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Cover: Centro de Textiles Tradicionales de Cusco (CTTC) received a supplementary grant in 2006 toward restoring the weaving legacy of villages in the Peruvian highlands near Machu Picchu. Front cover photo: Tim Wells. Back cover: Wilbur Wright.
2006 in Review
Inter-American Foundation
October 1, 2005 to September 30, 2006

Publication Editor: Paula Durbin
Translation Supervisor: Darío Elías
Photo Editor: Mark Caicedo
The Inter-American Foundation (IAF), an independent foreign assistance agency of the United States government, provides grants for grassroots development in Latin America and the Caribbean. Created by Congress in 1969, the IAF responds to self-help development projects proposed by grassroots groups and the organizations that support them. It also encourages partnerships among community organizations, businesses and local government directed at improving the quality of life for poor people and strengthening democratic practices. To contribute to a better understanding of the development process, the IAF shares its experiences and the lessons it has learned.

The Inter-American Foundation is governed by a nine-person board of directors appointed by the president of the United States and confirmed by the U.S. Senate. Six members are drawn from the private sector and three from the federal government. A president, appointed by the board, serves as the Inter-American Foundation’s chief executive officer, managing a staff of 47 employees based in Arlington, Virginia.

Congress appropriates funds annually for the Inter-American Foundation. The IAF also has access to the Social Progress Trust Fund administered by the Inter-American Development Bank and consisting of payments on U.S. government loans extended under the Alliance for Progress to various Latin American and Caribbean governments. Since 1972, the IAF has awarded 4,652 grants valued at more than $600 million. Together, the IAF and its grantees have improved the conditions of hundreds of thousands of poor families in communities throughout the hemisphere.
Board of Directors*

Roger W. Wallace, Chair  
Vice President, Government Affairs  
Pioneer Natural Resources Company  
Irving, Texas

Nadine Hogan, Vice Chair  
President  
Hogan Associates International  
Alexandria, Virginia

Kay Kelley Arnold  
Vice President, Public Affairs  
Entergy Corporation  
Little Rock, Arkansas

Adolfo Franco  
Assistant Administrator for Latin America and the Caribbean  
United States Agency for International Development  
Washington, D.C.

* On Sept. 30, 2006
**Foundation Staff**

**Office of the President**

*Larry Palmer, President*
- Jennifer Hodges, *General Counsel*
- Jocelyn Nieva, *Assistant General Counsel*
- Rebecca Verreau, *Paralegal Specialist*
- Walter Price, *Director of Corporate Programs*
- Juanita Roca, *Foundation Representative for Corporate Programs*
- Cindy Soto, *Executive Assistant*

**Office of External Affairs**

*Patrick Breslin, Vice President for External Affairs*
- Mark Caicedo, *External Affairs Specialist*
- Paula Durbin, *Public Affairs Specialist*
- Heidi Smith, *Public Affairs Specialist*

**Office of Operations**

*Linda Kolko, Vice President for Operations*
- Dario Elias, *Translator*
- Robert Freeman, *Financial Specialist*
- Eduardo Rodríguez-Frias, *Operations Staff Assistant*
- Ana Savage, *Financial Specialist*

**Office of Evaluation**

*Emilia Rodriguez-Stein, Director of Evaluation*
- Miguel Cuevas, *Analysis and Evaluation Specialist*
- Rosemarie Moreken, *Analysis and Evaluation Specialist*

**Office of General Services**

*Juanda Smith, General Services Specialist*
- Anthony Cochran, *Office Assistant*

**Office of Information Management**

*Pam Palma, Management Analyst*
- DeShonté Clermons, *Staff Assistant*
- Gabriela Valencia, *Administrative Assistant*
- Tie Xu, *Information Technology Specialist*
Office of Programs

Ramón Daubón, Vice President for Programs
Marcy Kelley, Deputy Vice President for Programs
Kathryn Smith Pyle, Senior Foundation Representative for Central America and Mexico
Tina Balin-Brooks, Foundation Representative for the Dominican Republic, Haiti and the Eastern Caribbean
Gabriela Boyer, Foundation Representative, Argentina, Paraguay and Uruguay
Miriam Brandão, Foundation Representative, Brazil
Kevin Healy, Foundation Representative, Bolivia and Colombia
Jennifer Martinez, Foundation Representative, Guatemala
John Reed, Foundation Representative, Costa Rica, Honduras and Panama
Marnie Schilken, Foundation Representative, Ecuador and Chile
Philip Walsh, Foundation Representative, Nicaragua
Jill Wheeler, Foundation Representative, Mexico
Wilbur Wright, Foundation Representative, Peru

George Rowland, Grants Administrator
Hilary Brand, Program Staff Assistant, Mexico, El Salvador and Honduras
Shaleah Edwards, Program Staff Assistant, Nicaragua, Guatemala, Panama and Costa Rica
Theresa Logan, Program Staff Assistant, Bolivia, Colombia, Haiti, the Dominican Republic and the Eastern Caribbean
Monica Radwan, Program Staff Assistant, Argentina, Paraguay, Uruguay, Mexico and Venezuela
Maria Mercedes Torres, Program Staff Assistant, Chile, Ecuador and Peru

* On Sept. 30, 2006
n the two years that I have served as chair of the Inter-American Foundation’s board of directors, the IAF’s responsive approach to the ideas emerging from the grassroots has taken on a special relevance. Considered experimental when the IAF awarded its first grant in 1971, this straightforward investment in the creativity and hard work of people dedicated to changing their lives for the better is now recognized for its outstanding results. As a growing body of development literature surveys the past half century, the IAF’s approach is increasingly viewed as the most effective way to deliver foreign assistance.

Well aware of this, we at the IAF have worked steadily to increase our ability to fund projects developed by the poor and designed to lift them out of poverty. Our fiscal 2006 allocation represented a 10 percent increase over the previous year’s, something we interpret as a reflection of confidence on the part of the Administration and the Congress. An enhanced budget enabled the IAF to undertake more than 100 funding actions versus 70 just five years ago. These awards overwhelmingly support the two most important elements of economic development: income-generation and better living conditions. Grants detailed in this report are being used to promote more profitable agriculture, micro-businesses and community enterprises; to provide the skills training vital to well-paid employment; to offer access to water, basic utilities and adequate housing, allowing people to channel their energy into productive work.

Our allocation, however, represents a tiny portion of the U.S. government’s foreign assistance, so, in addition to effectiveness, the IAF has always emphasized a multiplier effect in its careful use of taxpayer dollars. In 2006, the IAF’s investment yielded a significant return in resources for grassroots development. During 2006, over and above the counterpart contributions required for an IAF award, prior-year grantees raised another $4.7 million to further their efforts. RedEAmerica, the network of Latin America and Caribbean corporate foundations that has adopted the IAF’s bottom-up approach, was launched in 2002 as a vehicle for mobilizing corporate resources. These network members mobilized more than $5.95 million for their respective self-help programs in fiscal 2006 and are poised to contribute more in the future. And thanks to the IAF’s outreach, new community foundations in Mexico, Brazil and Argentina and U.S.-based migrant associations are joining in the effort to support development at the grassroots.

Last year, I wrote that our most important decision as a board was the selection of Larry Palmer as the IAF’s president. A year on, I can
only commend his leadership. Soon after coming aboard he took advantage of the IAF’s flexibility to fund rescue and recovery in Mexico and Central America after Hurricane Stan and to address youth violence, something President Bush recently urged. He allocated IAF resources to support the November 2005 Summit of the Americas directives for the inclusion of African descendants and persons with disabilities in their countries’ economic, political and social life. The IAF also began work on another Summit mandate: the introduction of Opportunity Zones in Latin America. Growing out of an IAF proposal to build on the U.S.-based experience with renewal communities, this concept encourages economic growth through training, technical assistance and tax incentives for business.

These are only a few examples of how IAF is making each dollar of foreign assistance it manages go further. Although during 2006, we were able fund only one of every 10 proposals we received, I am optimistic about the progress we will make in coming years.

The Foundation has entered 2007 with a strong bipartisan board and with several outstanding new members. These board members bring a wealth of experience, new perspectives and enthusiasm for the IAF’s mission. Larry Palmer and his colleagues at the IAF have an expanded vision for grassroots development in Latin America and the Caribbean. I am confident that his dynamic leadership, the hard work of his colleagues, and an active and engaged board of directors will make this vision a reality.

Finally I want to thank my vice chairman, Nadine Hogan, who retired from the board in December. Her decades of experience in Latin America, her large network of friends throughout the region, and her wise counsel were enormously useful both to me and to the Foundation. She will be missed.

Roger Wallace  
Chair, Board of Directors
I came to the Inter-American Foundation at the end of fiscal 2005, fresh from the United States Embassy in Tegucigalpa, where I had worked extensively with the large-scale foreign assistance initiatives of the United States Agency for International Development, the World Bank and President Bush’s Millennium Challenge Account. At the time, I considered myself aware of the IAF’s bottom-up approach as well. Now, after an “immersion year” in grassroots development, I can truthfully say that awareness is one thing and first-hand experience, up close and personal, is something else. And this experience has convinced me that funding development at the grassroots is the most effective, efficient and sustainable way to bring people out of poverty.

As IAF’s brand-new president, my first priority was to establish an immediate connection with the agency’s mission. This meant sitting down with IAF program staff in Arlington as they conducted the painstaking process of deciding which of the 522 new proposals submitted to us for funding would receive the 54 grants that our fiscal 2006 budget allowed. I also spent a good part of fiscal 2006 on the road. I met the dedicated corps of professionals contracted overseas to help administer and monitor our grants by offering liaison services, auditing disbursements and verifying the results of our investment. Most importantly, I traveled to project sites throughout the hemisphere. In each town, village and municipality that I visited, I witnessed the difference the IAF’s program makes in the lives it touches.

In Cartagena, Cali and Medellin, Colombia, I spoke with individuals who had been displaced from their traditional lands by their country’s long-standing guerilla war and live crowded into communities fraught with crime and frustration. IAF grantee organizations are offering these Colombians counseling, legal assistance and vocational training. In Honduras, I met with at-risk teenagers whom an IAF grantee in Tegucigalpa is training for careers in carpentry, auto mechanics, cosmetology, refrigeration repair, and sewing and design. Upon completion of their courses, the grantee will help these young men and women launch their own businesses or place them in jobs. I traveled to the Honduran coast where an IAF grantee was assisting three entire Garifuna villages with programs of microcredit and ecotourism and business development.

In Mexico, I spent time with a family who had for years barely subsisted from raising a pair of goats. Then a goat-farmers’ association offered the family six more goats as well as training in herd care, husbandry, nutrition and milking and the opportunity to sell the milk at a fair price. A recent IAF award has allowed the association to expand its members’ production on an industrial scale. Today the family I visited, which now has more than 600 goats, is, thanks to IAF-funded training and assistance, starting to process cheese and yogurt to be sold under the association’s own label. Two sons, who had immigrated illegally to the United States, returned with their wives and children to help advance the business. The once modest home had, with new additions, taken on the proportions of a “mini hacienda.” In a nutshell, an IAF grantee had turned a family of subsistence farmers into ranchers and businesspeople.
The United States Congress created the IAF for the express purpose of strengthening the bonds of friendship in the hemisphere, supporting self-help, stimulating participation in the development process and encouraging the growth of democratic institutions. Wherever I traveled last year, the people I met put faces on these abstractions. But much remains to be done, and as the number of individuals living below the poverty line continues to increase in the region we serve, the IAF’s mandates take on renewed importance.

