, Cayapas and
Onzoles, Esmeraldas. The community’s more than 2,500 other residents are expected to benefit indirectly from this planning process.

Fundación Afro-Ecuatoriana de Desarrollo Social Jóvenes Progresando (FAEDSJP), $35,410 over one year
FAEDSJP and families of children enrolled in its soccer program are developing proposals, such as creating an enterprise that produces sports uniforms and equipment, in order to improve living conditions in Barrio Orquídeas, Esmeraldas, and surrounding neighborhoods. Through the soccer program, FAEDSJP is reaching 300 Afro-Ecuadorians, including 200 young people between the ages of seven and 17, and training them in conflict resolution, self-esteem and the consequences of substance abuse. FAEDSJP is promoting soccer and other organized sports as positive enrichment activities for youth.

Corporación Ser Paz (SER PAZ), $100,000 (Supplemental)
SER PAZ is replacing equipment lost in a fire that damaged its offices and organizing activities that offer youth an alternative to engaging in violence, such as street soccer, art workshops and conflict mediation training, in a section of Guayaquil.

Corporación para el Desarrollo y la Creatividad Productiva (FUNDES), $98,262 (Supplemental)
FUNDES is providing training in accounting, administration, marketing and other business-related topics as well as technical assistance with obtaining business permits and product bar codes in order to advance the sales of products generated by subgrantees of Fondo Semilla, a fund that supports grassroots projects and microbusinesses in the province of Manabí.

Cámara Artesanal de Esmeraldas (CADE), $97,675 (Supplemental)
CADE is using the results of a market study it conducted to help some 450 African descendants in the province of Esmeraldas improve the design of their handicrafts and identify venues to display and sell select artwork in order to increase sales revenues.

Agrupación Afroecuatoriana “Mujeres Progresistas” (AAMP), $12,230 over two years (Supplemental)
AAMP is working with Afro-Ecuadorian women in two communities in Guayaquil to develop their skills and businesses by forming additional groups to obtain microcredit, providing training and technical assistance in such topics as financial management, cultural product marketing and interpersonal communication, and offering computer literacy classes to 500 local public school students in its new information and technology center.
El Salvador

Asociación Cooperativa de Producción Agropecuaria La Alternativa (ACPALA), $73,450 over two years
ACPALA is helping to boost the income of 120 farmers in Sonsonate and Ahuachapán by processing tropical fruits and marketing the juice, pulp, sauce and beverages. ACPALA is drafting a business plan, providing its members the training and technical assistance necessary to create better products and improve sales, expanding its product line, and improving the infrastructure and equipment of its processing center.

Salvadoreños en el Mundo (SEEM), $50,000 over one year
SEEM is working with residents in Tecoluca, San Vicente, to incorporate the contributions of Salvadorans living abroad into a plan for improving income and living conditions in Tecoluca. It is creating a database of diaspora members’ skills that community members can access and utilize in carrying out grassroots development projects and is developing a proposal for an income-generating project that uses this diaspora talent and encourages community participation.

Fundación Red de Sobrevivientes y Personas con Discapacidad (Red de Sobrevivientes), $289,045 over two years
Red de Sobrevivientes is helping 1,400 persons with disabilities (PWDs) in eight departments of El Salvador to gain employment, access seed capital and technical and marketing support for their microenterprises, strengthen grassroots groups of PWDs with training in leadership and management skills, and promote understanding of Salvadoran law with regards to PWDs’ rights. The program is building a network of support groups for amputees struggling to cope with their condition.

Voluntarios Construyendo El Salvador (VOCES), $149,040 over three years
VOCES offers residents in 27 communities technical assistance, workshops and micro-loans to improve their food supply, business planning and management skills, and income. It coordinates activities with and receives feedback through bi-weekly meetings of community working groups that identify local needs. In order for base groups in participating communities to better organize infrastructure improvement projects, education campaigns, and fundraising events that generate savings for the community, VOCES provides subgrants to strengthen their managerial skills through specialized training. The project is expected to benefit 2,470 Salvadorans directly and 7,000 indirectly.

Asociación Pro-Búsqueda de Niñas y Niños Desaparecidos (Pro-Búsqueda), $179,175 over two years
Pro-Búsqueda is working with 250 Salvadorans who were separated from their families during the civil war or were affected by “disappearances” as a result of the armed conflict in the 1980s. It is providing training to help them increase access to a more reliable food supply, funding subgrants to microbusinesses, conducting workshops to improve interpersonal skills and self-
esteem, and offering partial scholarships to enable some participants to complete vocational training or work toward a university degree.

