



USAID
DEL PUEBLO DE LOS ESTADOS
UNIDOS DE AMERICA

PERU | **POLITICAS
EN SALUD**

USAID **50** ANIVERSARIO

Assessment of the Municipal Incentive Plan in Project Regions

USAID/PERU/Health Policies

Contract No. GHS-I-10-07-00003-00

Revised Draft

October 15, 2011

Prepared for:

Luis Seminario, COTR
USAID/Peru Health Office
Av. Encalada s.n.
Lima - Perú

Submitted by:

Abt Associates Inc.
4550 Montgomery Avenue
Suite 800 North
Bethesda, MD 20814

This document has been prepared by USAID|PERU|Políticas en Salud Project, financed by the United States Agency for International Development (USAID) under contract No. GHS-I-10-07-00003-00.

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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Table of Contents

Acronyms.....	ii
Executive Summary	iii
Resumen Ejecutivo.....	¡Error! Marcador no definido.
1. Introduction	1
2. The Incentive Plan to Improve Municipal Management	3
Characteristics of the Incentive Plan.....	3
Indicators and Goals of Incentive Plan.....	4
3. Promoting Joint Programming between two Levels of Government.....	10
Antecedentes.....	10
La programación conjunta del presupuesto en la prioridad nutrición	12
La experiencia en tres regiones.....	17
4. Results of the Incentive Plan.....	31
Cumplimiento de Metas	32
Use of Resources Allocated.....	33
5. Recommendations	36
Appendix 1: Normative Framework.....	37

Acronyms

AMPE	Asociación de Municipalidades del Perú
AMRESAN	Asociación de Municipalidades de San Martín
CRED	Control de Crecimiento y Desarrollo Infantil
DIRESA	Dirección Regional de Salud
DGPP	Dirección General de Presupuesto Público
JUNTOS	Programa de Transferencias Condicionadas
GL	Gobierno Local
GR	Gobierno Regional
MEF	Ministerio de Economía y Finanzas
MINSA	Ministerio de Salud
MRS	Micro Red de Salud
OD	Oficina de Descentralización del MINSA
ONG	Organización no Gubernamental
PAN	Programa Articulado Nutricional
PI	Plan de Incentivos a la Mejora de la Gestión Municipal
PMM	Programa de Modernización Municipal
REMURPE	Red de Municipalidades Urbanas y Rurales del Perú
RENIEC	Registro Nacional de Identificación y Estado Civil
RS	Red de Salud
SIS	Seguro Integral de Salud
SISFOH	Sistema de Focalización de Hogares
USAID	Agencia de los Estados Unidos para el Desarrollo Internacional

Executive Summary

The Incentive Plan to Improve Local Governments Management (PI) is one of two public programs promoted by the Ministry of Economics and Finance (MEF) that looks for growth and sustainable development of local economies. It seeks to:

- Increase the level of municipal taxes collection, in order to reach financial sustainability, and
- Improve the quality of municipal expenditures in order to reach effectiveness and a focus in national priorities, like infant chronic malnutrition, through the implementation of results-based budget at the municipality level.

The PI applies to all municipalities –1,834 province and district municipalities- with different goals, based in population size. In 249 municipalities of main cities, the goals are related with tax collection. In the other 1,585 municipalities –most of them rural- the goals are related to health improvement, looking to address the reduction of infant malnutrition, through expenses in health promotion, child health control, health insurance affiliation and identity registration.

The PI is a long-term program, funded by the resources collected through value added taxes (VAT). During 2010, the amount of funds allocated for this program reached S/.700 millions, and S/.777 million during 2011. The allocation of these funds to each municipality is based in an index build up on population size and basic unmet needs, looking to benefit the poorest districts. PI funds mean to some municipalities an increase of 17% or 20% compared to their 2010 budget.

The allocation of funds is conditioned to the accomplishment of some health goals, already defined and specific to each municipality. 2011 funds are conditioned to a goal of municipality expenditure in health and sanitation; 2012 funds are conditioned to the accomplishment of goals in child health control coverage, health insurance affiliation and identity registration.

The implementation of the PI is a great opportunity to make effective –with funds and nationwide- the transference of primary health care management functions, from regional to local level, including planning, programming, supervision and evaluation of primary care activities at the local level. Moreover, it is an opportunity to put in place a mechanism that joint up regional governments –health directions, networks and micro networks- with local governments, to agree about health priorities and goals, and put together their resources in benefit of a district or a province. Base on the PI, it is expected that local governments' resources shall address health promotion, in the so called product “healthy families, communities, schools and municipalities” which already is part of the Nutritional Program focused by government results-based budget.

The implementation of the PI will require multiple efforts. Main efforts include technical assistance to regional and local officials to plan accordingly to health goals and effectively use the incentive funds, the definition of local functions related with primary health care management and health promotion, and moreover, foster that the different sectors and

government levels work together in implementing and monitoring the achievement of health goals.



1. Introduction

The creation of the Incentive Plan to Improve Local Governments' (Municipalities) Management, (PI) by Law 29332 of 2009, constitutes an opportunity to recommence the discussion on some key issues regarding health decentralization. One of these issues is the content of the **function Health** to be transferred to the municipalities, and the other issue is the definition of those competences shared by the different governmental levels regarding a national sanitary priority. Both issues are relevant due to the fact that the Incentive Plan demands the municipalities the accomplishment of some goals linked to the reduction of infant chronic malnutrition which are located within the field of competence of regional governments, for example, Infant Development and Growth Control - *el control del crecimiento y desarrollo infantil* (CRED) carried out by the Health Centers.

“Hereby is created the Incentive Plan to Improve Municipalities’ Management, hereafter called “the Plan”. This Plan has the objective to stimulate local governments to improve their municipal taxes collection levels, the execution of investment spending and the reduction of infant chronic malnutrition rates at national level.”

DU 119-2009. Modifies

To this end, the USAID/Peru/ Health Policies Project promoted during 2010 a space of exchange of information between the Ministry of Economics and Finance (MEF) and the Ministry of Health (MINSA); this space of exchange of information gave way: first, to the drawing up of the basic guidelines for the PI's resources spending in those actions that could have some impact on the reduction of malnutrition and, further on, to MINSA's active participation in the MEF's dissemination of knowledge and training workshops which MEF carried out in Lima and the regions. On the other hand, the Project stimulated in those regions having priority status for USAID, a joint programming exercise between the Regional Government (GR) and the Local Governments (GL), which in some cases resulted in formal agreements on spending or investment. However, those formal agreements could not be incorporated within the process of budgetary organization. The main reasons for this hampered process were due to the budgetary calendar lag existing between local governments and regional governments and in the centralized budgetary planning which characterizes regional governments wherein the units providing health services have very little participation.

In this document we seek to rebuild the Project's experience in those regions wherein the joint programming exercises were initiated between the GR and the GL, within the framework of the Incentive Plan to Improve Local Governments' (Municipalities) Management (PI), with the aim to:

1. Identify the strong and weak factors of the process for the strengthening of decentralized management (regional and local) of public health programs.
2. Derive recommendations at national, regional and local level to adjust the results-based-budget organization process and the Program of Municipal Incentives as an instrument of decentralized management (regional and local) of public health programs, and

3. Obtain recommendations for the design and implementation of technical assistance directed toward the strengthening of decentralized management (regional and local) of public health programs.

2. The Incentive Plan to Improve Municipal Management

Characteristics of the Incentive Plan

The Incentive Plan to Improve Municipal Management (PI), created by Law No° 29332 and regulated by Supreme Decree N° 003-2010-EF, together with the Program of Municipal Modernization (PMM), created by Law N° 29465 and regulated by Supreme Decree N° 002-2010-EF¹, seek to improve management and those public services provided by the Local Governments (GL) by allocating monetary resources contingent upon the accomplishment of certain specific goals per district. The PI as well as the PMM are considered as instruments of the Results-based Budget - *Presupuesto por Resultados (PpR)* –within the line of incentives in order to accomplish improvements in performance.

The PI has as its aim to promote conditions which shall contribute to local economy sustainable growth and development, stimulating municipalities to:

- Increase municipal tax collection levels, strengthening stability and efficiency in their perception. This objective is focalized in the municipalities of the major cities.
- Improve execution of investment projects, taking into consideration the guidelines for policies of improvement of spending quality.
- Reduce infant chronic malnutrition nationwide.