My vision for the IAF is a steady expansion of support for grassroots development and greater participation by the people of Latin America and the Caribbean in their countries’ economic development, social processes and political life. We will continue to respond to the best ideas from the region, empowering people to exercise control over their circumstances. We are all familiar with the adage about teaching a person to fish. With few exceptions, most foreign aid donors now teach fishing. At the IAF, however, we believe in going further than enabling the poor to support themselves in their poverty. Beyond alleviating their poverty, we want them to prosper, like those goat-herders I met in Mexico.

In closing, I would like to note the retirement of three senior IAF employees. Kathryn Smith Pyle, most recently senior Foundation representative for Mexico and Central America, is leaving after 14 years of service during which she spearheaded the IAF’s pioneering venture into transnational development and offered her insights to the IAF’s journal. Walter Price’s 25-year career with the IAF was capped by his launch of RedEAmérica, the business-sector alliance committed to supporting grassroots development that 48 corporate foundations have joined. Finally, Patrick Breslin has served the IAF in many capacities: Foundation representative, IAF’s liaison with Congress and vice president in charge of the Office of External Affairs. A noted author and photographer, he made invaluable contributions to our publications over 25 years and to our Web site, including the new section of well-received vignettes. We, their IAF colleagues, wish Kaye, Walter and Patrick well in their endeavors and will miss their cumulative wisdom as we meet the challenges ahead.

Larry L. Palmer
## Grant Program Profile

**Fiscal 2006**

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<th>Primary Program Areas</th>
<th>Funding Actions</th>
<th>Amount</th>
<th>Percentage of Grant Funds</th>
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<td>Food Production/Agriculture</td>
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<td>$14,152,903</td>
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- **Research/Dissemination**: 0.6%
- **Legal Assistance**: 2.2%
- **Corporate Social Investment**: 4.3%
- **Cultural Expression**: 5.2%
- **Community Services**: 5.4%
- **Environment**: 8.5%
- **Education/Training**: 22.6%
- **Food Production/Agriculture**: 23.7%
- **Business Development/Management**: 27.5%
# Financial and Statistical Report

## Investment by Country

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<th>Country</th>
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<th>Grants</th>
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<td>152</td>
<td>15,599</td>
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</table>

**TOTALS** 54 54 14,153 4,632 600,388

*Investment is indicated in thousands of dollars.*

‡ Includes RedEAmérica program.
New Grants

**Fundación Pro Vivienda Social** (FPVS), $204,692 over three years

FPVS is a nongovernmental organization founded to improve housing conditions in Greater Buenos Aires. Working with neighborhood groups, it will connect 1,500 families in a 220-block area of Moreno, José C. Paz and Pilar to a natural gas network and provide access to natural gas and other services to another 225-block area which does not yet have the infrastructure. More than 8,000 individuals will benefit. (AR-341)

**Fundación Sustentabilidad, Educación, Solidaridad** (Fundación SES), $35,000 over one year

Fundación SES will study the feasibility of developing community foundations in 10 provinces. (AR-342)

**Cooperativa de Provisión de Servicios Educacionales Asistenciales y Comunitarios “Barrio La Juanita” Ltda.** (La Juanita), $142,160 over two years

La Juanita will promote the market integration of seven garment and textile micro-enterprises in Greater Buenos Aires through a program that will increase productivity and sales, directly benefitting 60 workers. Another 760 members of Asociación Unión Campesina will benefit indirectly from selling the micro-enterprises organic cotton. (AR-343)

**Fundación ph15 para las Artes** (ph15), $111,100 over two years

Fundación ph15 will use photography to improve the employment prospects and social integration of 400 young people in Buenos Aires by strengthening skills and providing work experience. (AR-344)

**Fundación Proteger** (Proteger), $130,910 over two years

Proteger will enable families who live from fishing along the lower and middle Paraná River to diversify production and improve quality control and access to markets. Working through Redepesca, a loose federation of 20 fishing organizations, the grantee expects to help 300 individuals double their income through sales and value added. (AR-345)

Supplemental Grant*

**Asociación de Mujeres Warmi Sayajisungo** (WARMI), $100,000

Warmi will strengthen its indigenous Coya beneficiaries’ skills in financial management and accounting, project evaluation and conflict resolution, and will extend its microcredit program into 10 Coya communities near Abra Pampa, Jujuy. (AR-329-A3)

* Supplemental grants are for one year unless otherwise indicated. Only those for more than $10,000 are listed, except as noted.
Residents say that Villa 15, on the outskirts of Buenos Aires, was dubbed Ciudad Oculta, or “hidden city,” in the 1950s, after the authorities built a wall to conceal the site from the gaze of highway travelers. During the 1970s and 1980s, Argentina’s military government reportedly locked the gates at night to keep the inhabitants inside. The wall has since been removed, but the estimated 10,000 residents of Ciudad Oculta continue to be marginalized, and the area, plagued by violence and traffic in stolen goods, remains unpolicied.

Ciudad Oculta offers few options to teenagers, but one group of young people has discovered that art can lead to opportunity. They comprise the Saturday photography workshop offered by Fundación ph15 para las Artes, where they learn to use the camera to express themselves, depict their community and their neighbors in photos, and to dream.

Fundación ph15’s program was the result of a chance encounter, in August 2000, between photographer/teacher Martín Rosenthal and Ciudad Oculta teenagers eager to learn from him. Rosenthal offered to teach them, and within a week, the teenagers had found a space for classes and had recruited 10 other interested young people. Since then, more than 50 students have been meeting weekly with the five teachers staffing Villa 15’s community center, which has a constant wait list of another 10 to 15 individuals. In addition to valuable technical skills, the workshop develops the students’ identity with the place where they live and allows them to discover the outside world. Students have participated in more than 50 exhibits in Argentina, the United States and Spain, handling all aspects of the events themselves: photo selection and sequence, mounting, framing and hanging. Fundación ph15 earns revenue from photo sales and from a photo book produced with funding from the city.

With its IAF grant, ph15 will encourage the social and economic integration of adolescents from a violent and excluded part of Buenos Aires by strengthening their photography skills and improving their employment prospects. In collaboration with staff from the nongovernmental organizations Crear Vale la Pena and Centro de Apoyo Familiar Santa Clotilde, the grantee will distribute manual plastic cameras and rolls of film, organize field trips, and offer courses in beginning photography, digital photography, and more advanced expression and technique in Ciudad Oculta and other Buenos Aires neighborhoods. As peers, students will review each others’ work weekly against established criteria, write their observations in a journal and recommend exceptional photos for ph15’s Web site or exhibits.

Students who complete the expression and technique course will receive assistance toward placement in internships with companies working in graphic design, motion picture production, publishing and related areas. Project activities will reach 400 photography trainees and 1,500 other residents of the participating communities.—Gabriela Boyer, Foundation representative
**New Grants**

*Apoyo Para el Campesino Indígena del Oriente Boliviano (APCOB)*, $197,361 over three years

APCOB will strengthen timber-based grassroots development, further the sustainable use of a tropical forest and improve the management of community-based enterprises in seven communities of Monte Verde, the indigenous Chiquitano territory in Santa Cruz department. Its training, educational meetings and exchanges, and technical assistance will benefit 788 Chiquitano men, women and youths. (BO-502)

*Formación Solidaria (FORMASOL)*, $140,348 over two years

FORMASOL will strengthen radio programs for 20,000 indigenous Chiquitanos and Guarayos, offer workshops for community leaders, and develop a Web site, all directed at promoting broader awareness of indigenous rights, enhancing technical skills and building a democratic culture. (BO-503)

*Desarrollo Social Sostenible Para Bolivia (DESSBOL)*, $226,880 over three years

DESSBOL will provide technical assistance and training in coconut and cacao agro-forestry, and in marketing and processing cacao and chocolate, thereby improving the incomes of 150 indigenous Tsimane and Moseten families in the Pilón de Lajas area of northern La Paz department. (BO-504)

**Supplemental Grants**

*Fundación Horizontes (Horizontes)*, $19,555

Horizontes will continue working with the Network of Rural Elderly Persons and 13 municipal governments in Oruro and Northern Potosí on elder-managed food security and income generation, on expanding the number of associations of elderly people, and, through these associations, on improving services for the elderly at all levels of government. (BO-486-A1)

*Asociación Nacional Ecuuménica de Desarrollo (ANED)*, $100,000

ANED will work with producer organizations, micro-enterprises and nongovernmental organizations in the municipalities of Rurrenabaque, San Buenaventura and Yucumo to provide information-sharing, credit and training in financial planning for small-scale economic activities. (BO-487-A1)

*Central de Cooperativas Agropecuarias “Operación Tierra” (CECAOT)*, $24,124

CECAOT will purchase equipment to increase the efficiency and productivity of its quinoa-processing plant. (BO-493-A2)

*Centro de Investigación, Diseño Artesanal y Comercialización Comunitaria (CIDAC)*, $13,896 over two years

CIDAC will convert part-time positions to full-time and cover the additional benefits required under Bolivian law. (BO-496-A1)
Chocolate Production for Community Empowerment

Under Bolivian laws enacted in 1996, indigenous Tsimane and Moseten communities received rights over territory in Pilon Lajas, in the northern Beni department. These communities live primarily from small-scale agriculture. While this historic legislation secured their title to their land, they still lack access to financial and material resources, including agro-ecological farming technology and methods, and basic infrastructure such as running water, electricity and adequate roads.

Since its inception in 1997, Dessarrollo Social y Sostenible de Bolivia (DESSBOL) has worked successfully with indigenous communities in a variety of geographic and climatic regions to further community-based enterprises. DESSBOL’s strategy is to promote native resources, crops and livestock and to increase earning potential through the development of value-added products. It will use its IAF grant to improve income and the standard of living in Tsimane and Moseten communities by offering training and technical assistance to help farmers develop community-based cacao and, eventually, chocolate businesses.

DESSBOL will work with 150 Tsimane and Moseten families in Pilon Lajas to improve cacao production through sustainable agro-forestry. These families will gain access to improved cacao seeds and seedlings through nurseries organized and maintained by community residents. DESSBOL will improve drying and fermentation technologies for better cacao bean quality and consistency, and community members will be trained as extension agents to disseminate new agricultural technologies and methods. After conducting a study of the market for new chocolate products, DESSBOL will build an experimental plant in the town of Rurrenebaque that will process cacao into value-added products, such as candies and cocoa, for local tourist markets and other outlets. DESSBOL will also address smaller-scale coconut production as part of its sustainable forest management plans. It will improve the management of current coconut production and will explore opportunities for further product development and marketing.