**Consejo para la Asistencia en Recursos y Técnicas del Área Rural de Oriente (CARTARO), $160,415 over three years**

CARTARO is providing women in San Francisco Javier the training, technical assistance, equipment and infrastructure necessary to process fruit and cashews and begin to sell their products. The women are managing a nursery that is expected to grow seedlings for sale and to contribute to reforestation. Seven hundred twenty women and their families are expected to benefit directly.

**Asociación Comunal de Mujeres de Morazán (ACMM), $272,185 over three years**

ACMM is providing technical advice, start-up capital and marketing assistance to women in the municipalities of Torola, El Rosario and Jocoaitique to improve their agricultural production, launch or advance small businesses in crafts, such as jewelry and purses, and food processing, such as powdered drinks and baked goods, and secure better market access. One hundred forty women are expected to benefit, 30 percent of whom are heads of household.

**Asociación para la Promoción de los Derechos Humanos de la Niñez en El Salvador (APRODEHNI), $38,265 over six months (Supplemental)**

APRODEHNI is assisting farmers in replacing crops and livestock lost as a result of Hurricane Ida. It is also providing workshops on livestock management and a community-managed veterinary kit, and working with farmers to mitigate the effects of climate change through crop diversification and the construction of grain silos that prevent the spoilage of harvests and subsequent unsustainable farming practices.
Guatemala

Asociación Amigas del Sol (ADS), $90,460 over three years
ADS is coordinating the construction of 165 solar ovens to offer economic, environmental, health and safety advantages to participants in southwestern Guatemala. The indigenous women who are learning to build and use the ovens are also benefiting from training in topics ranging from entrepreneurial skills to health care.

Asociación de Agricultores Ecológicos de la Laguna de Chicabal (ASAECO), $38,935 over one year
ASAECO, whose mission is to protect and preserve the natural resources surrounding Chicabal Lake and a nearby inactive volcano, is training its 62 indigenous members to operate an ecotourism enterprise whose facilities are currently under construction. ASAECO is creating a ten-year strategic plan to strengthen its administrative and operational capacity to manage the business and the environmental sustainability of the ecotourism site. Members are learning the management and vocational skills to become cooks, tour guides and waitresses.

Federación Comercializadora de Café Especial de Guatemala (FECCEG), $260,910 over two years
FECCEG is upgrading its coffee mill infrastructure and offering training, micro-loans and assistance with crop diversification to coffee farmers in its eight member-cooperatives in order to increase the volume of coffee certified as Fair Trade or organic for export as well as coffee from beans grown and processed exclusively by women farmers and marketed under the brand Café Femenino.

Coordinadora Interinstitucional de Guatemala (COOINGUA), $183,380 over two years
COOINGUA is an umbrella organization that provides a credit reporting service to its 40 community organization members, which offer microloans to 250,000 low-income Guatemalans in the western highlands. It is training representatives of its member-organizations in the application of new software purchased with its IAF grant to help avoid over-lending to microcredit borrowers and provide a necessary credit history to assist those borrowers who are ready to transition to the more formal banking system. It also expects to recruit 12 new member-organizations by the end of the grant period. The project is helping facilitate access to credit on reasonable terms, prevent default and excessive borrowing, and allow borrowers who may be ineligible for traditional lending to build a credit history.

Comité de Desarrollo Campesino (CODECA), $134,890 over three years
CODECA is building the necessary infrastructure, including the installation of posts, wires and wells, and providing training to 160 families from Suchitepéquez to produce loroco, a wild vine native to Central America that produces edible flower clusters, to market in Guatemala City, Mazatenango and, eventually, El Salvador. Farmers are also learning to make organic fertilizer and improving soil quality.
Asociación de Mujeres del Altiplano (AMA), $142,265 over three years
AMA is assessing the skills of 150 indigenous weavers from Quetzaltenango and Sololá and providing them the technical assistance necessary to produce merchandise of consistently high quality to appeal to an international clientele and, thus, increase sales revenues. An international designer is advising the weavers on the latest trends and weavers are producing samples for display at artisan fairs in Guatemala, a handicraft store in Virginia and via an online catalogue of their products.

Coordinación de Organizaciones Maya Kaqchikeles para el Desarrollo Comunitario (COMKADES), $199,290 over four years
COMKADES is offering training in animal husbandry to 70 indigenous Kaqchikel families in Chimaltenango and is maintaining a pool of 35 cows from which participating families will receive calves. Its goal is to produce and sell milk and other dairy products to address chronic malnutrition and to enable the families to earn additional income.