The PI is funded by resources from the National Treasury by means of an amount equivalent to the withdrawal from the Municipal Compensation Fund - *Fondo de Compensación Municipal*- (FONCOMUN) originated from devolutions of the Municipal Promotion Tax- *Impuesto de Promoción Municipal*. For the 2010 Budget, this fund reached up to S/.700 Millions, and S/.777 Millions for that of the 2011. Total annual estimation of the maximum amounts² corresponding to each municipality is carried out applying the FONCOMUN distribution index which considers the rural level, scarcity of housing basic services, unsatisfied basic needs - *necesidades básicas insatisfechas*- (NBI), municipal management (incentive to generate its own income and investment-spending priority) and territorial extension.

PI's implementation strategy is based in the allocation of resources contingent to the accomplishment of previously defined progressive goals. The goals and their weighing for the effects of the allocation of resources consider the following classification of the municipalities according to the size of the population:

¹ In Annex 1 are detailed the set of legal norms sustaining the Incentive Plan, defining the amounts and goals assigned per district, the assessment of results and the approval of allocations of financial resources.

² These are the maximum amounts due to the fact that it is the total financing to which municipalities are entitled. The total of these amounts shall be allocated if municipalities shall comply with all conditions.

Chart 1: Number of Municipalities According to MEF Classification

Type of Municipality	Number of districts
Major Cities (CP-Ciudades Principales)	249
Number of (CP) with more than 500 urban dwelling units	555
Number of (CP) with less than 500 urban dwelling units	1030
Total	1834

In the year 2010, the total amount of resources allocated for the program was distributed in two assignments, 50% in March and 50% in September. For the month of March, resources were allocated only on the basis of the FONCOMUN distribution indexes without demanding the accomplishment of any goal whatsoever. However, for the month of September allocations were demanded the accomplishment of the goals as of June 30. The assessment of the accomplishment of the goals is carried out by the National Bureau of the Public Budget - *Dirección Nacional del Presupuesto Público*- of the MEF. Only those municipalities accomplishing 100% of the goal were allocated resources. Those resources that remain available due to non-compliance with the goals were distributed, as an additional amount, among those municipalities which accomplished the goals.

Article 2 of the Law which creates the Incentive Plan, Law N° 29332, stipulates that "...the resources of the *plan...shall be destined rendering priority to investment spending and the maintenance of infrastructure*". Nevertheless, DU N° 119-2010 modifies Article 1 of the aforementioned Law, adding as object of the Plan "...*improvement of reduction of infant chronic malnutrition at national level...*", and modifies Article 5 pointing out that those resources allocated to the municipalities as incentives "are to be exclusively destined for the accomplishment of the aims and objectives of the referred Plan...". With this modification one can declare that the resources received by the municipalities from this fund are freely available funds to be used at the discretion of the municipalities in-so-far that those resources may contribute to the objectives of improving the tax-collection levels, the execution of investment-spending and the reduction of infant chronic malnutrition..

Indicators and Goals of the Incentive Plan

The following chart shows the seven criteria and their respective indicators used to assess the accomplishment of the 2010 and 2011 PI goals. These criteria and indicators are not equal for all municipalities nor are they the same for the first two years of the implementation of the Plan. These criteria and indicators vary, depending on the classification showed in the previous chart, on the basis of the number of urban dwelling units and of the size of the municipality.

Chart 2: Criteria and Indicators for Assessment of PI Goals

	Criteria	Indicator
1	Effectiveness of Real Estate Tax Collection	Real Estate Tax Collection Increase
2	Social Spending in Health and Sanitation	Percentage of Execution of the Modified Institutional Budget- <i>Presupuesto Institucional Modificado</i> (PIM)- in the functions of sanitation (18) and health (20)
3	Spending in the Nutritional Articulated Program	Budgetary Execution and Organization in the Nutritional Articulated Program - <i>Programa Articulado Nutricional</i> (PAN)
4	Children Identity Registration	Coverage of Identification Card -DNI < 5 years
5	Timely CRED control of growth and development for children < 1 year	Timely CRED coverage < 1 year
6	Affiliation to the Integral Health Security- Seguro de Salud Integral- for children < 5 years	SIS affiliation coverage < 5 years
7	Focusing on the benefits of social programs (*)	Registro Único de Beneficiarios – RUB Sole Registry of Beneficiaries of Social Programs (Milk Glass Program-Vaso de Leche – PVL, Soup Kitchens Program– Programa de Comedores Populares PCP)

Each one of the indicators has a specific weight used to determine the amount of resources to be allocated to the municipality for the accomplishments of the goals. For example, a municipality pertaining to a major city - *ciudad principal*- (CP), in the year 2010 had to accomplish goals regarding three indicators: (i) Real Estate Tax Collection Increase, (ii) Percentage of PIM executions in health and sanitation functions, and (iii) *Registro Único de Beneficiarios – RUB* of Social Programs whose weights are 50%, 25% and 25% respectively. The municipality was entitled to receive as a maximum amount S/.1 Million, however, if it has only accomplished the goal associated with the first indicator, then, the municipality is only entitled to an allocation of S/. 0.5 Million.

The following chart shows indicators for the first year and the two 2011 semesters as well as the weights to estimate the amount of allocation contingent upon accomplishment of the goal. The number of indicators to assess the goals progressively increase according to the municipalities' characteristics. During the first year, only the municipalities pertaining to major cities – CP- had to accomplish three-indicator- goals. The other ones had to accomplish goals only with regard to the indicator: execution of spending in functions of sanitation and health. For the second year, during the first semester, the municipalities pertaining to major cities-CP- and those municipalities that are not CP but which have more than 500 urban dwelling units had goals with regard to three indicators. Only the small and

rural municipalities-with less than 500 urban dwellings- were left with only one indicator. For the 2011 annual assessment those small municipalities shall accomplish goals regarding 5 indicators, while those big municipalities –more than 500 urban dwelling units- shall respond to 7 indicators.

The logic of the progression in the definition of the number of indicators, weights and goals has the aim to facilitate the smaller municipalities the accomplishment of their goals and therewith the allocation of resources by incentives. However, due to the fact that the assessment is carried out on 100% goal-accomplishment, in general, those who benefit the most are the bigger municipalities which have to respond to more than one indicator and are able to accomplish 100% of the goal of at least one indicator, thus, receiving the percentage of those resources corresponding to said indicator.

Chart 3: Indicators and Weights to Assess Semester and Annual Goals, 2010 and 2011

Semester Indicators 2010	CP	Number of CP VRAE	Number of CP with more than 500 Units	Number of CP with more than 500 Units
Real Estate Tax Collection	50%			
Execution of Spending in functions of Sanitation (18) and Health (20)	25%	70%	100%	100%
System of Household Focusing -Sistema de focalización de hogares (SISFOH)	25%	30%		
Indicators of First Semester 2011	CP	Number of CP with more than 500 Units	Number of CP with more than 500 Units	
Real Estate Tax Collection	50%	50%		
Registry and Sending to RENIEC (National Identification Registry) of Birth Certificates in the Sole Registry of Births- registro único de identificación (CUI) de nacimientos	25%	25%	100%	
System of Household Focusing -Sistema de focalización de hogares (SISFOH)	25%	25%		
Indicators of Second Semester 2011	CP	Number of CP with more than 500 Units	Number of CP with more than 500 Units	
Real Estate Tax Collection	50%	30%		
Registry and Sending to RENIEC of Birth Certificates in The Sole Registry of Births- registro único de identificación (CUI) de nacimientos	20%	20%	20%	
Budgetary Organization and Execution in the Nutritional Articulated Program- Programa Articulado Nutricional (PAN)	15%	15%	20%	
Increase in the Identity Registration of the number of male and female children< 5 years			10%	20%

Incremento en la Afiliación al Seguro Integral de Salud -SIS: Number of children male and female < 5years	5%	20%
Optimum CRED Compliance: Number of male and female children < 1 year	10%	20%
System of Household focusing -Sistema de focalización de hogares (SISFOH)	15%	10%

With regard to the indicators, some are to be assessed only now and still we do not know if the accomplishment of the goal with relation to the indicator shall generate a: “dis-incentive” in those terms that may affect the final result –coverage increase- with the aim to accomplish the goal –increase of indicator in those terms in which it has been formulated. For example, CRED’s indicator is only measured among children affiliated with the SIS; this fact may dis-incentive a higher rate of affiliation of children under the age of 1 year due to the fact that the SIS affiliation indicator includes the children until 5 years of age. In the same manner, the spending in health and sanitation indicator is measured by the function of execution of the budget; this fact may produce an incentive to a less allocation of new funds for these functions.