—Theresa Logan, program staff assistant
New Grants

**Associação de Agroturismo Acolhida na Colônia** (Acolhida na Colônia), $76,860 over two years

Acolhida na Colônia will develop agrotourism in Santa Rosa de Lima in Santa Catarina. Residents will receive sufficient training to restore and maintain three historical buildings formerly constituting the Santa Catarina parish, including the area’s first primary school which will be rebuilt as a center for marketing handicrafts, organic products and services. The project will benefit 2,000 individuals. (BR-825)

**Associação Comunitária Indígena Wôokrô** (ACIW), $245,000 over three years

ACIW will introduce a sustainable agriculture program in the Escalvado village, increase and diversify production on communal and family plots, assist villagers in marketing excess production, and help institute a program of instruction spanning grades five through eight. The project will benefit approximately 1,600 indigenous Ramkokamekrá Canela in Maranhão. (BR-830)

**Associação BrazilFoundation** (BrazilFoundation), $308,000 over three years

BrazilFoundation will further develop its nationwide program of sub-grants supporting approximately 80 projects with up to $10,000 each, financed equally with IAF funds and funds from other sources. Eligible organizations will work throughout Brazil in education, health, citizenship, human rights and culture. (BR-831)

**Centro de Estudos e Promoção da Agricultura de Grupo** (CEPAGRO), $204,500 over three years

CEPAGRO will apply principles of agro-ecology to promote sustainable development and solidarity in low-income rural and urban communities, directly benefiting 150 farm families in eight to 10 municipalities of Santa Catarina and 60 families in Florianópolis. (BR-832)

**Instituto dos Direitos da Criança e do Adolescente** (INDICA), $547,500 over three years

INDICA will conduct educational and training activities focused on diversity and social inclusion, including a national campaign to reduce racial, ethnic, gender and class prejudice as well as violence among children and youths, aged 6 to 19 years, throughout Brazil. (BR-833)

Supplemental Grants

**Instituto para o Desenvolvimento do Investimento Social** (IDIS), $100,000

IDIS will provide training to community leaders in fundraising for social investment, conduct a qualitative study on social investment in São Paulo, produce three new publications and update its Web portal on community foundations. (BR-801-A4)

**Federação das Indústrias do Estado do Rio de Janeiro** (FIRJAN), $100,000

FIRJAN will expand and consolidate the activities of the small-grant fund established with the IAF in 2002 to increase corporate social investment in the state of Rio de Janeiro. (BR-802-A2)

**Instituto Rio** (IR), $115,816

IR will expand the participation of the private sector in grassroots development in the western part of the city of Rio de Janeiro through additional funding for sub-grants, training and technical assistance. (BR-803-A3)

**Rede de Informações para o Terceiro Setor** (RITS), $100,000

RITS will strengthen civil society networks by supporting the institutional development of 40 organizations. It will use on-site and distance learning courses to stimulate the application of information and communication technologies toward fostering social development and democratic processes. (BR-804-A6)

**Instituto Nenuca de Desenvolvimento Sustentável** (INSEA), $43,989

INSEA will transform a sub-grant fund into a revolving loan fund to develop income-generating alternatives for recyclers in Minas Gerais and will offer training in credit management, monitor the use of the fund and evaluate the approved loans. (BR-806-A3)
Brazil’s 1988 constitution was a landmark victory for the committed activists who had tirelessly struggled for acknowledgement of indigenous Brazilians as adult citizens and of their right to reclaim their lands. While indigenous people are estimated at 550,000, less than 1 percent of Brazil’s population, some 220 groups now officially own 12.3 percent of the national territory, with title to additional areas being finalized. As *The Economist*, Feb. 2, 2006, observed, “More than most countries, Brazil has kept its promise. Partly because their land is more secure, Brazil’s Indian population has staged a spectacular recovery in the past 30 years, after centuries of decline.”

**Associação Comunitária Indígena Wôokrô** (ACIW), formed in March 2001, represents 1,600 Ramkokamekrá Canela, who own an area of some 500 square miles surrounding the village of Escalvado, about 350 miles south of São Luís, the capital of Maranhão. The Canela continue to speak an indigenous language and have avoided contact with outsiders, but through Brazil’s Fundação Nacional do Indio (FUNAI), the village has invested in electrification, telecommunications and infrastructure that includes a schoolhouse and an infirmary. Residents are keenly aware of belonging to a marginalized group, and they aspire to better living conditions. This led the ACIW to submit the proposal that resulted in the IAF’s second award to an indigenous Brazilian group in its 35 years of funding grassroots development.

The ACIW wants to introduce a sustainable agriculture development program allowing the Canela to increase and diversify production on communal and family plots and to receive assistance in marketing excess crops; and to institute a program of education spanning the fifth through the eighth grades. Project partners include FUNAI, the Federal University of Maranhão, the Brazilian Agricultural Research Corporation (EMBRAPA), the State Secretariat of Education, the municipal governments of Barra do Corda and Fernando Falcão, the Centro de Trabalho Indigenista, and the Timbira Research and Education Foundation.

The grantee’s goal is to contribute toward the stability of the Canela community, and it specifically expects to improve nutrition, income and opportunities for young people. Additionally, with electric power and telephones, the community is constantly exposed to images, ideas and influences from beyond the village. ACIW’s project should help the Canela deal with the external forces that might threaten their culture, values and traditions. And it will position the IAF to observe close up the changes that indigenous groups are undergoing as well as how they manage these changes. —Miriam E. Brandão, Foundation representative
New Grants

**Corpóration Asesorias para el Desarrollo** (ASDES), $200,000 over two years

ASDES will train 100 leaders of communities of African descent in constitutional rights, natural resource management and self-governance, and will provide legal assistance in 14 African-descendent territories with a total population of 53,000. (CO-504)

**Corpóration Acción por Antioquia Actuar Famiempresas** (ACTUAR), $177,272 over 27 months

ACTUAR will offer credit, technical assistance, group activities and training toward strengthening businesses and marketing strategies of micro-entrepreneurs in Medellín and toward improving family incomes and well-being. The grant will benefit 1,200 individuals. (CO-505)

**Fundación Corona,**

$160,000 over 30 months

Fundación Corona will strengthen 100 community-based organizations focused on youth and culture in Medellín neighborhoods. The grantee will provide workshops and technical assistance toward improving planning, evaluation, documentation, fundraising, administration and participation in community affairs, and in shaping the policies of the municipal government. (CO-506)
Strengthening Community Organizations and Democracy in Medellín

Medellín is a city in transformation. For years it was associated with some of the most infamous international drug traffickers and was known as “the murder capital of the world.” Over the last decade, thanks to the work of dedicated civil society organizations and an outstanding mayor, that image is fading. Medellín’s municipal government has actively encouraged citizen participation in its planning processes, and more than 2,000 community organizations are addressing issues related to poverty, displacement, education, culture and community development. Despite its challenges, including rampant poverty (more than half of the city’s 2 million residents live below the poverty line) and the consequences of Colombia’s longstanding armed conflict between illegal paramilitary and rebel groups, Medellín now boasts a vibrant civil sector engaged in participatory democratic processes.

Fundación Corona (Corona), the philanthropic arm of Organización Corona, a Colombian manufacturer of ceramic tile and other home construction materials, has been working since 1963 in the areas of education, health, and enterprise and community development. In 2001 it created the Fondo Focus program to improve the institutional capacity of Medellín’s civil society. Corona will use its IAF grant to expand this program of training, workshops and support to 100 community-based organizations that, with a total membership of more than 35,000 citizens, represent the interests and aspirations of the city’s most impoverished and marginalized neighborhoods.

The grantee will train leaders from each organization in administration and accounting practices, fundraising techniques, and self-evaluation and reflection processes. Educational materials and computer resources will be made available through a sub-grant fund. Leaders from seasoned, successful organizations will mentor those from incipient institutions, and exchanges will be organized to further collaboration and networking between groups. Corona will filter these services through several existing networks of community organizations grouped by geographic proximity or thematic ties. With the goal of involving more young people in democracy and development, one network will train youth promoters to work directly with their peers on issues related to citizenship.

Through this training and follow-up support, Corona aims to further the sustainability of these organizations and to build their capacity to identify important community development strategies and effectively negotiate with local government and other entities as primary agents in the development of a new Medellín. —Theresa Logan, program staff assistant
New Grants

**Instituto de Desarrollo de la Economía Asociativa (IDEAC),** $281,700 over three years

IDEAC will provide training, equipment and microcredit to at least 400 members of two federations representing farmers from the municipalities of Tamboril, San Victor and Nagua. The grant will support the transition to more diversified production and the creation of a regional cooperative. (DR-332)

**Fundación para el Desarrollo y la Protección de la Cuenca del Río Nizaito en Paraíso (FUNDEPROCUNIPA),** $223,230 over three years

FUNDEPROCUNIPA will introduce new ways of sustainable farming, develop small-scale animal production and improve the quality of the Nizaito River, which serves multiple needs, benefiting 600 Dominican and Haitian farmers in six mountain community associations in the municipality of Paraíso. (DR-333)

**Fundación para el Desarrollo Integral Petromacorisano (FUNDEIPE),** $35,000 over one year

FUNDEIPE will design a project to integrate individuals with physical disabilities, mostly of African descent, into mainstream society and the workforce. The project will provide access to microcredit for 50 individuals in San Pedro de Macoris province. (DR-334)
Although various international studies report that deforestation in the Dominican Republic has declined since the 1990’s, it is still occurring at an alarming rate. In Barahona, located in the southwest, deforestation is, for some, an unfortunate consequence of survival. Even before the economic crisis of 2002-2004, most rural Dominicans supported themselves and their families by planting short-cycle crops, such as corn and beans. Because farmers must wait three to five years after harvesting short-cycle crops before planting them again in the same soil, most move on to clear new ground, destroying trees and the environment in the process.

By 1995, for one small group of farmers in the municipality of Paraíso the situation had become untenable—because of the insufficient amount of useable land, the value of trees to the overall health of the environment, particularly in protecting the water supply and coastline, and because of a clash with the Dominican Republic’s National Board of General Forestry over its attempts to preserve the area’s natural resources. As a result, the farmers founded Fundación para el Desarrollo y la Protección de la Cuenca del Río Nizaito en Paraíso (FUNDEPROCUNIPA) to provide sustainable solutions. FUNDEPROCUNIPA has taught its members the importance of preserving natural resources and has given them the tools and skills that allow them to support their families from farming without moving from place to place. Among its numerous achievements are reforestation projects in the Nizaito River watershed, as well as support for coffee production and agro-forestry. Through its projects, Haitians and Dominicans in the border region learn about sustainable farming.

With IAF funds, FUNDEPROCUNIPA will continue its work in environmental conservation—particularly reforestation and ensuring the health of the Nizaito River—and sustainable farming. This project is directed at keeping coffee farmers on their land after the coffee harvest. Up to now, once the season has ended, they have migrated to other parts of the country in search of work as day laborers. By encouraging farmers to diversify, FUNDEPROCUNIPA hopes to provide them an attractive income-earning alternative on site during the post-coffee season. And as many farmers in Paraíso are Haitian, this project should also result in opportunities for cross-border learning.—Tina Balin-Brooks, Foundation representative
New Grants

Fundación de Desarrollo Comunitario Minga (MINGA), $33,330 over one year

MINGA will hold a series of workshops where 16 individuals drawn from its staff, board and community volunteers will identify and evaluate institutional goals, draft a shared vision, and learn more about grassroots development. (EC-393)

Asociación de Inspectores Honorarios de Vida Silvestre “Cordilleras el Canandé” (INSPECTORES), $163,890 over two years

INSPECTORES will develop its members’ ability to function as a brigade of volunteer environmental inspectors in at least six rural communities in northwestern Ecuador where they will educate 180 farmers in the responsible use of natural resources, help resolve land disputes and patrol communities for violations of environmental laws. (EC-394)

Movimiento Mi Cometa (MI COMETA), $157,170 over two years

MI COMETA will open six offices of its Leadership School for a New Millennium where 180 young beneficiaries can improve leadership skills, debate civic responsibility, discuss problems and identify solutions. It will also develop a Web page and organize national conferences, neighborhood festivals and opportunities for internships with partner organizations. (EC-395)