Loq’ Laj Ch’ Och’ (Sagrada Tierra), $37,900 (Supplemental)
Sagrada Tierra is developing a forest of 800 fast-growing trees for a sustainable source of firewood to benefit indigenous families in Alta Verapaz, and providing additional training in production techniques, marketing, accounting and entrepreneurship to participants in the projects’ sewing and baking businesses.
Haiti

Organizasyon Kominotè Fanm Veyon (OKFV), $42,595 over two years
OKFV is developing a storage system for grains and other crops that allows its members to preserve surpluses for future sale and ensure the availability of food and seeds throughout the year. It is also improving its organizational and financial management through training and exchange visits with similar farmer organizations. The project is benefiting OKFV’s members and other residents of Veillon, a rural subdivision located in the Chaîne des Cahos mountains north of Port-au-Prince in Haiti’s Artibonite region.

Fonkoze, $91,455 over 18 months
Fonkoze is working with members of the Haitian Home Town Associations Resource Group (HHTARG) in Boston, New York and Miami to attract diaspora technical and business skills and resources into providing subgrants to grassroots groups that support small and medium-sized enterprises in Haiti. Based on the results, Fonkoze and HHTARG expect to design a community investment fund to which some 50 hometown associations can submit proposals with their Haiti-based partners with the goal of creating a replicable model for channelling diaspora resources into grassroots development in Haiti.

Amended Grant Activities in the Wake of Haiti’s Earthquake

Each of the IAF’s grantees in Haiti felt the impact of the earthquake that struck Port-au-Prince on January 12, 2010. Infrastructure and equipment were severely damaged, members of IAF grantee organizations lost their lives, and many communities faced the new challenge of hosting and absorbing thousands of the Port-au-Prince residents who migrated to the surrounding rural areas.

While the IAF’s mandate does not include humanitarian or emergency relief, the IAF was able to work with current grantee communities to quickly adapt their projects to shifting local conditions and assist in sustainable, longer-term recovery efforts.

Haitian Partners for Christian Development (HPCD), $10,000 (Supplemental)
HPCD’s facility in Varreux was destroyed by the January 2010 earthquake. HPCD is using these supplemental funds, as well as funds reprogrammed from its original grant and donations from other sources, to continue its business incubator services from its other location in Martissant. It is also providing subgrants to restore two enterprises damaged by the quake. It expects to reach
34 additional women entrepreneurs there and through a new location it is opening in Simone Pele.

**Mouvement Paysan 3ème Section Camp-Perrin (MP3K), $58,660 (Supplemental)**

MP3K is expanding its project to integrate 50 additional farmers displaced by the earthquake, providing them with yam seedlings, agricultural training and technical assistance. In addition, it distributed food to another 150 quake victims, gave 100 displaced children partial scholarships to continue their basic schooling and replaced its vehicle.

**Konbit Fanm Kaskad-Dubreuil (KOFAKAD), $12,450 (Supplemental)**

As part of its effort to serve Haitians displaced because of the earthquake, KOFAKAD provided 100 children and adolescents scholarships to attend primary and secondary school and computer courses and provided them the services of a psychologist. It also distributed powdered milk, toiletries, diapers and towels to pregnant women and new mothers who had migrated from areas devastated by the quake.

**Fonds International de Développement Économique et Social (FIDES), $30,000 (Supplemental)**

FIDES provided seeds, food, water, water-treatment products, cooking supplies and personal care items to approximately 1,000 families requiring emergency assistance due to the January earthquake in the Bas-Artibonite, Nord-Ouest, Sud-Est and Ouest departments.

**Rezo Fanm Fwontyè Ba Plato (Rezo Fanm), $10,025 over six months (Supplemental)**

Rezo Fanm, a network of 98 women’s grassroots groups in the Lower Central Plateau along the border with the Dominican Republic, provided 130 displaced persons and other earthquake victims with food staples, hygiene kits, tarps and psychological support, and awarded scholarships to 75 displaced children so they could attend school following the earthquake.
Honduras

Centro Internacional de Información Sobre Cultivos de Cobertura (CIDICCO), $319,500 over three years
CIDICCO is working in Intibucá to expand a network of rural savings and loan associations and the Sistema de Aprendizaje Tutorial (SAT), an alternative academic-agricultural secondary education program. In 15 communities that lack traditional secondary education programs, CIDICCO is providing training in agro-ecological practices that improve agricultural production, the products’ commercial value and household nutrition while promoting sound environmental management. The project is expected to directly benefit 800 students and their parents as well as another 1,000 family members indirectly.