A general characteristic of indicators is that many of them respond to activities and functions that are not under the –exclusive and shared- responsibility of the local governments. For example, with regard to the indicator Increase in Children Identity Registration- *Incremento en el Registro de Identidad de los Niños-*, the registry of persons’ function corresponds to the National Registry of Identification and Marital Status- *Registro Nacional de Identificación y Estado Civil* (RENIEC). However, the accomplishment of the goal corresponds to the municipality. Consequently the MEF recommends municipalities that in order to accomplish this goal they must support the campaigns of identification, documentation and delivery of the National Identity Card-DNI-*Documento Nacional de Identidad* which the RENIEC carries out with actions as the following ones:

- In those cases in which the RENIEC executes visits with the brigades in the districts, municipalities may carry out activities such as:
 - Inform the population of the brigade’s arrival.
 - Convene the population on the brigade’s arrival date.
 - Identify and locate the number of the population living at distant locations for the brigade to be able to gain access to those remote population centers.
 - Provide the RENIEC with the facilities for the setup of centers of operation of the campaign on parks, city-squares, municipal installations, etc.
- Municipalities can spread among the population the requisites and benefits of having the DNI by means of the:
 - Distribution of advertisement material furnished by the RENIEC.
 - The media. (Example: radiobroadcast, radios, advertising panels, among others.).

- Municipalities can eliminate charges on registry and issuing of birth certificates with the Sole Identity Code- *Código Único de Identidad*-CUI (ordinary or extraordinary) to minors within their jurisdiction.
- Municipalities having internet can have access to the quarterly data of the number of registered boys and girls under the age of five (5) years within their localities published by the electronic gate of RENIEC.
- Municipalities can list in the leading page of the beginning of their electronic gates the hyperlink: www.reniec.gob.pe with the aim to contribute to disseminate their data.

Another aspect regarding indicators is the verification of goals. In the case of the indicator of the previous example, for the aim of verification of accomplishment of the goal, the municipality must demonstrate that within its district there exists a determined number of children of less than 5 years of age that have obtained their DNI by counting the DNI(s) issued by the RENIEC until December el 31, 2011. The data-source for indicator verification is then the RENIEC, which shall issue a report to the Bureau of the National Budget - *Dirección General de Presupuesto Público* (DGPP) regarding the number of boys and girls under the age of 5 years that have obtained their DNI within the district.

With regard to the case of the other indicators, as, for example, Optimum CRED compliance- *Cumplimiento de CRED Optimo*- data quality on the part of the information source may have failures due to its own problems in the registry of the case, coverage of registry and opportunity in sending data. In this case, it is the responsibility of the: General Bureau of Statistics -*Oficina General de Estadística e Informática* of MINSA to send to the DGPP of MEF the number of boys and girls under 1 year of age that have optimum compliance with growth and development control- *Control de Crecimiento y Desarrollo* (CRED).

The diversity of actors involved in the accomplishment of the goals assigned to the municipalities, demands for the municipality to establish appropriate communication and coordination channels within the operative part directly linked with the service provided as well as within the registry and verification of the indicator's result. In the following chart are shown the responsibilities corresponding to the different actors within the accomplishment of the goals of the 5 indicators assigned to the small municipalities –with less than 500 urban dwelling units- during 2011.

Chart 4: Actors Involved in the Accomplishments of the Goals Assigned to the Municipalities in 2011

Indicators 2011	Action of the Municipality	Direct Operative Responsibility	Sending of Report for Verification of Goals
Registry and Sending to RENIEC the Birth Certificates with the registro único de identificación (CUI) de	Register correctly and send the Birth Certificates with the Código Único de Identificación (CUI) to RENIEC	Municipality	RENIEC

nacimientos			
Budgetary Organization and Execution with the Programa Articulado Nutricional (PAN)	Organization and Execution of Budget within the budgetary chains set up by PAN	Municipality	SIAF
Increase in the Identity Registry of children. Number of boys and girls up to 5 years of age.	Demonstrate that in your district there exists a number of children under the age of 5 having obtained the DNI	RENIEC	RENIEC
Increase in Affiliation to the Seguro Integral de Salud -SIS: Number of boys and girls < 5 years	Have within your jurisdiction a number of boys and girls affiliated with SIS, those boys and girls having less than 5 years of age	SIS	SIS
Accomplishment of Optimum CRED: Number of boys and girls < 1year	Having within its jurisdiction a number of boys and girls under 1 year as beneficiaries of CRED)	GR-Health Unit	GR-Dirección Regional de Salud

3. Promoting Joint Programming between two Levels of Government

Background

Between 2006 and 2007, the Presidency of the Council of Ministers -*Presidencia del Consejo de Ministros* (PCM) and MINSA issued a series of norms which marked the beginning of the health decentralization process in Local Governments (GL). The first norm, Supreme Decree (DS) N° 077-2006-PCM determined the transfer to Province and District Municipalities of the **Management of Primary Health Attention - *Gestión de la Atención Primaria de Salud*** ,which should have been initiated on January 2007 with the beginning of the introduction of Pilot Test Plans in each one of the Departments and the Constitutional Province of Callao. Within this same norm was stated that the allocation of budgetary resources shall be executed by means of budgetary modifications within the framework of the General Law of the National Budgetary System- *Ley General del Sistema Nacional de Presupuesto* – and the Fundamental Decentralization Law- *Ley de Bases de la Descentralización*-, once MINSA shall declare as feasible the transfer plans.

Within the Ministerial Resolution RM N° 1204-2006/MINSA the management of Primary Health Attention therein is defined as the development of the processes of planning, programming, monitoring, supervision and assessment of health integral attention carried out within the local scope and which involves those sanitary interventions carried out by the health units located at the first level of health attention in aspects of protection and recovery of health of the population, as well as the interventions of health promotion and its action on determining health factors. Later, the technical document: “Decentralization of the Local Health Function at the Local Level”, issued in 2007 by MINSA, highlights management of primary health attention as a central strategy for the expansion of basic services. To this end, this technical document defines two types of processes:

- a. Sanitary Processes:
 - Promotion of health.
 - Protection and recovery of community health.
 - Health insurance.
 - Environmental health.
 - Prevention and control of epidemics and emergency care.
 - Medicines, inputs and drugs.
 - Public health research.
- b. Administrative Processes
 - Planning
 - Financing
 - Management and development of human resources.
 - Management of health information.
 - Health research.
 - Logistics

- Investment in health.

Ministerial Resolution: RM N° 614-2007/MINSA that approves the “Guidelines for the Implementation of the Health Decentralization Pilot Projects in Local Governments” also defines the methodology for the development of the pilots and identifies the adjustment of norms and institutional accommodations that shall be executed by the Regional Governments (GR) as well as by the Local Governments (GL). This Ministerial Resolution also establishes the criteria for the development of the actions directed toward institutional strengthening for the development of competences in the Local Governments (GL) regarding the processes of planning, programming, monitoring, supervision and assessment in integral health care carried out within the local scope.

The Project that preceded USAID/Peru/Health Policies provided support to MINSA and four Regional Governments (GR) (Cajamarca, La Libertad, Lambayeque and San Martín) in the design and implementation of a pilot project of decentralization by region. Together with the local and regional authorities in the regions, a general map was prepared of those functions which were feasible to be transferred from the Regional Governments to the Local Governments. The identification of these functions considers as the principal criterion their relevance in the management of primary health attention at local level as of the processes of planning, programming, monitoring, supervision and assessment on the scope of the health micro-networks. Some of these are:

- a. Carry out and evaluate the strategic planning and the institutional operative plan within its health micro-network issue and approve the corresponding plans and the annual primary draft budget in coordination with the Regional Government.
- b. Carry out and evaluate projects and programs of institutional intervention for the scope of its health micro-network, in coordination with the Regional Government.
- c. Carry out preparation and approve proposals of organizational development of the health micro-network, monitoring and evaluation, in coordination with DIRESA,
- d. Participate in the selection contest and in the removal of the director of the health micro-network, in coordination with DIRESA,
- e. Propose the health network and the health micro-network as well as the portfolio of services of the health units within its scope.
- f. Support and supervise the functioning of the Systems of Reference and Counter-Reference, transportation and communication, health promotion and itinerant attention in coordination with the Regional Government.
- g. Carry out and evaluate the management unit of the health micro-network, in health services for persons as well as in environmental and occupational health in coordination with the Regional Government.
- h. Carry out, coordinate and evaluate plans, strategies and actions for prevention and control of epidemics within the district scope.

- i. Supervise, monitor and evaluate the process of management of financial resources (budgetary execution and financial management) for its health micro-network
- j. Define district priorities as well as supervise and evaluate the accomplishment of goals of coverage in coordination with the Regional Government.
- k. Approve the design of positions, provision of personnel and evaluate the process of institutional management of human resources of the district health micro-network according to the corresponding policies.
- l. Participate in the design of the organization and in the functioning of the supply system in the district as well as in the supervision, monitoring and evaluation in coordination with the Regional Government.
- m. Participate in the preparation, approval and management of the multi-annual program and of the annual program of investments in public health within the scope of the network, in coordination with the Regional Government and the district municipalities of the province.
- n. Supervise management of maintenance of infrastructure and equipment of its health micro-network.