Centro de Investigaciones Familia Negra (CIFANE), $219,000 over three years

CIFANE will improve the earning potential and networking of 800 Afro-Ecuadorians from 10 Chota Valley communities by refining their cultivation of prickly pear fruit and processing of fruit products and carminic acid, and by increasing opportunities for interaction and solidarity. (EC-396)

Corporación Ser Paz (SER PAZ), $289,296 over three years

SER PAZ will work in a 50-block area of Guayaquil with 200 young people from five gangs and with 100 adults to reduce juvenile delinquency and improve safety. Among other activities, SER PAZ staff will conduct workshops, host an annual retreat and graffiti contest, facilitate networking, and manage a sub-grant fund supporting young beneficiaries’ development projects. (EC-397)

Fundación de Desarrollo Social y Cultural Afroecuatoriano—“Azúcar” (AZUCAR), $191,350 over three years

AZUCAR will conduct activities that recover Afro-Ecuadorian history and culture and promote their value, encourage the interaction of African descendants with people of other ethnicities and improve well-being. (EC-398)

Fundación Semillas de Amor (SEMIllAS), $263,000 over two years

SEMIllAS will work with African descendants in Guayaquil to improve networking and solidarity; employment and micro-enterprise opportunities; and the Local Development and Community Advocacy Network’s ability to negotiate with municipal officials. (EC-399)

Asociación Afroecuatoriana Mujeres de Lucha (MUJERES), $83,920 over two years

MUJERES members will manage a community store, bakery and beauty salon offering goods and services at affordable prices and expand the services offered by their volunteer-operated community kitchen. (EC-400)
Biodiversity at Stake

Identified by Conservation International as a biodiversity hotspot, the area known as the Tropical Andes hosts a sixth of the world’s plant species in a space constituting under 1 percent of the world’s land mass. Indiscriminate mining, logging, oil exploration, hunting and fishing, as well as the introduction of coca, an alien species, and blanket eradication efforts, now threaten this lush variety of flora and the well-being of the Ecuadorians whose livelihoods depend on it. Critical to the long-term protection of both the resources and the residents of this eco-region are initiatives that strike a balance between conservation and development.

Asociación de Inspectores Honorarios de Vida Silvestre “Cordilleras el Canandé” (INSPECTORES) is planning such an initiative. Based in the isolated community of Cristóbal Colón, in the province of Esmeraldas, INSPECTORES was founded in October 1997 when its members, the “inspectors”, were authorized by Ecuador’s Ministry of the Environment to further awareness of natural resources and to promote sustainable management practices. INSPECTORES will use its IAF grant to expand its volunteer corps from 25 inspectors to 50 and offer them seminars on resource protection and management, environmental law, agro-forestry, conflict management, cartography and the use of the Global Positioning System (GPS). Teams of three inspectors will then offer environmental education programs (EEP) to some 180 farmers in six target communities. Upon request, the inspectors will visit EEP participants’ farms with agroforestry promoters who will offer workshops and develop a demonstration plot in each community where the farmers can practice the techniques taught. Inspectors will patrol community land for violations of environmental laws and summon the authorities as necessary. They will use the GPS to assist farmers and the Ministry of the Environment in resolving boundary disputes. Finally, they will help interested community organizations apply for legal status.

The project will build on INSPECTORES’ successful negotiations with Ecuador’s National Institute for Agrarian Development (INDA) and with logging companies to raise awareness of environmental damage and ways to prevent it; its work with Peace Corps volunteers on community-organizing projects; and its collaboration with the Ministry of the Environment to protect areas of high biodiversity. These dedicated volunteers know that by educating individuals, community organizations and businesses, they can help save a haven of biodiversity.—Marnie Schilken, Foundation representative
New Grants

Asociación Fundación para la Cooperación y Desarrollo Comunal de El Salvador (CORDES), $489,059 over three years

CORDES will enable 500 milk producers in the departments of San Salvador and La Libertad to increase their income through improved herd management and milk quality, the creation of a milk processing plant, and strengthening the capacity of the Cooperative Association for Marketing, La Vega. (ES-218)

Asociación de Productores de Piña de El Salvador (APPES), $305,024 over three years

APPES will assist 125 families in the municipality of Santa María Ostuma, department of La Paz, in improving the production, quality and sales of fresh and processed pineapple and other produce. The project will include training, technical assistance, a credit fund, a capital fund and a marketing program. The local government and the national government will offer technical and infrastructure support. (ES-219)

Comité de Reconstrucción y Desarrollo Económico-Social de Comunidades de Suchitoto (CRC), $60,000 over one year

CRC will form a consortium of three organizations to plan a community culture, arts and history program involving 50 youths and benefiting 10,000 other residents of Suchitoto. The planning phase will enable the consortium, composed of Radio Suchitlán, TV Municipal Comunitario de Suchitoto and Centro Arte para La Paz, to upgrade their radio and television infrastructure; update the skills of its young staff in radio and video/TV operations; strengthen the Centro’s administration; and prepare for implementation. (ES-220)

Agencia de Desarrollo Económico Local de Sonsonate (ADEL), $185,161 over two years

ADEL will enable 130 members of 13 associations comprising a Women’s Business Network in Sonsonate department to improve the quality and sales of their processed foods, baked goods, cosmetics, medicines, toys, ceramics, baskets and other products. The program will include training and technical assistance. (ES-221)

Fundación de Lisiados y Discapacitados para el Desarrollo Integral (FUNDELIDDI), $35,000 over six months

FUNDELIDDI will work with the community of Santa Clara in the department of San Vicente to design an educational and economic development project targeting young people. The planning will define the community’s interest in a multi-use center and a program including environmental education, computer classes, agricultural training, a community radio program, art instruction and cultural events, as well as a memorial park to honor the community that lived in Santa Clara during El Salvador’s civil war. The project developed will benefit about 400 families, including 150 members of FUNDELIDDI. (ES-222)
Addressing the Past for a Viable Future

The 1992 Peace Accords are widely regarded as critical to El Salvador’s successful political transition, but the process did not resolve the country’s desperate economic conditions or the trauma from 12 years of conflict. Many communities have found that addressing the past is necessary to the creation of a viable future. Two new Salvadoran IAF grantees are undertaking such initiatives.

The Centro Arte para La Paz in the town of Suchitoto occupies a former Catholic school built in the late 1800’s and abandoned during the war. The complex is being renovated as a conference center featuring a meeting space (formerly a chapel) for up to 300 people, smaller conference rooms, a kitchen, accommodations for 25 visitors, and a “peace pole” — an obelisk in the garden with “may peace prevail on earth” inscribed in eight languages. The Centro’s partners include the Comité de Reconstrucción y Desarrollo Económico-Social de Comunidades de Suchitoto (CRC), which will convene a consortium of the Centro and two youth groups, working as Radio Suchitlán and TV Municipal Comunitario de Suchitoto, to plan a program including opportunities to study dispute resolution and a community museum with exhibits on the civil war. The young media staff, who will hone their technical skills through professional training, will conduct interviews and document commemorations and other events in rural settlements for the museum’s archives and exhibits and for subsequent broadcasts and screenings that will reach back to the settlements.

El Salvador has some 30,000 disabled veterans, including both former government soldiers and the opposition’s ex-fighters. Under the Peace Accords they are entitled to pensions, job training, health care and transfer payments, but this assistance has been inadequate. Consequently, some ex-combatants and their families formed Fundación de Lisiados y Discapacitados para el Desarrollo Integral (FUNDELIDDI), which often collaborates on common concerns with a similar association of veterans of El Salvador’s armed forces.

About 150 FUNDELIDDI members were resettled after the war in the municipality of Santa Clara, where education effectively stops after the ninth grade, leaving teenagers with few prospects. The Santa Clara members asked FUNDELIDDI to help plan a center to meet their development needs and also honor the memory of the community that had preceded them in the area and was destroyed in a 1982 massacre. The mass held each year on the anniversary of the massacre attracts about 500 local people and relatives of the victims from around the country. The center will offer environmental education, computer classes, agricultural training, art courses and cultural events. Part of the site would be developed as a memorial park dedicated to the previous residents. This complex, like the Centro Arte para la Paz, would create jobs and preserve the past. —Kathryn Smith Pyle, senior Foundation representative

Supplemental Grant

Asociación Cooperativa de Ahorro, Crédito y Agrícola Comunal de Paraiso de Osorio de R.L. (COPADEO), $100,000 over six months

COPADEO will strengthen its remittance transfer services, provide additional training and expand its credit fund to support more loans to small and medium enterprises. (ES-204-A2)
New Grant
Asociación de Gerentes de Guatemala (AGG), $83,030 over two years

AGG, in collaboration with Empresarios Juveniles de Guatemala, will offer training in entrepreneurial development to high school students identified in surveys as at risk from gang activity and violence. The grantee will provide the students’ schools technical assistance with strategic planning and fundraising, conduct an in-depth evaluation of the impact of the training and design a methodology that can be replicated throughout Guatemala. (GT-281)

Education for the Real World

A report published in December 2005 by the Partnership for Educational Revitalization in the Americas (PREAL) established again the direct link between poor public schools and the lack of the basic skills and knowledge necessary to allow individuals to reverse their conditions of poverty and contribute to economic growth. This is the situation in Guatemala where the high school curricula have not been updated in more than 25 years and young people find themselves unprepared to compete in the globalized marketplace.

In 2005, only half of the country’s 85,000 high school graduates are estimated to have found a job, and only one in 10 was able to pursue a university education.

With a grant from the IAF, the Asociación de Gerentes de Guatemala (AGG), in partnership with Empresarios Juveniles de Guatemala (EJ), will produce a new educational module for Guatemala’s high schools that will address many of the gaps in the out-dated curricula. Additionally, the project, based in the department of Guatemala City, includes work on strategic plans with school directors, teachers and parent-teacher associations to improve conditions in the schools for the long-term. Core activities will entail training high school teachers in the module as their students learn the material. Coursework begins with business administration theory and concludes with a hands-on exercise in forming and operating a small business with the help of a business-sector volunteer. At the end of the school year, an expo-style event will showcase the student businesses, and students with the best projects will receive prizes. The second year of the project will be dedicated to the systematization of activities and a comprehensive evaluation of the new module’s impact on students.

The high schools participating in the project were chosen based on several criteria: They had to be public schools and approximately half of them had to be located in marginalized urban areas of Guatemala City, or serving students from these areas, and half located in marginalized suburban/rural areas just outside the capital. School staff had to demonstrate a high level of interest and the ability to present the course materials after the first year of the project. The students who attend the participating schools are in Guatemala’s second-lowest income bracket as determined by the Instituto Nacional de Estadísticas. Based on data from 2005, many of these students are faced with unemployment or underemployment after graduation due to lack of opportunities and educational qualifications. According to AGG and EJ surveys, 55 percent of these students indicate the principal problem they face is gang activity; 49 percent indicate it is violence; 39 percent, lack of employment opportunities; and 37 percent, drugs. This and other baseline data will be used to measure the impact of the new coursework on high school graduates applying their new knowledge and skills to launching and running their own businesses in the real world. —Jennifer Martínez, Foundation representative
New Grant

*Coordination des Paysans pour le Développement de Thomazeau* (COPDET), $91,000 over two years

COPDET will create a seed bank and provide training to help 300 small-scale farmers grow shallots and market them to area hotels. (HA-201)

*Thomazeau’s Fighting Spirit*

Haiti, whose name derives from an indigenous word for mountainous land, was once considered the pearl of the Antilles. It was not only beautiful but rich in agricultural resources and the fighting spirit of people determined to be free. But since winning its independence from France in 1804, Haiti has been almost constantly battling natural disasters and other forces that have devastated its landscape and resources and paralyzed its economy. The rural sector—largely self-employed farmers earning less than a dollar a day—has suffered the most. And a national focus on urban development has reduced even further the few economic development opportunities available in the countryside.