Consejo de Desarrollo de Sector Social de la Economía Regional de Intibucá (CODESSE-Intibucá), $229,100 over two years
CODESSE-Intibucá is developing up to 25 worker-owned enterprises selected from among its member-businesses, improving the income of 290 Hondurans of indigenous Lenca descent. It is providing training in business organization, finance, production and marketing as well as helping enterprises obtain certification for their products and legal status.

Asociación Hondureña de Juntas Administradoras de Sistemas de Agua (AHJASA), $300,175 over two years
AHJASA is collaborating with 30 communities and building an organizational infrastructure for their water boards in order to develop systems to supply potable water, thereby improving conditions for 24,500 Hondurans in the department of Olancho.

Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH), $295,600, over three years
OCDIH is helping 750 farmers of Lenca descent in the department of Lempira transition to more sustainable and diversified agriculture and develop fruit and vegetable cultivation for sale. Another 4,500 Hondurans are expected to benefit indirectly from the project.

Fundación Cosecha Sostenible Honduras (FUCOHSO), $7,539 (Supplemental)
FUCOHSO is offering training and technical assistance in sustainable agriculture, environmental conservation techniques, reforestation with fruit, coffee and other trees, business skills, marketing and credit administration to two indigenous Tolupan communities in the department of Yoro in order to improve their food security and standard of living as well as
conserve environmental resources. FUCOHSO is assisting the communities in creating family
gardens, developing fish ponds, constructing silos, obtaining legal status for three local
organizations and forming five small savings and credit groups. About 1,200 indigenous
Tolupans are benefiting directly and about 870 indirectly.

Organización de Desarrollo Étnico Comunitario (ODECO), $35,000 over six months
(Supplemental)
ODECO is developing an in-house library and creating a fund to support community projects
proposed by the Afro-Honduran graduates of its leadership program. The program strengthens
the management, negotiation and leadership skills of Afro-descendant leaders, promotes their
participation in local development planning, and supports Afro-Honduran ecotourism
businesses through training and subgrants.

Centro de Educación Vocacional Grupo Juvenil Dion (GJD), $66,529 over six months
(Supplemental)
GJD, a community-based organization and resource center that promotes employment of at-risk
youth, is expanding its vocational training to offer workshops outside of the metropolitan area
of Tegucigalpa. Students and graduates may access an in-kind loan fund of materials and
supplies for microenterprise activities and groups of alumni may apply for cash loans from a
joint venture fund that invests in larger start-up enterprises. GJD is also engaging parents in the
design and implementation of its youth programs and providing them access to social services,
literacy programs, computer training, educational materials and other resources.

Organización de Jóvenes Hondureños por el Desarrollo Educativo (GUARUMA), $14,900 over
two years (Supplemental)
GUARUMA is working to conserve and improve the local environment of the Río Cangrejal
watershed by supporting the creation of ecotourism microenterprises in such activities as bird
watching, guided walks and lodging, offering environmental, technical and photography
education opportunities and fostering youth leadership. Advanced students are now producing
an electronic bulletin of local environmental news for communities in the watershed. A portion
of the additional funding is required to cover pay raises mandated under the new minimum
wage law and price increases attributed to the recent political crisis.
Jamaica

The Environmental Foundation of Jamaica (EFJ), $400,000 over two years

EFJ is funding grassroots groups to undertake projects in environmental and natural resource conservation and programs for children at risk or with special needs. At least 14 subgrantees will receive up to $25,000 in IAF funding matched by $25,000 to $75,000 in EFJ counterpart funding. This collaboration is expected to benefit 5,000 Jamaicans.

Mocho Development Committee (MDC), $50,000 over one year

MDC is building a pilot “micro-dam” as a natural catchment for up to 20,000 gallons of water and installing a solar-powered pump to channel the water to storage tanks accessible to farmers and others year-round. Some 35 members of MDC are helping install this water system in a former bauxite-mining pit and are participating in training to maintain the system and in reforestation of the slopes of the pit. An additional 85 area residents are expected to benefit from better access to water.

Mexico

Voces por la Naturaleza, A.C. (SuMar), $45,005 over one year

SuMar is helping grassroots groups design, undertake and evaluate development initiatives in the region bordering the Gulf of California through research, training, technical assistance, exchanges and workshops.