The USAID Project's experience recognized that one of the conditions to advance in the development of the Pilots was to establish institutional agreements between the Regional Government and the Local Government under a territorial focus of carrying out and managing of the sanitary actions. For this purpose it was necessary to articulate the process of local strategic health planning with the regional level, thus, formulating the Territorial Health Plan as the central element within the process. In this manner, the institutional agreements rendered responsibility to the Regional Government for the readjustment of the health micro-network (delimitation, portfolio of services, organization) with a focus of territorial management and, on the other hand, the institutional agreements rendered responsibility to the Local Government to develop capacities and competences in the exercise of those health functions to be transferred and to improve the performance of its functions of sanitation. In this manner it was guaranteed that management could be carried out in a strategic and operative manner from the district scope.

Despite the few advances obtained in the pilots of local decentralization, some of the lessons learned were useful to promote in some regions the Joint Programming Process between the Regional Government and the Local Government directed toward the priority of the reduction of malnutrition within the framework of the Incentive Plan to Improve Municipal Management.

Joint programming of budget in the priority of nutrition

The Incentive Plan to Improve Municipal Management constitutes an adequate framework to promote articulation between the Regional Government and the Local Government, with the

aim to accomplish improvements in infant nutrition, a priority subscribed practically by all the Regional Governments of the country³. The Project, in promoting Joint Programming sought for the Regional Governments (DIRESA or Social Development Office-*Gerencia de Desarrollo Social*) together with the Local Governments to agree for a determined scope, goals, strategies and financial resources destined for a determined priority, in this case that of infant nutrition.

Budgetary programming is, by definition, the moment in which the long and medium term development plans and the concerted territorial development plans achieve their concreteness in the operative plans and budget of an institution. What was sought was that the process of individual programming of an institution (GL-Local Government) could be susceptible of being enriched with the contribution and complementary actions of another institution (GR-Regional Government); both institutions acting within the same territory. Due to the above-mentioned, the temporal horizon of the development of joint programming coincides with the MEF's budgetary programming period, which in the Regional Governments' case is from May to July and in the Local Governments' case is from May to October⁴.

The unit for budgetary programming for Health, on the part of the Regional Government (GR) is the Execution Unit, which organizes the budget by means of the requirements coming from its health networks and micro-networks. For this reason, their inclusion is indispensable in the process of budgetary programming. Local Government (GL) officials are the ones responsible for preparing their institution's budget. For this reason their presence in this process is indispensable. For the objectives of the proposal that promoted the Project, the Regional Governments as well as the Local Governments involved should program jointly only a part of their budgets. In the case of the Regional Governments, only the resources corresponding to the Programa Articulado Nutricional⁵ (PAN) which corresponds to the territorial scope –micro-networks- are subject of programming. In the case of the Local Governments, it is expected for them to program that part of their budget that they decide to destine for the reduction of malnutrition, for at the date in which this process was developed they still had not institutionalized the PAN. In the case of the Regional Governments, there exists historic information of expenditures while in the case of

³ 21 of the 26 Regional Presidents elected in October 2010, signed, while candidates, governability agreements granting priority to the subject of infant nutrition, including therein specific goals for reducing infant chronic malnutrition.

⁴ GL approve their own budget in November, while the GR's budget must be approved by Congress of the Republic jointly with all the budget sheets of the national government.

⁵ It is worth mentioning that GR have investment resources linked to the nutrition priority, like investments carried out in water and sanitation systems and also in health infrastructure, the greatest part of this investment is executed through the Central Office of the Executing Unit - *unidad ejecutora Sede Central*- or the Regional Sub-Offices- *sub direcciones regionales*- or special projects of the GR. Consequently, it is of vital importance that the implementation of this experience of joint programming be closely coordinated with the Central Office of the Executing Unit -*sede central*- of GR and that its officials may analyze the possibility of granting priority to investment in health and sanitation in these districts.

Local Governments, the resources they have destined to these subjects have been very little and sporadically destined, for it is not a significant part of their competences⁶.

Objectives of the process of joint programming

- To accomplish that the different actors may recognize joint programming as an instrument through which the Local Governments (GL) are beginning to exercise the managerial functions of primary health attention within its territory. Mainly, regarding programming and follow-up of the budget of all institutions within their jurisdiction.
- To take advantage of the opportunity provided by the implementation of the Incentive Plan to initiate a process of coordinated programming between the Regional Governments (GR) and the Local Governments (GL) regarding the priority of nutrition. For this incentive to be sustainable along time, the programming of activities and products must secure to accomplish the PI goals, for there are explicit resources for GL to attain these goals. The programming of products linked to CRED and SIS affiliation must provide special emphasis on this process.

Methodological guidelines

The process of joint programming is to be carried out between May and October of the year 2010. This is the budgetary programming period of the 2011 budget. The suggested process and methodology include joint working moments through workshops and, on the other hand, individual institutional working moments that shall serve for a broader development of agreements and operative programming. Following, we present the moments that were foreseen:

I. Moment of Dissemination and Socialization of the Incentive Plan

It was proposed to begin an informative workshop regarding the Incentive Plan for Improvement of the Municipal Management (PI) directed to officials of the DIRESA- *Direcciones Regionales de Salud* and/or to the Managers of Social Development -*Desarrollo Social*- of the GR. This first meeting's objective was to assess the possible interest of the GR to work in the joint programming with the GL regarding the priority of nutrition taking advantage of the opportunity that represented the PI's resources and the contingencies.

II. Moment of Political Commitment and Schedule of Activities

If the GR were interested, then a second workshop was to be scheduled and this time it was to be organized by GR and GL and/or GL's associations were to be invited to a PI informative session for the aim of proposing them the possibility of commencing a joint programming work for the 2011 budget. This workshop's objective was to gather the mayors' political will for working the articulated programming of PAN. Preferably, this political will should be expressed in a document.

⁶ The GL will not be able to budget the PI resources that they will receive in 2011 if they accomplish the goals. Resources to be programmed are those coming from other sources or directly collected resources.

III. Moment of comparison and assessment of population goals

The objective of this workshop was that the GL and networks and micro-networks of the Health Executing Unit - *UE de Salud*- of the GR, jointly, may analyze and determine the goals of services linked to PAN and the PI; and to analyze the possible inconsistencies within the same. Besides, the aim was to agree on the steps, methodological guidelines and schedule of the GR and GL joint programming process.

In order to secure certain degree of homogeneous criteria, it was important to deliver an initial address –by DIRESA officials- therein stating the challenges involved in the reduction of infant chronic malnutrition and its main causes, as well as the presentation of the Nutritional Articulated Program- *Programa Articulado Nutricional*- and its products as well as the strategy assumed by the Peruvian Government to fight chronic malnutrition.

a) Initial definition of the goals of services

The objective is to execute an exercise to view goals as products to be delivered within the PAN framework taking into account the population coverage of each one of the districts involved.

A matrix was prepared with those PAN products that the services should program within the framework of the budgetary process. The idea was to carry out an exercise to estimate the required services' goals to attend the target population that have been established as PI goal. The central objective is to analyze with detail the feasibility of the goals set by the MEF and to see, at the first moment, if the goals established for CRED and affiliation were reasonable ones. In order to answer this question, participants shall have to resort to local-census statistical data and health data systems (SIS, HIS registries) and to other public institutions having socio-economic data on the territory.

b) Identification of restrictions and preliminary strategies for the accomplishment of PI goals

The objective is that the technical teams of the micro-network and municipality may understand the magnitude of the goals set by the PI, as well as the need to work in coordination to accomplish those goals. It is proposed the formation of working teams according to the three indicators put forward by the PI: (i) Coverage of CRED, (ii) SIS affiliation and (iii) Coverage of identity.

The questions that are proposed for working within the teams refer to the identification of barriers or restrictions which hinder accomplishment of the goals put forward by the PI; and the identification of the public institution having the responsibility to lift these barriers. These restrictions may be grouped in restrictions of supply (restrictions of services) and restrictions of demand (problems of access).

c) Discussion of the working plan for joint programming

Within the exercise of joint programming three moments are clearly identified: (i) diagnosis of the goals of the Nutritional Articulated Program - *Programa Articulado Nutricional*- and its correspondence with the PI goals, (ii) programming of the expenditures for strengthening the supply budget, and (iii) programming of expenditures of actions of promotion. Those ones assisting to this workshop must define the guidelines necessary for each one of these moments and must determine dates and actors in each moment.

Also, the most ample proposal of the joint programming is discussed which even proposes a joint GR-GL follow-up proposal for the 2011 execution.