Between 2003 and 2005, after more than 20 years of responding to Haitian proposals to address the country’s staggering poverty, the IAF had to suspend its funding for new projects in the country due to political crises. This year, however, the IAF was able to award a grant to the *Coordination des Paysans pour le Développement de Thomazeau* (COPDET), a grouping of farmer associations located in rural Thomazeau, a town some 18 miles, or a two-hour drive, from Port-au-Prince. Founded in 1989, COPDET is determined to help farmers beat the odds with strategies such as organizing community *konbits*—Creole for gatherings—through which its members work on one another’s farms. It has also provided its member associations training in effective agricultural production, internal organization structures and the administration of small businesses.

With IAF funds, the grantee will offer 300 small-scale farmers—all members of COPDET—training that improves their skills and access to a member-run in-kind revolving loan fund. Farmers whose loan applications are approved by a committee comprised of representatives from member associations will receive loans of shallot seeds for planting. Loan principal and interest are to be repaid with harvested shallots that COPDET will sell to neighboring hotels and restaurants. By the end of its grant period, COPDET expects its farmers to have planted the seeds for a burgeoning agricultural economy in Thomazeau.— *Tina L. Balin-Brooks, Foundation representative*
Supplemental Grant

*Consejo de Desarrollo del Sector Social de la Economía, Regional de Intibucá* (CODESSE), $30,000

CODESSE will use its supplementary funding to compensate for loss of counterpart funding and higher gasoline costs and to purchase vehicle insurance, ensuring continuity of its technical assistance to beneficiaries in the mostly rural communities of Intibucá. (HO-239-A1)
New Grant

**Latin American Studies Association (LASA)**, $44,000 over two years

LASA awarded two research grants to study a transnational indigenous Mexican network and Afro-Latino civic participation in Colombia and will publish the findings in the U.S. and Latin America. (LA-169)

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**Supplemental Grants**

**Delnet**, $168,000 over two years

The International Labour Organization’s Delnet Program will provide training and networking opportunities for 94 scholarship recipients through online courses in local development, including a gender and a health perspective, sustainable tourism and disaster mitigation. (LA-160-A4)

**International Guarantee Fund (IGF)**, $355,000

IGF will match IAF’s funding to permit the Latin American International Guarantee Fund (LAIGF), established by the IGF and the IAF in 2004, to guarantee up to six additional loans to qualifying nongovernmental organizations in Central and South America. (LA-163-A1)

**Inter-American Democracy Network (IADN)**, $51,110

IADN will add participants from neighboring countries to its deliberative dialogue workshop in Argentina as well as convene a final workshop to evaluate its activities. (LA-164-A3)
New Grants

**Promotora de Servicios de Desarrollo, S.C.** (PRODER), $35,000 over one year

PRODER will organize a series of workshops to promote the exchange of ideas between migrant and non-migrant indigenous Oaxacan youths. The series will culminate in a meeting to formulate a proposal to increase young people’s participation in local governance and to stimulate economic development in the Zoogocho region of Oaxaca. (ME-480)

**Servicios Ambientales de Oaxaca, A.C.** (SAO), $286,800 over three years

SAO will work with residents and local authorities in 10 indigenous Zapotec, Chinantec and Mixe communities in Oaxaca to improve their capacity to manage natural resources sustainably and to increase their income through offering environmental services such as carbon and water capture and biodiversity conservation. The program will include community meetings and diagnostic sessions, and training and ongoing technical assistance related to land-use planning, ecosystem mapping and monitoring, and the development of five tree nurseries on communal land. (ME-481)

**Unión de Cooperativas de la Red de Humedales de la Costa de Oaxaca, S.C.** (UCRHO), $313,299 over three years

UCRHO will strengthen its institutional capacity and improve the quality and profitability of ecotourism services offered by member organizations. Its program will include an evaluation of services and products, training, technical assistance, marketing, and a small loan fund. A new office and three new community tourism centers will operate on the Oaxaca Coast. (ME-482)
Developing Ecotourism in Oaxaca

Oaxaca, Mexico’s fifth-largest state, is rich in history, natural resources, traditional cuisine, handicrafts and tourist attractions, but it ranks among the country’s very poorest on human development indicators reflecting income, health and education. Three new IAF grantees in Oaxaca plan to improve the quality of life, promote communication between sectors and generate income by building on environmental and cultural assets.

Of these, the Unión de Cooperativas de la Red de Humedales de la Costa de Oaxaca, S.C. (UCRHO) is a network of about 20 small organizations that have joined together to address local concerns about environmental conservation as well as economic and social development. Most UCRHO member cooperatives operate small-scale conservation programs and offer basic ecotourism services such as guided canoe tours, cabin rentals, restaurants and community museums. The individual cooperative members are primarily indigenous Zapotecs, Mixtecs and Chatinos, and a small number of Afro-Mexicans are active in the network. UCRHO will undertake a program to improve the quality and profitability of the services offered.

By establishing a small office and travel agency in Puerto Escondido, an important regional tourist destination, UCRHO will have direct contact with tourists, many of whom seek an alternative to Cancun’s luxury resorts. These honeymooners, surfers and other visitors arrive in search of adventure, contact with nature and a personal connection with local communities. UCRHO’s training and technical assistance programs will aid member cooperatives in identifying and improving tourist offerings, strengthening administrative and marketing capacity, and improving infrastructure.

Visitors to UCRHO’s ecotourism sites will be able to choose from such possibilities as a stroll along spacious, uncrowded beaches or the opportunity to enjoy fresh seafood and sample local specialties such as sweet, crispy tortillas made with coconut. During a stop on a small island, nature enthusiasts can view animals at a wildlife rehabilitation center and visit a simple community museum devoted to local fauna. They can take a guided journey through mangroves to observe birds and spot small crocodiles sunning themselves in the inlets or they can learn about sea turtles at a rustic visitors’ center. They might even help local protection groups release young turtles back into the sea.

By developing community-based ecotourism enterprises, the IAF and UCRHO hope local residents will be able to earn a dignified living while preserving important natural and cultural resources. At the same time, visitors gain insight into the complexities of community life in Mexico.—Jill Wheeler, Foundation representative

Supplemental Grants

Niños y Crias, A.C. (NyC), $27,336 over six months

NyC will organize a final conference to facilitate the exchange of experiences and plan follow-up activities that will promote the sustainability of environmental education campaigns in 11 of Mexico’s nature reserves. (ME-449-A4)

Fundación del Empresariado Sonorense, A.C. (FESAC), $113,400

FESAC will expand its sub-grant fund focusing on low-income, women-headed households and include two additional cities in the state of Sonora in its program. (ME-453-A2)
New Grants

Asociación de Pobladores por el Desarrollo a Escala Humana en el Ámbito Local (PRODEHL), $275,400 over three years

PRODEHL will help raise the living standard of more than 2,300 low-income families in León through promoting the concept of a “healthy house” and supporting community participation, partnerships, self-help housing and access to credit. Women heads-of-household will be targeted. (NC-260)

Asociación para el Desarrollo Económico con Equidad (ALTERNATIVA), $327,950 over three years

ALTERNATIVA will support local development and business development in 15 communities of Masaya through civic education, a community planning process, a credit fund, and training and mentoring for small-business owners and for individuals starting new businesses. (NC-266)

Fundación para el Desarrollo de la Mujer (FUNDE MUJER), $289,210 over three years

FUNDE MUJER will promote the economic and civic empowerment of female entrepreneurs in the Department of Esteli through access to credit, institutional strengthening for the Association of Female Micro-Entrepreneurs of Esteli (AMME), training and technical assistance, product fairs, the development of new markets, and opportunities for engagement with municipal government. (NC-267)

Cooperativa Verde Esperanza (COMULVERL), $34,833 over nine months

COMULVERL will develop an integrated development plan benefiting approximately 1,400 residents of the communities of El Jicaral and Santa Rosa, department of León. (NC-269)
A Vision of Economic and Civic Development

Masaya is a unique Nicaraguan city, at the same time guardian of the cultural traditions of the past and a robust community of modern entrepreneurs. Dubbed the “national folklore capital,” it was formally declared part of Nicaragua’s cultural patrimony in 1989. A stroll through its famous markets is an experiential lesson in Nicaragua’s heritage: the music and dance performed and the crafts, ceramics, furniture, clothes and food on display represent a tangible link to a proud past. The city’s dynamic economy is driven by the creativity and initiative of thousands of individual and family-owned businesses. In fact, small-business development and entrepreneurship are defining Masaya’s civic identity.

In this context, Asociación para el Desarrollo Económico con Equidad (ALTERNATIVA) is attempting to create a new engine for local development. Created in 1999, ALTERNATIVA developed into a very successful microfinance institution, dedicated to responding to the needs of Masaya’s industries. It has extended more than 1,900 loans totaling more than $820,000 to local businesses and has provided business development training to more than 1,300 entrepreneurs. However, according to Leonardo Martínez, ALTERNATIVA’s founder and president, economic investment alone is not sufficient to bring about sustained social progress. Development demands a civic culture “that permits us to act as citizens and as entrepreneurs, contributing to local development in partnership with local government.” This, he says, will require “an empowered citizenry engaged in the public policy process, mobilizing community assets and facilitating synergy among those working to promote local development.”

ALTERNATIVA will work toward this vision by enabling citizens to play a more active role in community development through their civic and entrepreneurial activities. Its integrated program addresses the needs of the small and medium entrepreneurs and the ability of citizens to be agents of their community’s development. The project’s business dimensions include the creation of an additional credit fund totaling $200,000 for loans to individuals with existing businesses and another fund with $140,000 to support new businesses. ALTERNATIVA will design a curriculum for training borrowers in management, administration and finance, marketing and business plan development. More than 1,000 local entrepreneurs will benefit over the project period.

The project’s civic dimensions include the creation of the School for Local Development, which will offer a civic education curriculum, also designed by ALTERNATIVA, to 400 Masaya residents. ALTERNATIVA will manage the school in collaboration with the municipal government, nongovernmental organizations and interested citizens. The grantee will coordinate as well an exercise mobilizing residents to articulate a shared vision of their community. It will hire specialists in civic participation to manage a process toward creating development agendas in 15 Masaya neighborhoods, for consolidation into a unified municipal strategy, “the local development agenda,” to be presented to elected authorities. Through these initiatives, ALTERNATIVA will contribute to the synergy generated by economic growth and civic action.