Despertar Maya, A. C. (DEMAAC), $260,185 over three years

DEMAAC is offering 160 indigenous Tzolzil, Tzeltal and Ch’ol Mayan beekeepers in the Chiapas jungle and highlands training and access to credit to improve their production of organic and Fair Trade honey for export. One hundred beekeepers are converting their production from conventional to organic methods. The project is benefitting an estimated 900 family members through increased incomes as well as a stronger producer organization.

Centro Campesino para el Desarrollo Sustentable, A.C. (CAMPESINO), $244,340 over three years

CAMPESINO is providing farmers in the state of Tlaxcala access to working capital, loans and training in organic agriculture, conservation techniques, leadership and related subjects to improve their income and food supply. It is assisting the advancement of a community-based cooperative business and constructing and equipping a storage facility for its products.
Colectivo de Mujeres Campesinas de la Costa Grande de Guerrero, S.C. (COMUCAM), $56,925 over two years
COMUCAM is training 300 representatives of 22 women-led savings-and-loans associations in communities along the coast of Guerrero in financial literacy and management, leadership skills and community development and providing technical assistance. Participating women, who manage small enterprises such as bakeries, convenience stores, beekeeping and tortilla sales, contribute the equivalent of one day’s wages per month to their personal savings and are allowed to take out small loans for emergencies or business improvements. By incorporating better money management and savings practices, these women are expected to increase their household savings by 50 percent.

Tlachinollan Grupo de Apoyo a los Pueblos Indios de la Montaña, A.C. (Tlachinollan), $77,300 over 18 months
Tlachinollan is working with indigenous Tlapanec and Mixtec Mexicans in Zitlaltepec and Ojo del Agua in the state of Guerrero as they develop a participatory land use plan to preserve and manage natural resources and to increase income for forest communities. Tlachinollan is moderating community planning discussions, providing technical assistance and training to facilitate the plan’s implementation, and awarding subgrants to finance projects that are consistent with the new land management plan and will address the delineation of ecological reserves, manage forests and spring water sources, improve agricultural practices and generate income, among other activities. The project is expected to benefit 1,000 indigenous families.

Alianza Sierra Madre, A.C. (ASMAC), $198,430 over two years
ASMAC is improving the food supply, health, conservation efforts and overall quality of life of indigenous residents of Baborigame, Choreachi and Coloradas de la Virgen in the Sierra Tarahumara of Chihuahua. ASMAC will coordinate a peer-to-peer learning process, drawing on leaders from similar indigenous communities with successful development initiatives throughout the Sierra Tarahumara to provide training and technical assistance in soil conservation techniques, the production of organic fertilizer, the creation of family gardens producing such crops as tomatoes, chilies, potatoes, cabbage, onions and garlic, and the construction of water cisterns and distribution systems for improved access to drinking water and conservation of water resources.

Consejo Civil Mexicano para la Silvicultura Sostenible, A.C. (CCMSS), $143,340 over two years
In collaboration with 11 communities in the Amanalco-Valle del Bravo, nongovernmental organizations and the government, CCMSS is working to reverse environmental degradation and implement an Environmental Fund, which will pay farmers for replacing destructive agricultural and forest practices with environmentally responsible methods. The Fund is financed initially with resources from Fundación Pedro y Elena and Mexico’s National Forestry
Commission. The project directly involves 635 individuals and is expected to improve water quality, reduce sediment and erosion on 220 hectares of farms and forests, and generate income by increasing the quality of its agricultural products over the long term.

**Comercializadora Agroforestal del Istmo, S.P.R. de R.I. (CAI), $139,260 over three years**
CAI is working with 120 Mexicans of Mixe, Zapotec, Mixtec and African descent living on the isthmus of Tehuantepec, Oaxaca, to build greenhouses, distribute seeds, farm tools and ingredients for organic pesticides, improve crop rotation and provide for the installation and maintenance of drip irrigation systems for year-round vegetable gardens. These bio-intensive farming methods, which maximize yields while minimizing water use and environmental impact, are expected to stabilize the food supply and improve the nutrition of 60 families as well as increase their income due to revenue from the sale of vegetables such as tomatoes, carrots, cilantro, onions, radishes, lettuce, chard, tomatoes and peppers.