IV. Moment of programming the expenditures of strengthening the supply of services

The GR, on the basis of the goals agreed in the first workshop, commence their process of budgetary programming in an individual manner with the different instruments that the budgetary process has determined for its execution. In the case of the GR, these use for programming their expenditures the Integrated System of Management - *Sistema Integrado de Gestión Administrativa*- (SIGA), thus, delivering, in a second moment, the data to the

Integrated System of Financial Administration -*Sistema Integrado de Administración Financiera*- (SIAF). The use of SIGA means that in practice the GR are executing a programming that goes from the low to the upper level, i.e. going from the units, the micro-networks to the executing unit and then to the sheet. This fact favors the analysis of correspondence with the proposed goals by the PI which have been defined at district level.

The budgetary programming results must be presented within a workshop attended by those mayors and GL officials with whose cooperation joint programming is being prepared. The objective is for the mayors to be informed of the proposed goals as well as the corresponding resources and limitations. It is important to detail and explain the resources that each one of the health units has within the jurisdiction of each one of the mayors due to the fact that this is an incentive to accomplish that the resources effectively arrive to the units providing the final services.

Once the programming of the resources of services is finished, there also begins the joint programming of the GL resources that shall be destined for actions of promotion of health linked to PAN. To this end shall be used the different proposals of strategic lines that different institutions have worked on:

- The MEF, which are being disseminated nationwide in the GL workshops.
- The Bureau of Health Promotion -*Dirección de Promoción de Salud*- of MINSA that has prepared a card containing the guidelines for the municipalities to program the actions of promotion.
- The Bureau of Health Promotion - *Dirección de Promoción de la Salud* – of the DIRESAS, that during years are working validating a series of activities on promotion issues for the GL.

Once priorities have been granted priority, then, comes another moment wherein the GL shall use the SIAF to organize their budget and the methodological guidelines granted by the MEF for their budget organization.

The experience in three regions

With the purpose of promoting joint programming between GR and GL, the Project developed the aforementioned methodological proposal in three regions, Ayacucho, Huánuco and San Martín, and, partially, in Cusco.

- Ayacucho (21 districts of 4 provinces of the central zone, 5 districts of 2 provinces of Ayacucho and 2 districts of 1 province of Cusco in the VRAE, and 7 districts in the province of Vilcashuamán)
- Huánuco (25 districts in 8 provinces)
- San Martín (6 districts of the Bajo Huallaga commonwealth)

In the following paragraphs there are described the development of the proposed moments in the methodological proposal and some results of workshops developed between March and September 2010.

I. Moment of Dissemination and Socialization in the Incentive Plan for Improvement of Municipal Management

Objective: Motivate and commit the GR to develop a process of budgetary programming articulated between GR/GL within the framework of PAN and PI.

Ayacucho: the sensitizing meeting was carried out with the GR authorities: the Regional President and the Manager of Social Development, who adopted the proposal and committed themselves to lead the process which shall be formalized by means of a Regional Ordinance. It was determined that the intervention shall be decentralized with the aim of guaranteeing participation of those actors directly involved. Priority was granted to the central zone (zona centro) which includes three provinces and to the Central Health Network - *Red de Salud Centro*- and to the VRAE zone, which includes two provinces and the Health Network of San Francisco de Ayna -*Red de Salud San Francisco de Ayna*.

II. Moment of Political Commitment and Schedule of activities

Objective: Motivate and commit the GL for them to participate within an articulated budgetary programming process between GR and GL.

Ayacucho:

I Session: Official and Informative to the Regional and Local Authorities.

GR Authorities: Regional President, 02 Regional Advisers, Manager of Social Development, Manager of Planning and Budget, Regional Coordinator of the CRECER WARI Regional Strategy, Executive Director of Health for Persons, Director of Health Services, ODESIS Representative and Executive Director of Planning and Budget. Leadership was assumed by the Regional President.

GL Authorities: Cangallo Provincial Mayor, 04 District Mayors (Chuschi, Ticllas, Huambalpa and Santiago de Paucaray), Deputy Mayors of 10 Municipalities, 14 Municipal Councilmen, 06 Municipal Managers, 12 Social Development Managers, 08 Planning Managers, 05 Revenue Managers, 03 Chiefs of Registry Offices, 01 Chief of Logistics Office and 01 Chief of Supply Office.

Other Actores: Chief of the Regional Team of the JUNTOS Program, Manager of the Regional Data-Processing Office of the JUNTOS Program, Regional Coordinator of Par Salud and Regional Coordinator of PRISMA.

II Session: Participative Workshop with the GL under the scope of CRECER WARI, for joint management of PI.

GR Authorities: Manager of Social Development, Regional Coordination of the CRECER WARI Strategy. Chiefs of Health Networks: Huamanga, Norte, Centro and Cora Cora. Leadership was assumed by the Manager of Social Development who motivated GL mayors and representatives to initiate the exercise of a joint planning, leaving evidence that said

joint planning would lead to the benefit of the most vulnerable population within the framework of the struggle against chronic malnutrition and extreme poverty.

GL Authorities: Cangallo Provincial Mayor, 04 District Mayors (Chuschi, Ticllas, Huambalpa and Santiago de Paucaray), Deputy Mayors of 10 Municipalities, 14 Municipal Councilmen, 06 Municipal Managers, 12 Social Development Managers, 8 Planning Managers, 5 Revenue Managers, 3 Chief of Registry Offices, 1 Chief of Logistics Office and 1 Chief of Supply Office. The mayor of Chuschi was the one who assumed the leadership of the GL representatives and who spoke in the name of all the mayors who were called to convene in order for them to issue a favorable opinion and commitment for joint programming, assuming each one the role of his competence regarding the facilities provided by their own technical team during the different moments of joint programming.

Other Actors: Chief of the regional team of the JUNTOS program, manager of the regional data-processing office of the JUNTOS program, Regional Coordinator of Par Salud and Regional Coordinator of PRISMA. Likewise, the representatives of the JUNTOS program expressed their interest to participate and support the issue of the joint programming due to the fact that of the seven indicators and goals proposed by the MEF for 2011, within the PI framework, three of them coincide with the co-responsibilities which the beneficiaries of the program have regarding the contingent allocation of money. In the same manner, the local managers of the JUNTOS program who live the four weeks of the month in their assigned districts shall support the summons carried out by the GR for the programming workshops. It is worth highlighting that the role played by the local managers is well known by the local authorities as well as by the representatives of the health sector in each one of the districts.

Agreements and Commitments:

- GR's political commitment to lead joint programming with the GL.
- Compliance with the Executive Resolution of the Presidency of the Regional Government -*Resolución Ejecutiva de la Presidencia del Gobierno Regional N° 265-2010-GRAIPRES*.
- Within the working plan priority has been granted to 85 districts focused by the JUNTOS program. Workshops have been decentralized.
- The JUNTOS program puts itself at the disposition of the local managers who shall support the summons to the workshops to be scheduled.

III. Moment of comparison and assessment of the population goals

Objective: Compare the goals of the children under the age of 5 years of the health unit or group of health units within a district with the goals proposed by the PI. Identify the differences among the goals and inform the MEF about the differences.

- I Session.- The goals of the health services of the Nutritional Articulated Program were determined and were contrasted with the goals proposed by the PI. For this purpose, working teams were incorporated for working out the goals for each district.

- II Session.- The restrictions and strategies of preliminary supply and demand were identified for accomplishing the PI goals.
- III Session.- The discussion on the working plan took place and that of the Schedule for Joint Programming.

Ayacucho – Zona Centro

Participants: 30 participants of the GL: the Víctor Fajardo Provincial Mayor, 2 District Mayors (Huallas and Alcamenca), 2 Municipal Councilmen (Paras and Víctor Fajardo), Colca Municipal Manager. Technical Teams of 9 Municipalities: Province Municipality of Víctor Fajardo, District Municipalities of Huallas, Colca, Alcamera, Morcolla, María Parado de Bellido, Víctor Fajardo, Sacsamarca, Chalcos and Paras. The Víctor Fajardo Provincial Mayor was the one that assumed the leadership of the GL authorities, stimulating them to commence the task of joint programming perceiving it as an opportunity to overcome problems of coverage of health services and to begin joint work in a sustainable and responsible manner.

On the other hand, the representatives of the JUNTOS program ratified their commitment to participate and support the issue of joint programming due to the fact that regarding the issue of programming of population goals, they have the nominal data bases of beneficiaries of the Program and can stimulate rapport and articulated work among the GL technical teams and those of the networks, micro-networks and health units of the different districts under intervention. In a similar way, the members of the PRONAA technical team expressed their commitment to support the summons and rapport tasks among the different GL and the members of the health teams.

