

# Program for the Nacional Fund for Social Compensation

PERU

SECTOR: Planning and Reform

PROJECT NAME: Support Program for the National Fund for Social Compensation and Development (FONCODES) (806/OC-PE)

TOTAL COST: \$143 million

FINANCING:

IDB	\$100 million
LOCAL	\$ 43 million

DATE OF APPROVAL: December 22, 1993

GENERAL DESCRIPTION: This program will support the Peruvian government to alleviate poverty and to use FONCODES (Fondo Nacional de Compensación y Desarrollo Social) activities to prevent further deterioration in the limited basic social services provided to poverty-stricken population groups. The program will finance small-scale infrastructure, equipment and training projects to underpin the delivery of basic social services, as well as small-scale irrigation projects.

Types of projects to be financed include: (a) schools, by providing equipment and teaching materials and renovating or replacing schools, with emphasis on the preprimary and primary levels; (b) primary health care establishments, by providing equipment and renovating or replacing health care stations and clinics; (c) sanitary infrastructure, by overhauling or installing non-

household water distribution and sewer systems, as well as providing and installing latrines in rural and disadvantaged urban areas; and (d) small-scale irrigation, by overhauling and constructing small-scale works identified by organized beneficiary communities and designed to provide water for irrigation.

The general eligibility criteria for the projects are as follows: the maximum cost per project must not exceed US\$250,000; the direct beneficiaries must be low-income groups; the projects must generate no adverse impact on the environment; and the projects must be consistent with the target areas of action under the program.

**GOODS AND EQUIPMENT:** Computer and communications equipment and vehicles necessary for program execution will be acquired.

**CONSULTANTS:** Not applicable.

**EXECUTING AGENCY:** Fondo Nacional de Compensación y Desarrollo Social (FONCODES)

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