**Fundación Comunitaria Malinalco, A.C. (FCM), $263,560 over three years**
FCM is expanding its programs supporting leadership development of women and young people and providing technical and financial assistance for entrepreneurial initiatives in such activities as adventure tourism, environmental education services, and notebook-making from recycled materials. In addition, it is collaborating with the municipal government of Malinalco and other state-level agencies in efforts to protect the environment through recycling, composting, fire prevention and control, reforestation and organic agriculture. The project is expected to directly benefit 685 residents of Malinalco, in the state of Mexico, and impact another 12,000 residents indirectly through the recycling and fire prevention initiatives.

**Red para el Desarrollo Rural Sustentable, A.C. (RedCampo), $42,500 over one year**
Representatives of 20 members of RedCampo, a network of Mexican nongovernmental organizations that promote conservation and economic development of primarily indigenous poor farmers, is developing a business plan and marketing strategy for its tourism services and agricultural and artisan products. It is training farmers in 11 Mexican states to improve their products and services and creating a catalogue of products offered by member organizations in order to increase sales revenues. More than 300 members of the participating organizations are expected to benefit.

**Servicios Ambientales de Oaxaca, S.A. (SAO), $72,600 (Supplemental)**
SAO is working with 500 residents of two communities in Guerrero and Veracruz states to develop the communities’ skills in managing natural resources sustainably as a way to generate more income. The communities seek federal government compensation for the environmental services they provide and plan to market their carbon- and water-capture services to Mexican businesses interested in this type of corporate social and environmental responsibility opportunity.
Nicaragua

Bluefields Indian and Caribbean University (BICU), $224,820 over two years
BICU is offering more than 150 families in seven communities in and around the Mahogany Wetlands Municipal Ecological Park in the Southern Atlantic Autonomous Region training, technical assistance and supplies to support sustainable agriculture activities in basic grains and livestock, diversify their fruit and vegetable crops, and produce organic fertilizer and high-quality seeds, among other products.

Emprendedores Juveniles Nicaragua (EJN), $209,575 over two years
EJN is expanding the income and employment opportunities for 400 young entrepreneurs in Managua, Masaya and Granada through its program that prepares participants to compete in a globalized economy by combining general training in business with specialized training in agribusiness, tourism or information technology. Participants are working in teams to create business models and plans for their own microenterprises. EJN also offers technical assistance, mentoring and in-kind support to help start the proposed businesses.

Fundación Luchadores Integrados al Desarrollo de la Región (LIDER), $55,980 (Supplemental)
In 2006, LIDER received an IAF grant to work with 18 communities of the peninsula of Cosingüina to identify their development priorities and establish a strategic plan for implementing them. With the support of the current IAF grant and LIDER’s technical and financial assistance, the communities are carrying out their plan to build the organizational capacity and business skills of citizen groups and entrepreneurs in agriculture, fishing, forestry and tourism to generate more income. LIDER is offering training and technical assistance in such activities as formalizing businesses and market outreach to grassroots groups, cooperatives and farmers, extending credit in cash and in kind, and creating a fund to finance other community priorities identified though the earlier strategic planning process.

Panama

Centro de Investigación y Promoción de los Derechos Humanos (CIPDH), $272,700 over three years
In order to expand economic activities and improve food distribution, CIPDH is conducting workshops for members of the Organización de Productores Embera Wounaan de Jaque (OPEWAJ) on marketing, business and organizational management, organic agriculture, food-processing and handicraft diversification, and working with OPEWAJ members to develop an exchange of goods between communities. CIPDH is also assisting OPEWAJ in building organic crop nurseries, obtaining permits and commercial licenses to operate new stores, and creating a
Community-managed fund for artisans and store-keepers to purchase supplies and replenish upon the sale of their crafts or goods.

Cooperativa Agropecuaria y Servicios Múltiples Victoriano Lorenzo, R. L. (COPEVILO), $64,150 over two years
COPEVILO, a rural farmer cooperative, is expanding its coffee storage facility and equipping it with a refrigerator and freezer to store perishables such as milk-based products in anticipation of higher resale prices. This will allow farmers to receive more income from coffee as well as increase and diversify the inventory for sale in COPEVILO’s store. Farmers are also being trained in the creation of organic fertilizer, marketing, and strategic planning, among others topics. Three hundred Panamanians in San Miguel Centro, Coclé, and the surrounding communities are benefitting directly and another 2,000 indirectly.