—Philip Walsh, Foundation representative

Supplemental Grants

Cooperativa Agropecuaria de Servicios de Extracción de Aceites Esenciales, R.L. (COOPESIUNA) $99,100

COOPESIUNA will begin operating its essential oils plant, hire and train personnel, and develop and apply business and marketing plans. (NC-249-A5)

Fundación Odorico D’Andrea (FODA), $99,672

FODA will construct and equip a produce collection center, create a credit fund to support marketing activities, purchase a vehicle to transport production, and pay salaries and administrative expenses. (NC-252-A2)
New Grants

Cooperativa de Servicios Múltiples Desarrollo Integral de Gualaca, R.L. (COOP), $297,724 over four years

COOP will generate employment and protect the environment through training and technical assistance preparing youths and other community members to construct ecotourism infrastructure and through addressing the business and technical components of ecotourism. The project will reach about 100 direct and 100 indirect beneficiaries throughout the Gualaca region of the province of Chiriquí. (PN-280)

Asociación de Productores Agropecuarios Forestal San Francisco de Asís (APAFSA), $218,800 over three years

APAFSA will provide training and technical assistance in sustainable agriculture, environmental conservation, reforestation, sanitation, business skills, marketing, credit, community organization and other subjects selected by its beneficiaries in the region of Ocú, province of Herrera. It will emphasize community development and the participation of diverse organizations and women in community processes. (PN-281)

Fundación Instituto Panameño de Desarrollo Humano y Municipal (FIPADEHM), $436,440 over 27 months

FIPADEHM will strengthen the capacity of local groups and municipal authorities to mobilize resources, negotiate, identify, design, implement and evaluate projects, and contribute to community welfare through environmental, transportation and other services. Participating communities will partner with other communities, municipal government and civil society organizations in 57 “corregimientos” in the provinces of Bocas del Toro, Colón, Veraguas and the Comarca Ngöbe Buglé, an indigenous reserve. Beneficiaries will be mainly of African descent. (PN-282)

Fundación para la Superación de la Pobreza (FUNSUPO), $306,955 over three years

FUNSUPO will offer training and technical assistance in the community of Boo Yala in the district of Arraiján, approximately 12 kilometers from Panama City, toward the development of a water system, a bamboo nursery, reforestation and construction of community buildings, and toward strengthening community committees and micro-businesses. The project will reach approximately 3,000 beneficiaries and their families, mainly of indigenous Kuna descent. (PN–283)

Supplemental Grants

Asociación para el Fomento del Turismo (AFOTUR), $99,080

AFOTUR will integrate a new community into its project to replace one that withdrew, improve communication with participating communities, continue technical assistance and training, and monitor a credit fund. (PN-274-A2)

Fundación para el Desarrollo Integrado Sustentable (FUDIS), $20,000

FUDIS will support three workshops on conflict resolution for 40 IAF grantee representatives and beneficiaries. (PN-276-A1)

Fundación para el Desarrollo Integrado Sustentable (FUDIS), $99,135 over eight months

FUDIS will support a credit fund, a community grant fund and dissemination activities in three districts of the province of Veraguas, expanding the capacity of small businesses and farmers in rural communities and acquiring 1,600 additional beneficiaries. (PN-276-A2)
Water, Bamboo and Jobs for a Kuna Community

Boo Yala, a settlement comprised of mainly young indigenous Kuna families, sits in the shadow of Panama City, a stone’s throw from the Panama Canal. Its 3,000 inhabitants live with a constant acute water shortage in spite of their community’s location in the watershed that services both the Canal and the capital. To cope, the residents have cobbled together an informal supply system by purchasing water from a neighboring community and having water trucked in. They also face a host of other problems: environmental deterioration, substandard housing and lack of jobs.

Fundación Para La Superación de la Pobreza (FUNSUPO) is a nongovernmental organization that combats poverty by focusing on the institutional framework, the economic and the social aspects of its project areas. Strategically, FUNSUPO promotes human development by transferring knowledge and technology so that poor families insert themselves into and manage a sustainable process. In Boo Yala, FUNSUPO will provide the necessary technical assistance for residents to develop a water system and a bamboo nursery to further reforestation aimed at protecting the watershed. The community will provide the necessary land and labor for a water storage tank, the nursery and reforestation activities.

FUNSUPO will also train residents in techniques necessary to the construction of four communal buildings to house a meeting hall and centers for water and nursery administration, training, and sewing and crafts. The construction techniques can be applied later by the residents to replace their improvised housing with more solid bamboo structures. To give more options to the young adults who must work as day laborers in Panama City, FUNSUPO will offer technical assistance in producing and marketing traditional Kuna crafts and will strengthen the infrastructure of several existing local businesses to serve as hands-on business incubators for local trainees.

Training and technical assistance in administration, planning, project design and decision making should enhance the Community Committee and other local organizations’ ability to capture resources for future community development projects. FUNSUPO is adapting its project carefully to Boo Yala’s predominately indigenous culture, building on Kuna traditions to address core community issues.

—John Reed, Foundation representative
New Grants

**Asociación Afro Paraguaya Kamba Cua** (AAPKC), $35,000 over one year

AAPKC will survey 2,375 Afro-Paraguayan households in three communities on the social issues that affect them and will share the findings with organizations in Paraguay and other countries. Community residents will be trained in collecting and processing raw data. Partners in the survey include grassroots organizations, Organizaciones Mundo Afro and Paraguay’s Dirección General de Estadística. (PY-191)

**Centro Interdisciplinario de Derecho Social y Economía Política** (CIDSEP), $116,300 over two years

CIDSEP will train leaders affiliated with neighborhood organizations as legal promoters who will advocate for and advise residents of six low-income communities of Asunción. It will consolidate its pro bono team of experienced lawyers committed to counseling the 150 promoters who will, in turn, counsel approximately 3,000 individuals. (PY-192)

**Fundación Arlequin Teatro** (FAT), $152,700 over two years

Using theater-based techniques, FAT will assist approximately 240 adolescents from five educational centers in two urban municipalities, and their parents and teachers, in identifying, reflecting on, debating and addressing community priorities. (PY-193)
Surveying African Descendants

The residents of Kamba Cua, a community 15 miles from Asunción, descend from the slaves and freedmen who had served General José Artigas during Uruguay’s struggle for independence from Spain. In the 1820s, these loyal troops followed Artigas into exile in Paraguay, where the government rewarded them 100 hectares of land which they successfully farmed until the mid-20th century, when these plots were summarily expropriated.

According to a report generated in the United Kingdom, African descendants are among the most impoverished groups in Paraguay. While a few national and local government agencies recognize these citizens, most Paraguayans would be surprised to learn of their existence. Many of Paraguay’s African descendants themselves know little about their own origins and heritage.

But Kamba Cua residents have held onto their identity for nearly two centuries, and in 1999 they formed Asociación Afro Paraguaya Kamba Cua (AAPKC) precisely to recover the land that they lost. More recently, AAPKC has broadened its mission to include the promotion of economic development, Afro-Paraguayan traditions, human rights and racial equality. Toward this end, it is building awareness of the cultural roots of Paraguay’s African descendants. Recently, AAPKC broadened its scope as well by partnering to share traditions with more rural communities of African descendants in Kamba Kokue and Emboscada Ciudad de Pardos Libres.

The grantee will use its IAF award to survey approximately 2,375 residents of Kamba Cua, Kamba Kokue and Emboscada on household and family composition, home ownership, housing conditions, employment, education, physical well-being and use of health services, income, and demographic information on migration, race and identity. AAPKC will begin by conducting workshops in the three communities, with follow-up field visits as needed, to finalize the questionnaire for the survey. It will also train community-based researchers in collecting and processing raw data from households they visit.

In addition to the three communities, partners in the survey include Organizaciones Mundo Afro, headquartered in Montevideo, Uruguay, and the Paraguayan government’s statistics agency. Results obtained from the survey will provide broader understanding of the challenges and opportunities that African descendants face. The data will help Afro-Paraguayans begin a dialogue with the government on public policies and programs and on an ethnicity component in the national census. Accurate socio-economic information will be the basis for future development proposals.—Gabriela Boyer, Foundation representative
New Grants

**Asociación Agro-Arte Andina** (Agro-Arte), $148,910 over two years

Agro-Arte's project will include the construction of three collection and processing centers, and training in the classification, processing and marketing of alpaca and llama fiber and sheep's wool to enable herders and their families in three communities to increase sales in regional markets and income from value added. (PU-534)

**Asociación Pro Derechos Humanos** (APRODEH), $195,500 over three years

APRODEH will prepare approximately 520 mentally disabled individuals and their families to advocate for their position with respect to Peru's decentralization process. It will assist trainees in forming a national network to assure the mentally disabled are involved in all public discussions of resources and services. (PU-535)

**Programa Integral para el Desarrollo del Café** (PIDECAFE), $399,940 over three years

PIDECAFE will coordinate training, technical assistance, post-harvest processing, marketing services and citizenship exercises for approximately 760 farmers and their collective associations as part of a regional development program to export organic cacao and granulated brown sugar. (PU-536)

**Instituto de Investigación para Desarrollo Rural, Agroindustrial y Medio Ambiente “IDRA PERU”** (IDRA), $134,700 over two years

IDRA will provide training, technical assistance, access to credit and marketing support that will allow approximately 70 indigenous families to make tourists entering their communities more aware of their history, culture and crafts and the opportunity to experience them. (PU-537)

**Centro de Textiles Tradicionales de Cusco** (CTTC), $34,200

CTTC will continue providing training, technical assistance and marketing opportunities to weavers in six rural communities of Cusco. (PU-517-A1)

**Centro Para el Desarrollo Sostenible (CEDESOS)**, $86,336 over one year

CEDESOS will continue to provide training, technical assistance, credit and marketing support to approximately 50 artisans and 20 family-operated rural tourism enterprises on the Peninsula of Capachica, Puno. (PU-521-A1)

Supplemental Grants

**Comunidad Indígena Asháninka Marankiara Bajo** (CIAMB), $86,200

CIAMB will continue training and technical assistance in organic agriculture for 120 indigenous farm families and will assist eight indigenous communities in promoting their heritage through ecotourism activities. (PU-510-A4)

**Asociación JILATA**, $99,850

JILATA will continue to provide training, technical assistance, marketing services, operating capital and equipment to 260 families as they complete the transition to organic oregano production and assume administrative and operational responsibility for the project. (PU-515-A4)

**Centro de Textiles Tradicionales de Cusco** (CTTC), $34,200

CTTC will continue providing training, technical assistance and marketing opportunities to weavers in six rural communities of Cusco. (PU-517-A1)

**Centro Para el Desarrollo Sostenible (CEDESOS)**, $86,336 over one year

CEDESOS will continue to provide training, technical assistance, credit and marketing support to approximately 50 artisans and 20 family-operated rural tourism enterprises on the Peninsula of Capachica, Puno. (PU-521-A1)

**Asociación para el Desarrollo Local (ASODEL)**, $85,700

ASODEL will provide 570 community leaders training and technical assistance in the implementation of the integrated local development plans for population centers in three municipalities in the province of Cajamarca. (PU-522-A2)
Every day buses and station wagons loaded with tourists travel the road to Chulpas de Sillustani, the second most-visited archeological site in Peru’s Puno region. Of the hundreds of sightseers passing local farms and artisan villages, few gain a greater appreciation for the history, culture and lifestyle of the indigenous peoples living within sight of the royal burial grounds of two earlier civilizations.

That is about to change. The Instituto de Investigación Para el Desarrollo Rural, Agroindustrial y Medio Ambiente (IDRA) is collaborating with four villages and the district municipality of Atuncolla in a project whose goal is to offer tourists the opportunity to visit local homes and experience the reality of the indigenous families. It will also provide a market where local artisans offer their textiles, ceramics, hand-knotted rugs and jewelry with semi-precious stones.

IAF funds will support training and technical assistance directed at building the skills to attend to visitors from around the world and to offer them a variety of high-quality crafts. Much of this help will come from other recipients of IAF grant support now able to train and advise new grantees in the same areas of interest. Indigenous communities from the Capachica Peninsula that extends into Lake Titicaca have developed such expertise in managing eco-tourism activities that they can provide guidance to communities initiating similar endeavors. Likewise, residents of indigenous Ayacucho communities with skills in working with natural dyes and weaving alpaca and wool into fine textiles will participate in a series of exchanges.