Agreements and Commitments

- Reinforce the political agreement of joint and articulated programming between GR and GL.
- The technical teams of the GL together with the technical teams of the micro-networks and health units must finish the validation work of the PAN matrix and of the restrictions and strategies for accomplishment of the PI in identity coverage, SIS coverage and CREED coverage.
- The local managers of the JUNTOS program and the PRONAA facilitators shall support the work of the previous agreement.
- The responsible actors are named to finish the task of analysis of the proposed goals by the MEF for each provincial and/or district municipality.
- JUNTOS and PRONAA are willing to strengthen their integration with the Local Governments wherein they have beneficiaries.
- The concerted work among the Local Governments with the Micro-networks and/or the EE.SS. must be initiated and made sustainable.

The exercise of identification of goals shows in the following chart the gaps of coverage that the different districts that participated in the workshop have. Comparison among indicators permitted to later grant priority to those actions with which Municipalities committed themselves to stimulate through their budgets.

Chart 5: Size of identified gaps to accomplish PI goals in Municipalities

Municipalities of Ayacucho-Centro	Timely CRED Children under 1 year	SIS Affiliation Children under 5 years	DNI Identity Children under 5 years
Cayara	32	91	88
Morochucos	75	265	284
Huancapi	24	113	--
Cangallo	72	572	591
Maria Parado de Bellido	65	199	200
Querobamba	48	177	272
Hualla	46	260	286
Huamanquiquia	31	30	40
Alcamenca	18	209	147
Huancasancos	59	223	101
Lucanamara	381	254	271
San Salvador de Quije	13	124	113
Chilcayoc	12	37	8
Chalcos	2	55	88

Ayacucho – Zona VRAE

Participants: Coordinator of the National Strategy CRECER WARI, Chief of the San Francisco Health Network, technical team of the San Francisco Health Network, Chief of the Salud Pichari Kimbiri Health Network, Coordinator of SIS of the San Francisco Health Network responsible actors and technical teams of the micro-networks of Ayna and Sivia and of its health units, responsible actor and technical team of the Strategy of Sexual and Reproductive Health - *Estrategia de Salud Sexual y Reproductiva*- of the San Francisco Health Network, technical team of the Area Niño (Child) of the San Francisco Health Network.

GL Representatives: District Mayor of Ayna, Manager of Social Development of the District Municipality of Llochegua, Councilman of the District Municipality of Santa Rosa, Political Authority of the District Municipality of Sivia, the technical teams of the District Municipalities of Sivia, Llochegua and Santa Rosa, Manager of Social Development of the Municipality of Pichari, representative of the future Municipality of Palmapampa.

Leadership was assumed by the Chief of the Red de Salud de San Francisco-San Francisco Health Network-, who motivated the mayors and technical teams of the GL to begin the exercise of a joint planning, highlighting that only by means of adequate and programmed articulation the necessary efforts could be strengthened in order to optimize the supply of

health services. The District Mayor of San Francisco de Ayna, as host, assumed responsibility to exhort the other teams comprised of authorities as well as of technicians of the participating local governments with the aim for them to assume and begin the task of joint programming perceiving it as an opportunity to overcome the problems of coverage of health services and to initiate the responsible and sustainable joint work.

On the other hand, in this opportunity, the JUNTOS Program representation was headed by the Manager of the *Unidad Gerencial de de Operaciones Afiliaciones y Liquidaciones de la sede central* (Managerial Unit of the Operations of Affiliations and Liquidations of the Central Office) who did not doubt to express and recognize the great opportunity for local development that entails the implementation of a joint articulation within the PI framework. Also, he ratified his commitment to support this administration in the name of the JUNTOS Program and stimulated his zone and local representatives to ratify their commitments to participate and to continue supporting this issue.

Agreements and Commitments:

- The population matrixes and those for determining the PAN goals and those of the Maternal Neonatal shall be revised and validated by the San Francisco Health Network (Red de Salud de San Francisco), in coordination with the Statistical Office of the DIRES of Ayacucho.
- The restrictions and strategies matrixes for accomplishment of the PI goals: SIS coverage, CRED coverage and identity coverage, shall be worked out in Session 2; they shall be jointly shared and revised within each member district of VRAE with representatives of the health sector and the local managers of the JUNTOS Program.

IV. Moment of preparation for directing spending of resources allocated in 2010 within the PI framework

Objective

- The participants present their ongoing activities within the PI framework that help in the accomplishment of the goals proposed by MEF:
- Presentation of the Methodology for the workshops with the authorities and the technical teams of the Local Governments.

I Session: the participants present their ongoing activities within the PI framework that help in the accomplishment of the goals proposed by MEF:

- JUNTOS Program- Classifications of cases for obtaining DNI . This work is coordinated with RENIEC and DIRESA.
- ODSIS – Affiliation strategies.
- RENIEC – strategies to improve DNI coverage in minors under the age of 5 years.

- DEPROM – Identification of strategies to improve the DNC and the way to use the Health Cards of Intervention.

II Session: presentation and validation of the Methodological Guideline prepared for the Workshops for directing spending of the allocated economic resources in the year 2010 to the Local Governments within the framework of the Incentive Plan.

Ayacucho – Zona Centro

Regional Government Representatives: Sub Manager of Social Development, General Coordinator of the CRECER WARI Strategy, Sector-Manager of the CRECER WARI Strategy, Executive Director of Health Promotion, Director of (Healthy Life) Vida Sana – PROMSA, Coordinator of the DIRESA, Responsible for the Delivery of Services Prestaciones – DAP, Responsible for Financing – DAP, Representative of Nutrition Strategy Team, Licentiate of the Nutrition team, Representative of the Environmental Sanitation Team, Regional Representative of ODESIS, Representative of the Bureau of Insurance. Leadership was assumed by the Sub Manager of Social Development, who exhorted the different actors in charge of implementing those actions involved for the accomplishment of the goals within the framework of the Incentive Plan for improving municipal management. To this end, he exhorted participants to assume their role and begin joint work with real articulation with the aim of obtaining the necessary data for the development of the fifth moment. Therein they must present a wide range of actions wherein local authorities shall be able to invest in the promotion of health and identity. Due to the regional authority's initiative and after the presentation of each one of the participants, according to their theme, they committed themselves to have an active participation within the workshops of spending proposals. To this end, they prepared all the requested material and likewise assumed the commitment to participate with their corresponding technical teams within each one of the spaces of intervention.

Regional Technical Coordinator of the JUNTOS Program, Technical and Zone Coordinator, Manager of Regional Information. Representative of the Control Unit of RENIEC. The representatives of the JUNTOS Program, despite not having direct participation in the accomplishments of the goals of the indicators proposed by the MEF, they ratified their commitment to participate and support in the process of updating the population databases as well as their support in the summons for the next workshops in the city of Huancapi as well as in the city of San Francisco de Ayna. The members of the technical team of PRONAA expressed their commitment to support the summons and rapport tasks among the different Local Governments (GL) and the members of the health teams.

Agreements and Commitments:

- The JUNTOS Program, in articulation with RENIEC, compromises itself to update the numbers of the gaps of non-documented children having less than five years of age within those districts located in the intervention zones.
- The JUNTOS Program shall provide support to the summons of the workshops in the Centro Zone and in the VRAE Zone, with the aim to secure the summons.

- DIRESA's Insurance Office - *Oficina de Aseguramiento de la DIRESA*- promises to provide the updated affiliation gaps of children under the age of 5 years pertaining to the intervention districts.
- The actors of the different institutions working herein promise to share the material that has been provided and what has been agreed to provide to each one of its corresponding operating agencies.
- The Executive Bureau of Health Promotion - *Dirección Ejecutiva de Promoción de la Salud*- guarantees the presence of its technical teams at the NETWORK , micro-network and health units levels of the intervention districts.
- The GL technical teams together with the technical teams of the micro-networks and health units must finish the work of validation of the PAN matrixes and those of the restrictions and strategies for compliance with the PI in Identity Coverage, SIS Coverage and CREED Coverage. The Local Managers of the JUNTOS Program and the PRONAA facilitators shall support the execution of work corresponding to the previous agreement.
- Those responsible for finishing the task of analyzing the goals proposed by MEF are appointed for each municipality being it a province and/or district municipality.
- The concerted work among the Local Governments with the Micro-networks and/or the EE.SS.must be initiated and made sustainable.