Artesanías Ocueñas, S.A. (AOSA), $121,200 over two years
AOSA is training 200 women in the province of Herrera to produce embroidered tablecloths and garments and managing a working capital fund that allows the craftswomen to be paid upon delivery of their products rather than on consignment. They are also developing a brand name, labels and other materials to promote sales of their hand-made textiles.

Instituto Panameño para la Promoción y Participación Ciudadana (IPPAC), $67,534 (Supplemental)
IPPAC is providing additional support for incipient businesses created through its in-kind subgrant fund in the community of Villa María. Subgrants are providing materials of between US$500 and US$3,000 to help residents establish and develop small restaurants, laundromats, dry-goods stores, and daycare centers, among other activities. About 2,250 people are expected to benefit directly.

Programa de Promoción y Desarrollo Social (PRODESO), $64,700 (Supplemental)
PRODESO is legally registering the local committees in charge of regulating the use of the upper Río Santa María watershed’s natural resources in central Panama, educating recently elected officials on the environmental importance of the watershed, training community organizers in farm and environmental management, promoting organic farming and marketing the resulting organic produce.
Paraguay

**Estación A-Nucleo Cultural** (Estación A), $252,939 over three years

Estación A is training nearly 200 men and women to design and produce Ñanduti lace, weavings from palm fiber, pottery and woodcarvings to market in Paraguay and abroad. It also is organizing events and tours that provide sales opportunities for their artisanry and coincide with local festivals. The project aims to improve the cultural appreciation for and economic value of Paraguayan artisan craftwork.

**Institución Ecuménica de Promoción Social** (OGUASU), $198,353 over three years

OGUASU is providing training in the organic cultivation of traditional crops, reforestation, environmental conservation, beekeeping, aquaculture, small-animal husbandry and the rights of indigenous peoples under Paraguayan law. The project aims to enable Myba Paraguayans to more effectively advocate on their own behalf for access to public resources and services and to improve agricultural production.

**Mennonite Economic Development Associates del Paraguay** (MEDA-PY), $221,000 over three years

In collaboration with Pro Desarrollo Integral Rural (PRODIR), a microfinance institution, MEDA-PY is helping 2,500 farmers organize themselves and work to improve their manioc and sugar cane crops in order to market directly to agro-processors and exporters in the starch and bio-fuel industries. Training in business management, technical assistance in the cultivation of staple crops such as corn and sesame, and access to credit are helping the farmers diversify agricultural products for sale and consumption and develop their individual enterprises.

**Grupo Sunu** (Sunu), $103,216 (Supplemental)

Sunu is establishing additional community gardens that produce seeds, plants and food for consumption and use in cultural ceremonies and rituals in indigenous Ava Guaraní and Angaité Maskoy communities. It is also continuing its activities to promote their cultural identity and their understanding of international indigenous rights related to economic development, ratified by the Paraguayan government, and to improve their nutrition and access to public services such as health care and education. The project is directly benefitting more than 3,600 indigenous residents of the communities served.
Peru

Acción Humanitaria sin Fronteras (AHSF), $205,000 over two years
Working with two community associations, AHSF is helping to build and operate cassava-processing plants that add value to association members’ crops, thus, increasing their income level. The plants are expected to serve 610 families in 20 communities located along the banks of the Amazon River, in the district of Fernando Lores, Loreto, an hour by boat from the city of Iquitos.

Ayllu Yupaychay (Yupay), $260,000 over three years
Yupay uses visual arts, the Quechua language and indigenous cultural values to advance the educational development of rural Andean children between the ages of three and seven in 10 Quechua communities in the Cusco region by helping adapt material from the standard Peruvian educational curriculum to a format that is more accessible to children from isolated indigenous communities in the Andes. The goal of the project is for the school system to officially incorporate and institutionalize this method of learning into the primary school curriculum in Quechua-speaking areas.

ALTERNATIVA, Centro de Investigación Social y Educación Popular (ALTERNATIVA), $260,000 over three years
ALTERNATIVA is providing technical assistance and training in basic ecological, technical, organizational and managerial skills and in processing and marketing recyclable materials to 440 recyclers, microentrepreneurs, community leaders and municipal authorities in order to put in place an effective system for solid-waste management in three districts of metropolitan Lima and in the province of Callao. It is also helping the recyclers’ organizations increase their income and strengthen their basic social and business skills, trash collection, separation and storage capacity, and knowledge of municipal services, public policies, environmental protection, personal hygiene and disease prevention.