IDRA will take advantage of its presence in Puno and close collaboration with the Universidad Nacional de Puno to enlist support from business, government and academic sources toward creating tools for marketing culture and lifestyle. The university will bring its skills to the development of the marketing strategy, while the Peruvian Ministry of Tourism and Puno’s Tourism Office will contribute data bases and distribution networks. The Atuncolla municipality will provide locales for cultural events and sales outlets. Travel agencies will be encouraged to include farms and craft markets on their tour circuits.

The project will directly benefit 10 farm families and 60 artisans; the broadening tourist interest will indirectly benefit another 150 families. And thousands of tourists visiting Chulpas de Sillustani will have an opportunity to experience the local indigenous culture and take away more than a photo.

—Wilbur Wright, Foundation representative
The IAF is not a disaster-relief agency, but following the torrential rains that Hurricane Stan dropped on Mexico and Central America in October 2005, and a volcanic eruption in El Salvador in the same month, it allocated 2006 resources to allow 15 Guatemalan and Salvadoran grantees to help the victims through rescue operations and the provision of medicine, food, water and shelter, and to replace supplies lost, repair damaged infrastructure, extend loans and award scholarships to orphans. An extended photo essay on this special initiative is featured in the IAF’s Grassroots Development for 2006, acccessible on IAF’s Web site, www.iaf.gov.

**Supplemental Grants for Disaster Relief**

**El Salvador**

Asociación Fundación para la Cooperación y el Desarrollo Comunal de El Salvador (CORDES), $19,815

CORDES will assist beneficiaries in recovering pasture damaged by Hurricane Stan and will provide feed, medicines and veterinary staff to prevent anemia and illness among the cattle at risk as a result of the storm. (ES-203-A3)

Asociación Cooperativa de Ahorro, Crédito y Agrícola Comunal de Paraíso de Osorio de R.L. (COPADEO), $100,000 over 18 months

COPADEO will train members of four fishing cooperatives on Lake Ilopango in financial administration, enabling them to manage their credit funds, in organizational development, and in fish production and marketing. The funds will allow the cooperatives to purchase land and equipment, such as motors and boats, and to construct fish tanks. (ES-208-A3)

Comité de Repobladores de Cuscatlán (CRC), $35,788

CRC will assist beneficiaries in recovering from severe hurricane damage to crops through limited loan forgiveness as well as additional training and technical assistance in diversified agriculture using two new demonstration plots for plants and trees less susceptible to hurricane conditions. (ES-205-A3)

Asociación de Organizaciones de Microfinanzas (ASOMI), $88,000

ASOMI will assist its member agencies as well as members of Asociación Alianza para el Desarrollo de la Microempresa de El Salvador (ALPIMED/ES-213) and other IAF grantees that operate credit programs through emergency funds to meet the increased demand for loans following Hurricane Stan. It will also channel grants through the agencies to clients severely impacted by the disaster. (ES-211-A2)

Asociación para Autodeterminación y Desarrollo de Mujeres Salvadoreñas (AMS), $8,460

AMS will reconstruct the well at the agricultural training center and replace organic fertilizer and other inputs as well as offer technical assistance in agricultural production. (ES-212-A2)

Asociación Salvadoreña de Desarrollo Campesino (ASDEC), $62,160 over six months

ASDEC will provide shrimp-farming cooperatives inputs such as larvae and fish food as well as technical assistance during the additional six months required to meet project goals after the disruption due to Hurricane Stan. (ES-212-A2)

Asociación Local Mangle para la Prevención de Desastres y el Desarrollo en el Bajo Lempá-Bahía de Jiquilisco (Asociación Mangle), $63,685

Asociación Mangle provided the surrounding community emergency assistance, including evacuation and provision of food and medicines, during and immediately following Hurricane Stan. It also assisted project beneficiaries with short-term crops suitable to the flooded soil, repaired project infrastructure and worked with the municipality to reconstruct the roadway. (ES-214-A1)
Guatemala

Asociación Consejo de Mujeres Mayas de Desarrollo Integral (CMM), $50,000

In response to Hurricane Stan, CMM will work with beneficiaries to re-establish crops in the nine communities participating in its project; restock and provide access to medicine; offer the services of a physician; and train community residents in crop production and health services. (GT-267-A5)

Asociación de Desarrollo Integral Tineco (ADIT), $57,450

ADIT will donate agricultural inputs to 62 families that suffered extensive damage to their homes as well as loss of crops and animals due to Hurricane Stan, and it will assist 660 other beneficiaries in recovering from the devastation and resuming productive activities. ADIT will also provide job training and placement services for 30 individuals in collaboration with other organizations and government programs. It will plant 5,000 trees in collaboration with the municipality to mitigate the effects of future disasters. (GT-273-A1)

Asociación de Salud y Desarrollo Rxin Tname (RXIIN), $156,484

RXIIN will replace medications distributed during Hurricane Stan; purchase a generator for use in future emergency situations; assist approximately 50 families with education, transportation, food and other household expenses that they cannot meet because of the storm; and provide funds for rebuilding homes and small businesses. (GT-274-A1)

Asociación Toto Integrado (ATI), $9,592

ATI will produce medications that will be donated to two other IAF grantees addressing the public health needs of several communities that suffered hurricane damage. (GT-275-A1)

Asociación de Servicios Comunitarios de Salud (ASECSA), $130,957

ASECSA will offer training in disaster prevention and, via its network of associated organizations, expand its project to communities with health and housing needs because of Hurricane Stan in Quetzaltenango, Chimaltenango, Sololá, Totonicapán and San Marcos. (GT-276-A1)

Asociación Museo Comunitario Rabinal Achi (Museo Achi), $31,000

Museo Achi will address the decline in tourism after Hurricane Stan through training, technology and marketing, and improve its museum infrastructure and exhibits. (GT-277-A3)

Asociación Organización para la Promoción Comercial y la Investigación (OPCION) $111,550

OPCION will expand its loan fund to assist beneficiaries in replanting crops devastated by Hurricane Stan and replacing lost agricultural equipment. (GT-279-A1)
RedEAmérica, the Inter-American Network of Corporate Foundations and Actions for Grassroots Development, an IAF-initiative launched in 2002, is a business-sector alliance that makes grassroots development the keystone for poverty reduction in the Americas. Membership has grown from 12 to 48 corporate foundations representing 10 countries. In fiscal 2006, RedEAmérica moved toward consolidation by incorporating in Delaware as a nonprofit organization, opening more possibilities for expansion and funding grassroots development. The network has since contracted Corporación Consorcio para el Desarrollo in Colombia as its executive director.

Bilateral cooperative agreements are the primary funding mechanism between the Inter-American Foundation and its RedEAmérica partners. Under the terms of these agreements, IAF’s contribution must be matched by the partner, until recently dollar for dollar, and the combined resources are used to support grassroots development via sub-grants to community membership organizations. Since the network was founded, RedEAmérica members have channeled funding to 569 organizations reaching more than 66,630 beneficiaries, including children and adolescents, African descendants and indigenous groups. Projects targeted income-generation, academic improvement, the promotion of solidarity and respect, cultural activities, and institutional strengthening.

In fiscal 2006, the IAF’s investment in RedEAmérica, via the 25 bilateral cooperative agreements with members entered into since 2002, yielded a return of $5.9 million in cash for self-help programs from corporate sources. Resources mobilized include a new fund created by Argentine RedEAmérica members. Additionally, Brazilian and Colombian members have a partnership agreement with the World Bank’s International Finance Corporation whereby the IFC has committed funding for income-generating grassroots projects. Under fiscal 2006 agreements, each RedEAmérica partner must double the IAF’s contribution and pay all administrative costs of disbursing sub-grants to beneficiary community organizations for grassroots development projects.

RedEAmérica developed and tested “Planning and Evaluation of Impacts,” its results measurement tool. All community membership projects that received IAF funding through cooperative agreements between December 2005 and December 2005 are in RedEAmérica’s Web-based Hemispheric Information System, which also incorporates support from international donors for RedEAmérica’s work. RedEAmérica member Fundación Arcor of Argentina led a study on issues in business and community relations and produced a document on the motivation and strategies for engaging communities, which was shared in a two-day workshop in June. Fundación Esquel of Ecuador coordinated a hemispheric study of best models and practices for resource mobilization. —Juanita Roca, Foundation representative

New Cooperative Agreements

**Fundación Microempresa y Desarrollo**
(Microempresa y Desarrollo), $255,000 over three years

Microempresa y Desarrollo will train women’s groups throughout Chile in grassroots development and will participate with other RedEAmérica members in workshops and conferences where learning, best practices, policies and methodologies for supporting grassroots development are shared.

(CH-516/CP-025)

Cooperative Agreement Amendments

**Fundación Arcor** (FUNARCOR), $240,000

FUNARCOR will, with multiple partners, channel resources to community organizations and will create an “Argentine fund” to support grassroots development. (AR-332/CP-003-A2)

**Fundação Otacílio Coser** (Coser), $50,000

Coser will administer the CEO/Technical Committee sub-grant fund supporting grassroots development in Brazil. (BR-812/CP-007-A3)

**Fundación Pehuén** (Pehuén), $70,000

Pehuén will continue to provide small grants, training and other support for self-help development to indigenous communities in Alto Bio-Bio, Chile. (CH-511/CP-001-A2)
The Office of Evaluation is charged with grant monitoring, evaluation and auditing.

IAF grantees submit scheduled reports on their progress toward indicators of effective development selected from the menu offered by IAF’s Grassroots Development Framework (GDF), the data collection tool designed to document the results of the IAF’s investment. In fiscal 2006, the timing of grantees’ reports was changed so data could be aggregated and analyzed for submission to the Office of Management and Budget in connection with the Program Assessment Rating Tool (PART) exercise. During the new period for submission, now running from April 2005 to March 2006, 98 percent of IAF’s grantees reported as required. To verify the data, professional contractors reviewed files, interviewed managers and beneficiaries, and inspected infrastructure. Staff also continued to refine the GDF during fiscal 2006. An improved set of intangible measures, along with examples, is ready for inclusion in a manual for new data collectors and grantees to begin using in fiscal 2007.

The Getulio Vargas Foundation, a Brazilian research institution under contract to the IAF, conducted in-depth evaluations of a random sample of 11 grants in nine countries, all of which had ended in fiscal 2003. In 2007, the IAF and the Getulio Vargas Foundation plan to focus on microcredit as a tool for grassroots development through evaluations of 11 projects in Mexico, Peru and Nicaragua that ended in 2003 and 2004.

The Office of Evaluation oversees scheduled audits of IAF grantees. In June, 27 auditors under contract through fiscal 2011 met for training in the Dominican Republic where the inspector general from USAID’s regional office in El Salvador familiarized them with the Generally Accepted Guidelines for Government Accounting. IAF staff briefed the auditors on ethics and contract requirements, and the auditors walked several new grantees through new audit guidelines, frequently asked questions and common problems discovered during audits.—Emilia Rodríguez-Stein, director, Office of Evaluation
The IAF shares its experience and approach with a broad and diverse audience through publications, news releases, the Web site, exchanges and conferences held throughout the world. Additionally in fiscal 2006, with the goal of building the community of scholars specialized in grassroots development, the IAF prepared to resume its program of fellowships supporting related dissertation research by Ph.D. candidates enrolled in U.S. universities.