V. Moment Orientation Workshop on allocations transferred in 2010 to the Local Governments within the PI framework

Objective:

- The participating GL shall have discussed with GR their role in health promotion as they have been implemented it as of budgetary execution.
- The participating GL shall have revised the execution of spending in Health (20) and in Sanitation (18) and they shall have indentified the need to direct spending toward the promotion of health interventions linked to the accomplishment of the PI 2011 goals: CRED coverage, SIS affiliation, DNI coverage.
- The participating GL shall have identified those moments and opportunities of the programming process –according to the Schedule of the 2011 budgetary programming- to include therein those health promotion interventions linked to the accomplishment of the PI 2011 goals.

I Session: General Characteristics of the Incentive Plan

For executing the following session, the matrixes are delivered with the population data: basal 2008, calculation at 2010, the goal set by MEF, for 2011, for each district.

II Session: Definition of the Subject of Spending, Presentation of PAN programming, Identification of Gaps per Indicator.

In order to be able to carry out the last session, to each one of the participating districts shall be delivered the matrix wherein they shall identify that gap to which they grant priority and the reason why they grant said priority and immediately they shall identify those preventive health actions that they shall program. If they shall choose the indicator of identity and/or SIS affiliation, likewise they shall grant priority to the specific actions.

III Session: Identification and Prioritization of Interventions, Identification of activities per indicator. Prioritization of activities per indicator.

Ayacucho – Zona Centro

Leadership was assumed by the Executive Director of Promotion who, together with the members of the technical teams of the *Red de Salud Centro* (Centro Health Network), micro-networks and EE.SS., corresponding to the intervention scope, in a clear and simple manner, accomplished to establish an adequate dialogue and to grant sustainability regarding those primary health actions which can be executed with resources coming from the Incentive Plan. The mayors, local authorities and their respective technical teams understood the message and expressed their commitment for joint articulation work with the health sector representatives with the intention of accomplishing joint work that shall allow them to fulfill the PI goals.

Other actors present were the representatives of the JUNTOS Program, who support coordination among the aforementioned actors. Due to the fact that JUNTOS local operators are a group of professionals that remain in the participating localities, they shall support the articulation work and in the local meetings that are to be held, they shall fulfill the work of facilitators.

The following steps were established:

1. Permanent coordination among GL technical teams, and of the areas of health promotion of their respective micro-networks and EE.SS. within the framework of the Incentive Plan for the Improvement of Municipal Management.
2. Each one of the teams formed shall prepare a joint intervention plan and shall forward said plan to the DIRESA.
3. The scheduling of an assessment workshop in the near future.

Agreements and Commitments:

- What has been put forward by each one of the groups of articulation formed in the present workshop shall be developed and funded by the health promotion team of each one of the micro-networks.
- The implementation of the health promotion activities put forward by each one of the groups of articulation according to the prioritization and amounts that are to be allocated to each one of the Local Governments.

Ayacucho – Zona VRAE.

Leadership was assumed by the Chief of the San Francisco Network- *Red San Francisco*- who, with the members of the technical team of the micro-networks and EE.SS. located within the intervention scope, in a clear and simple manner achieved to establish an adequate dialogue and to grant sustainability regarding the actions of primary health which can be executed with the resources coming from the Incentive Plan. The mayors, local authorities and their respective technical teams understood the message and expressed their commitment to undertake joint articulation work with the representatives of the health sector with the intention of achieving joint work that shall permit them to accomplish the PI goals.

Other actors present were representatives of the JUNTOS program, who support coordination among the aforementioned actors. Due to the fact that the JUNTOS program local coordinators are a group of professionals that remain in the participating localities, they shall support the articulation work and in the local meetings to be held they shall fulfill the work of facilitators.

The following steps were established:

1. Permanent coordination among GL technical teams and those of the areas of health promotion of their respective micro-networks and EE. SS. Within the framework of the Incentive Plan for Improvement of Municipal Management.
2. Each one of the teams formed shall prepare a joint intervention plan and shall send it to the DIRESA.
3. Schedule an assessment workshop in the near future.

Agreements and Commitments:

- What was put forward by each one of the articulation groups formed within the present workshop shall be developed and funded by the health promotion team of each one of the micro-networks.
- Implementation of the health promotion activities put forward by each one of the articulation groups, according to the prioritization and amounts allocated to each one of the GL.
- Permanent coordination among the technical teams of the GL and those of the health promotion areas of their respective micro-networks and EE. SS. Within the framework of the Incentive Plan for Improving Municipal Management.
- Each one of the teams formed shall prepare a joint intervention plan and shall send it to the DIRESA.

Within the following chart is presented the list of activities with which the municipalities of Ayacucho Centro pledged their support to those sectors responsible for the accomplishment of the PI goals. The majority of those items referred to as activities actually are investment projects either in infrastructure or equipment. Besides, there are a number of different activities, some only of coordination and others of promotion and training, some are directed

to the health centers, others to the community, and some even are directed to households in an individual manner.

Some investment projects or proposed activities shall require a certain level of technical competence on the part of municipal officials; these competences could be acquired through training promoted by DIRESA, or by means of articulation of activities with DIRESA. On the other hand, some activities shall require hiring of specialized staff.

Chart 6: Activities and Proposals from Municipalities of Ayacucho Centro for accomplishing PI Goals

Indicators	Timely CRED Children under 1 year	SIS Affiliation Children under 5 years	Identity DNI. Children under 5 years
Cayara	Adjustment of spaces for early stimulation Adjustment of spaces for demonstrative sessions Promote demonstrative sessions with balanced diet Promote implementation of bio-orchards	Organize meetings for achieving concerted agreements on primary health issues headed by GL, comprised by local authorities, health staff and grass roots level organizations. Dissemination of Information and sensitizing campaigns on the importance of SIS affiliation through the local media. Organization of neighborhood dissemination of information brigades headed authorities with the aim to disseminate the importance of SIS affiliation. Strengthen dissemination of information regarding SIS affiliation through the Health Promoters.	
Morochucos	Improve infrastructure and equipment of physical spaces destined for CRED attention and early stimulation. Construction of waiting house Improve the system of chlorination of drinking water. Improve the system of disposal of solid waste.	Affiliation campaigns for children under the age of 5 years, per community. Budget allocation of Fuel for campaigns.	Radio broadcasting for registry and identity document-gathering campaigns. Coordinate with RENIEC and JUNTOS Program to execute itinerant campaigns.
Huancapi	Purchasing of a building site for construction of the maternal waiting house and its implementation by the Province Municipality of Fajardo. Implementation- within the waiting house- of the Community Nutritional Surveillance Center. Implement Incentive Plan for the health staff that executes follow-up in CRED to the children under 1 year. Training of Health Community		

Agents in nutritional surveillance

Cangallo	<p>Implementation of maternal house and support with foodstuffs for pregnant mothers</p> <p>Implementation of Community Surveillance Centers.</p> <p>Budgetary allocation for training of Health Community Agents in matters of early stimulation and balanced diets.</p> <p>Primary Health Campaigns in coordination with GL., and health sector.</p>	<p>Dissemination of information through the local media.</p> <p>SIS affiliation campaigns.</p>	<p>Radio broadcasting of campaigns for providing identity.</p> <p>Coordination with RENIEC and JUNTOS Program for execution of itinerant campaigns.</p>
Maria Parado de Bellido	<p>Construction and implementation of a Center for Early Stimulation.</p> <p>Strengthening and implementation of maternal house.</p> <p>Stimulation and training for mothers of the Orientation Center.</p> <p>Promote the execution of integral household visits for children under the age of 1 year.</p>	<p>Execute campaigns of sensitizing and SIS affiliation.</p>	<p>Judicial regularization of birth certificates through a lawyer hired by the Municipality.</p> <p>Furnish the area of the Civil Registry with a photocopy-machine.</p> <p>Promote itinerant identity campaigns in coordination with RENIEC and JUNTOS Program.</p>
Querobamba	<p>To Implement and furnish a Center for Early Stimulation.</p> <p>To furnish spaces destined for CRED attention.</p> <p>Permanent training for health professionals providing services in the <i>area niño</i> (child area).</p> <p>Permanent investment in the systems of chlorination of water for human consumption.</p>	<p>SIS affiliation itinerant campaigns.</p>	<p>Sensitizing radio spots for obtaining identity document.</p> <p>Execute itinerant identity campaigns in coordination with RENIEC and JUNTOS Program.</p>
Hualla	<p>Allocate funds for executing itinerant campaigns for the attention of scattered communities.</p> <p>Acquisition of a movable unit for EE. SS., for attending the scattered population.</p>	<p>Sensitizing campaigns through local media regarding the importance and the benefits of SIS affiliation.</p> <p>Execute SIS affiliation campaigns in coordination with presidents of the communities located in the High Andes.</p>	<p>Timely delivery of birth certificates.</p> <p>Promote registry and delivery of birth certificates free of charge.</p> <p>Training and certification for the Public Civil Registrar.</p>
Huamanqui uia	<p>Implement within the Municipality spaces destined for: nutritional surveillance and another one for early stimulation.</p> <p>Support for hiring nurse staff for rendering support with CRED</p>		<p>Recognition and training for civil registry staff.</p> <p>Execute itinerant campaigns for identity delivery in coordination with RENIEC and JUNTOS Program.</p>