Asociación Minga Perú (Minga Perú), $332,000 over three years
Minga Perú is producing and broadcasting radio programs on health-promoting practices, environmental conversation, family violence prevention and the rights of citizens under Peruvian law, which are expected to reach 100,000 listeners every week. It is also training 100 indigenous women to be community-based promoters who train another 880 women from 45 communities in the Loreto region in the Amazon Rainforest to become counselors regarding
personal health, safety and citizen rights issues with the goal of advancing their socioeconomic development and improving their participation in public life.

**Asociación Cultural Ayllu Yupaychay (Yupay)**, $10,000 over three months (Supplemental)
Yupay analyzed the data collected over four years measuring primary school students’ comprehension of the curriculum’s subject matter and the teaching skills of Yupay’s educational promoters in the classrooms. Yupay completed the audio-visual documentation and the evaluation of its methodology for teaching indigenous Quechua children basic math, science and cultural appreciation through an adapted educational curriculum using art. It trained community volunteers and teachers to enable them to replicate Yupay’s program in other schools.

**CooperAcción**, $100,000 (Supplemental)
In 2004, a new Peruvian law directed all municipalities to develop their annual budgets by a participatory process that facilitated input from citizens and organized civil society. By 2007, with the majority of local governments not implementing the law, the IAF awarded a grant to CooperAcción to prepare both civil society actors and elected government officials in 15 municipal districts in the provinces of Barranca and Huaura to develop the budget in a participatory manner. With this additional IAF support, CooperAcción is continuing to work with civil society members and government officials as well as expanding its training to municipal government staff regarding procedures to broaden the participation of citizens in creating and monitoring local development plans funded by the municipality.

**Centro de Estudios para el Desarrollo Regional (CEDER)**, $130,500 (Supplemental)
CEDER is re-capitalizing its Local Development Fund to extend subgrants that improve productivity, diversity and citizen participation in local development programs to more grassroots organizations of small-scale farmers, alpaca herders, microentrepreneurs, artisans, women and youth in Arequipa, Moquegua and Puno.
Uruguay

Organización para la Conservación de Cetáceos (OCC), $49,950 over one year

OCC is supporting a network of environmental activists and representatives of civil society, government, small businesses and microenterprises who work to ensure that tourism benefits communities in the provinces of Rocha and Maldonado and is conducive to the survival of whales and dolphins offshore. Participants are receiving the training and technical assistance necessary to develop tourism activities compatible with the responsible use of the environment, including whale-watching tours.

Asociación Civil “Una Casa Un Sueño” (UCUS), $66,365 (Supplemental)

UCUS is completing its construction of 25 homes on land donated by private organizations, benefiting more than 100 of the most vulnerable residents of Montevideo who lacked access to basic sanitation services and utilities and lived in homes improvised from cardboard, tin and other recycled materials until they gained access to better housing through UCUS’s program.

Cooperativa Delicias Criollas Producción y Venta de Servicios (Delicias Criollas), $30,000 (Supplemental)

Delicias Criollas is offering training and technical assistance to its 15 affiliated enterprises in the processing of fruits and crops produced on family farms and the packaging of their products, including jams, candy, pickled vegetables, sauces and baked goods. By improving its brand recognition and negotiating sales contracts with potential importers, Delicias Criollas is building a more secure market for goods made by 170 women in 10 Uruguayan departments.
Venezuela

Grupo Ambientalista de Reciclaje Everest (GARE), $47,308 (Supplemental)
GARE is helping more at-risk youth and others acquire marketable skills by expanding its recycling initiative and its campaign to promote environmental awareness into two additional low-income communities in the Venacio Pulgar Parish on the outskirts of the city of Maracaibo, Zulia.

RedEAmérica

Fundación Pehuén (Pehuen), $100,000 for three years (Supplemental)
Fundación Pehuén, a founding member of the Inter-American Network of Corporate Foundations and Actions for Grassroots Development (“RedEAmérica”), is providing additional small grants, training and technical assistance in textile, artisan crafts and livestock production to grassroots organizations of indigenous Pehuenches in Chile’s Alto Bio Bio region. The RedEAmérica alliance of corporate entities mobilizes leaders and resources from among the Latin American private sector to work toward sustainable poverty reduction and raises the visibility of grassroots development as a centerpiece of development strategies in the Americas.
Back Cover: A worker crushes dried panela into powder. Traditionally, panela is consumed by breaking off small pieces from a large solid block. Through the exchange opportunities provided by RCV, small business are learning to use alternative methods of processing to more successfully market panela, such as creating panela powder, which can be stored longer and is easier to use.