**Dissemination**

The Office of External Affairs produces and distributes the IAF’s publications and news releases and maintains the Web site. In fiscal 2006, English and Spanish versions of the annual report and the IAF’s journal *Grassroots Development* were printed in English and Spanish, distributed and, with Portuguese versions, posted on the Web site. The 2006 journal covers a range of IAF experiences: transnational communities and their connection to grassroots development; microcredit programs; responses to Hurricanes Mitch and Stan; outreach to African descendants and to persons with disabilities; and the development of ecotourism on Taquile Island, Peru. Information on earlier publications resulted in requests from throughout the hemisphere. The office also updated IAF brochures and produced a poster saluting the work of IAF grantees.

Staff organized archived photos documenting the IAF’s work with Afro-Andean and Dominican communities for display at events co-sponsored with the National Council of La Raza. Photos by Sean Sprague, an award-winning British photographer whose work has appeared in IAF publications for nearly three decades, were exhibited at the University of Texas at Austin.
The IAF’s Web site is constantly updated with new publications, news releases, announcements of special events and information on IAF programs, all accessible in English, Spanish and Portuguese and in graphic or text format. In 2006, the IAF added a new section, “Changing Lives,” consisting of vignettes and photographs illustrating the impact of IAF-funded projects on the individuals they reach. Approximately 45,000 individuals visit IAF’s site each month; more than 1,600 visit daily. Latin Americans comprise 20 percent of the audience. Each week, the IAF receives more than 50 e-mailed requests for publications and information on programs.

**GRANTEE EXCHANGES**

Staff from the Centro de Iniciativas para el Desarrollo Local, in Corrientes, Argentina, and from Fundación Solidaridad in the Dominican Republic shared experiences in participatory budgeting, municipal planning and community development. A team from Organizaciones Mundo Afro flew from Montevideo to Managua to learn how Fundación de Investigación y Desarrollo Holístico en Educación Sexual (FIDES) worked with young people in low-income neighborhoods. A group from Casa de la Juventud (Casa), in Asunción, visited infrastructure built with support from Instituto Panameño de Desarrollo Humano y Municipal (IPADEHM) in Panama’s Veraguas and Chiriqui provinces. Casa staff noted that community oversight can assure transparency and efficiency in management of municipal resources. Staff from Fundación para el Desarrollo Integrado Sustentable and three Panamanian mayors visited former grantee Centro Salvadoreño de Tecnología Apropiada to learn about its successful solid waste management program. Fourteen young beneficiaries from Comité de Reconstrucción y Desarrollo Economico Social de Comunidades de Suchitoto and Asociación Local Mangle para la Mitigación de Desastres and el Desarrollo en el Bajo Lempa traveled from El Salvador to Guatemala to learn about community museum grantee Museo Rabinal–Achi and its youth-led video, tourism and community documentation projects.
The IAF’s travel grants program supports the participation of academics, local officials, grantee representatives and beneficiaries, and others in events related to grassroots development. In 2006, some 400 individuals traveled to 65 such venues, most representing groups with a long history of exclusion: African descendants, indigenous peoples, young adults and people with disabilities.

The IAF continues to be one of the leading development institutions supporting the efforts of African descendants in the Americas to network, offer perspectives and share concerns that include economic disparities and social exclusion. In fiscal 2006, the IAF joined with other interested organizations in a full calendar of high-profile activities:

- **Andean Voices, African Roots**, at the Washington, D.C., headquarters of National Council of La Raza (NCLR) in October, shared the insights of Leonardo Reales, a Colombian studying at Louisiana State University; Jorge R. Reyna of Peru’s Asociación Negra de Defensa y Promoción de los Derechos Humanos; and Ecuadorian story teller Juan García of Centro de Formación de Lideres Martin Luther King. The event is covered in Grassroots Development 2006.

- Eight IAF-sponsored African descendants attended the Summit of the Americas in Argentina; 20 traveled to Santo Domingo for the June seminar *Expanding the Participation of Afro-Descendants at the OAS* prior to attending the OAS General Assembly where they engaged in dialogue with member-state representatives.

- **The Conference to Establish a Policy Agenda for Racial Equality in the Americas** brought 40 prominent African descendants to the World Bank to discuss race-based discrimination in February. For more information, see Grassroots Development 2006.

- Four IAF-sponsored Latin Americans of African descent (below) attending a *May OAS roundtable* appealed for an initiative to combat discrimination and promote equal opportunity: Flanked by IAF staff, beginning fourth from the left, Carlos Quesada of Global Rights; Rodney Jericó da Silva of Brazil’s Instituto da Mulher Negra; Luz Becerra of AFRODES, serving Afro-Colombians displaced by the violence in the Chocó region; and Joseph Cherubin of Movimiento Sociocultural de los Trabajadores Haitianos in the Dominican Republic.
African Beat, Caribbean Echoes: Blackness in the Formation of Dominican Identity (above), co-sponsored in May with the NCLR and Inter-Agency Consultation on Race, featured Silvio Torres-Saillant of Syracuse University, as well as, from the left, stockbroker Cid Wilson, historian Celsa Albert Batista, and community activist Eulalia Altagracia Jiménez Abreu.

Eight representatives of indigenous and Afro-Latin IAF grantees and three other African descendants from Latin America and the Caribbean attended the International Cross-Cultural Black Women’s Studies Institute’s international symposium Making the Invisible Visible: Afrodescendants and Indigenous Peoples of Panama (right), sponsored by Medgar Evers College of the City University of New York at sites throughout Panama in July.

African descendent leaders attended the July Regional Race Conference: Santiago +5, hosted by the Brazilian government, which reviewed the goals of the 2001 World Conference on Racism in Durban.

Grantee representatives formed the panel Afro-Latina Women Speak Up: A Discussion on Gender, Ethnicity and Community at the July NCLR conference held in Los Angeles and attended by (below), back row, Tina Balin-Brooks, Dayana Martinez Burke, Dorotea Wilson, Daise Rosas de Natividade, Marta Moreno Vega, and, kneeling, Pedro Cavallero and Linda Kolko.
The IAF supported the participation of 30 representatives of civil society, government officials and former gang members from four countries at the April Central American Coalition for the Prevention of Youth Violence workshop in Managua, where they reviewed solutions and successful practices.

In coordination with the Inter-American Institute of Disabilities, the IAF sponsored 30 disability activists from Latin America and the Caribbean at negotiation sessions of the United Nations Ad Hoc Conference on the Convention on the Rights of Persons with Disabilities in New York, where they offered advice on the issues and the language that may govern the future treatment of persons with disabilities.

In connection with its interest in transnational development, the IAF sponsored the participation of women members of Salvadoran hometown associations in the Third Conference of Salvadorans in the World in Boston; and the participation of Mexican migrant leaders and other activists in seminars at the Woodrow Wilson International Center for Scholars on Mexican Migrant Civil Participation in the U.S. Grantee representatives addressed transnational grassroots development on the panel Communities Across Borders: Latin American Immigrants and Their Homelands at the NCLR conference in Los Angeles. The Twelfth Inter-American Conference of Mayors and Local Authorities sponsored by the IAF, Miami-Dade County and Florida International University included a workshop on how migration and transnationalism affect municipalities. The IAF and the U.S. Department of State’s Office of Public Diplomacy co-sponsored Viajes Personales, three workshops in photography and oral history where young Afro-Latinos in Nicaragua and Mexico learned to express themselves by documenting their culture.

Attorneys and representatives of indigenous women’s groups from Oaxaca (above) traveled to Washington, D.C., New York and Chicago in early March to present their concerns to the Inter-American Commission on Human Rights and other organizations. They spoke about land tenure that restricts women’s property rights, the incarceration of non-Spanish-speaking indigenous women for extended periods due to lack of legal representation in a language they understand, “honor killings” perpetrated with impunity, and other problems in the context of the Mexican legal system and traditional norms. Immediately following the visit, the government of Oaxaca invalidated a law reducing penalties for men convicted of “honor killings” and promised to work with civil society on policies to improve the situation of women.
Heads of state meeting at the Summit of the Americas held in Mar del Plata, Argentina, Nov. 4-5, 2005, welcomed a proposal by President George W. Bush to reduce poverty and create jobs in Latin America through the introduction of “Opportunity Zones.” As initially advanced to the White House by the IAF, the concept, inspired by the renewal communities model developed at the U.S. Department of Housing and Urban Development (HUD), refers to self-defined areas that bring together local government, business and civil society to promote economic development through tax incentives, training and technical assistance.

Following up on this Summit mandate, the IAF, in collaboration with HUD, will promote the Opportunity Zone concept in up to five countries. In June, IAF president Larry Palmer, formerly U.S. ambassador to Honduras, launched the initiative there to a strong response from government officials, mayors, and representatives from the Consejo Hondureño de la Empresa Privada and NGOs. Ambassador John Maisto, the U.S. permanent representative for the OAS, and Armando Fana, Miami field office director for HUD, discussed Opportunity Zones at a press conference during the Twelfth Inter-American Conference of Mayors and Local Authorities, also in June.

The IAF has committed up to $500,000 to travel, training and technical assistance in connection with exploring this option. In July, a Guatemalan delegation, sponsored by the IAF visited renewal communities in Yakima, Wash., Chattanooga, Tenn., and Booneville, Ky.; and a Nicaraguan delegation traveled to the Upper Manhattan Empowerment Zone, the Central Mississippi Planning and Development District and the Northern Louisiana Renewal Community/Northeast Louisiana Economic Alliance. All 16 delegates also met with officials from the Department of State and HUD in Washington, D.C., before returning home to address the regulatory framework that may be required. Delegations from Honduras and Argentina are expected in fiscal 2007. The IAF anticipates supporting proposals related to specific Opportunity Zones through its program of development grants.
As part of the agency-wide dissemination effort, IAF representatives are encouraged to develop their interests in development trends and share their experience and expertise with the development and foreign affairs communities and with interested scholars and researchers.

In fiscal 2006, Jill Wheeler, IAF representative for Mexico, who often works with transnational communities, spoke at the Binational Forum on Productive and Social Projects organized by the Federación de Clubes Jaliscienses de California in Jamay, Jalisco. The 250 participants included Jalisco’s governor. In addition, she joined Rodolfo García Zamora, coordinator of an IAF-funded project undertaken by Red Internacional de Migración y Desarrollo, and Efraín Jiménez, vice-president of the Zacatecan Federation of Southern California, a key project partner, on a panel to discuss migrant investment in development at Tufts University’s Fletcher School.

Kevin Healy, IAF representative for Bolivia and Colombia, gave the opening lecture, on indigenous movements, inaugurating the new master’s program in anthropology at the Universidad Católica in Asunción. He was interviewed by National Public Radio on Bolivia’s new president Evo Morales and wrote an article about him for Indian Country Today, a weekly circulated to tribes in the United States. Healy spoke on the changing political context of Bolivia’s indigenous peoples at St. Joseph’s University in Philadelphia and, as a panelist, at the University of the District of Columbia, University of Maryland, George Washington University, American University, the Congress of the Latin American Studies Association in San Juan and at the Foreign Service Institute. In May, he signed copies of his book Llamas, Weavings, and Organic Chocolate: Multicultural Grassroots Development in the Andes and Amazon of Bolivia (Notre Dame Press: 2001) at the “Bolivia Day” events celebrating the opening of PANGEA, the fair-trade store of the World Bank’s private-sector arm, the International Finance Corporation.
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Cover: Centro de Textiles Tradicionales de Cusco (CTTC) received a supplementary grant in 2006 toward restoring the weaving legacy of villages in the Peruvian highlands near Machu Picchu. Front cover photo: Tim Wells. Back cover: Wilbur Wright.