	<p>attention. Training of Community Agents in nutritional surveillance and early stimulation. Implement an incentive plan for the staff executing the activities in CRED follow-up and early stimulation.</p>		
Alcamenca		<p>Support with the hiring of responsible staff for sensitizing, promotion and digitization for SIS affiliation.</p>	<p>Sensitizing through the local media for children under the age of 5 to be able to obtain their identity document. Execute itinerant identification campaigns in coordination with RENIEC and JUNTOS Program.</p>
Huancasancos	<p>Implement physical spaces for developing demonstrative sessions in neighbors' committees wherein shall predominate infant population and pregnant women. Implement in neighborhoods centers for early stimulation. Implement shelter-house. Construction of improved kitchens in houses wherein live children under the age of 3 years. Construction of family washing units in households with children under one year and pregnant women. Intensify integral household visits. Chlorination of water at 100% of district-level network.</p>	<p>Determine strategies for the strengthening of SIS affiliation. 2.- Visits to educational institutions and neighbors' committees to promote SIS affiliation.</p>	
Lucanamarca	<p>1.- Construction and implementation of centers of early stimulation for children under 5 years of age. 2.- Enlargement of the basic sanitation system at intra-family level and district level. Training and implementation of the system for handling solid waste. Prepare project for construction of improved kitchens. Construction and implementation of houses for mothers.</p>		<p>Sensitizing campaigns for identification registry for children under five years of age. 2.- Dissemination of information campaigns in local media. 3.- Itinerant campaigns for delivery of identity in coordination with RENIEC and JUNTOS Program.</p>
San Salvador de Quije	<p>Furnish of spaces for CRED attention and early stimulation. Early stimulation and Community surveillance training for pregnant women and health community agents. Improvement of sanitation system: water chlorination and solid waste</p>	<p>Execute campaigns of sensitizing through local media for SIS affiliation.</p>	

	disposal.		
Chalcos	<p>Construction of an exclusive space for the <i>área niño</i> (child area)</p> <p>Furnish of <i>área niño</i>, granting priority to the areas of anthropometry, of early stimulation for demonstrative sessions.</p> <p>Strengthening of basic sanitation.</p>	<p>Execute Dissemination of Information campaigns in the local media for sensitizing for SIS affiliation.</p>	<p>Sensitizing of population regarding rights and duties.</p> <p>Schedule campaigns for identity delivery in coordination with the Civil Registry, Provincial RENIEC and JUNTOS Program.</p>
Chilcayoc	<p>GL must support with mobility to transport health staff to carry out timely CRED detection and follow up at small-village level and scattered zones level.</p> <p>Sensitize mothers to approach the EE. SS., to receive training in early stimulation and nutritional surveillance.</p>	<p>Execute decentralized SIS affiliation campaigns to cover 100% of children under 5 years of age. GL must provide support with mobility.</p>	

4. Results of the Incentive Plan

The year 2010 was a year of adjustment to norms and to the schedule of the Incentive Plan and simultaneously a period of intensive training of local government officials in the methodology of programming focusing on results. Between May and June, MEF⁷ organized training sessions directed mainly to the technical teams of the Province Municipalities preparing for the phase of the 2011 budgetary programming. One of the contents of these training sessions was the topic of the Incentive Plan and its relationship with the Nutritional Articulated Program as of the goals that condition the granting of incentives as well as of the opening of the budgetary chain of the objective: *Healthy municipalities promote infant care and an adequate nutrition*.

As MEF training was mainly directed toward Province Municipalities, participants returned to their regions with the commitment to create a copy of the training received with the District Municipalities' teams. These were provided with the support of the technical assistance-network of the Results-based Budget comprised by agents of the civil society, Non-Government Organizations and International Cooperation who also participated in the MEF training.

Due to the short deadline periods previous to the presentation of the municipal budgets and due to the large number of municipalities, the regional training sessions did not achieve to convene all the actors responsible for the institutional budget; and, at the moment of the opening of the 2011 budget, there were very few local governments that opened the budgetary chain of the PAN objective. As of September 30 2011, the number of municipalities having programmed the PAN chain has increased. However, as shown in the following chart, of 472 districts of the regions of the Project, only 21% have the corresponding budgetary chain. Regarding resources, the amount allocated by the budget for PAN within these 6 regions is less than 0.2% of the Modified Institutional Budget- *Presupuesto Institucional Modificado*- (PIM), and execution reaches only 10%.

Chart 7: Budget Assigned by Municipalities for Nutritional Articulated Program- *Programa Articulado Nutricional*-

Regions	Total Number of Municipalities	% of Municipalities that programmed PAN 30-Sept-2011	PAN Budget 30-Sept-2011 (PIM)	Execution PAN 30-Sept-2011 (Accrued)	% Execution PAN 30-Sept-11
Apurímac	80	23%	684,869	52,141	8%
Ayacucho	116	21%	1,528,550	51,210	3%
Cusco	108	23%	3,681,177	442,289	12%
Huánuco	76	5%	1,789,599	155,599	9%
San Martín	77	29%	871,429	128,199	15%
Ucayali	15	40%	1,226,850	116,970	10%
Total	472	21%	9,782,474	946,408	10%

⁷ Dirección General de Presupuesto Público (Bureau of National Budget) and Dirección de Articulación Territorial (Bureau of Territorial Articulation) of MEF

On the other hand, there was some delay in the assessment of the goals programmed for June and December as well as in the publishing of results and allocation of resources. The first allocation of funds for the incentives, which was not contingent, was timely effected in April 2010 by Supreme Decree DS No. 100-2010-EF. However, only in October 2010 were approved the results of the assessments of goals of the first semester referred to real estate tax collection, execution of spending in functions of sanitation and health and implementation of focusing on households. The allocation of resources corresponding to said assessment was effected in November by DU No. 071-2010 with a spending-execution deadline that finished with the calendar year.

On March 31 2011, the National Government issued DU No. 012-2011 stipulating therein extraordinary measures to strengthen the fiscal stabilization fund and generate higher public saving with the aim of securing the transition of the administration and prevent the dangers of an external crisis. These extraordinary measures included the delay in the allocation of the PMM and PI resources until the month of September of the present year. These resources should have been allocated, no later than on the month of March for compliance with the goals accomplished on December 2010. Finally, in June, DU No. 012-2011 is repealed and June 30 is established as deadline to effect the delayed allocation of PI resources. In the following days the 2010 assessment of goals is published and the transfer of incentives for accomplishment of goals is executed.

Another aspect to take into consideration is that when Local Governments (GL) received the second allocation of funds in November 2010, already the new authorities had been elected: Mayors and Councilmen of Province and District Municipalities and the vast majority of the local governments were already within the last two months of their tenure and busy in the transfer procedures to the new authorities. Consequently, it was a complicated period to secure accomplishment of the goals of the Incentive Plan and besides to finish executing the resources received.

Accomplishment of Goals

Nationwide, the number of districts which accomplished at least one of the PI goals increased between the assessments of June and December 2010, from 1,413 to 1,434. If we only shall consider those districts which accomplish the totality of goals corresponding to them – in some cases, tax-collection, execution of spending in health and sanitation and focusing on households- then the improvement was from 1,242 to 1,320 districts. In that case of the major cities (CP), improvement was substantial because the number of districts that accomplished their total goals increased from 86 to 140.

Chart 8: Percentage of Municipalities according to Accomplishment of PI Goals

Type of CP (Population Center)	June Goal 2010 (RD 027-2010-EF)			December Goal 2010 (RD 003-2011-EF)			Total
	Accomplished	Partially	Did Not	Accomplished	Partially	Did Not	
CP-Centro Poblado	35%	63%	2%	56%	43%	0%	249
Number of CP > 500 U	74%	1%	25%	77%	0%	23%	555
Number of CP < 500 U	72%	1%	27%	73%	0%	27%	1030

Total	68%	9%	23%	72%	6%	22%	1834
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In those regions focused by the Project, accomplishments of goals corresponding to the year 2010 was above the national average, 78% of districts in June and 79% in December. Assessment of goals up to June, 2011 shows a higher degree of accomplishment which reaches up to 83% of districts in these regions. Ayacucho was especially successful in the accomplishment of goals during 2010, with 82% of districts; this proportion went down to 74% in the assessment of June 2011. In this assessment Cusco and San Martín were highly successful with 93% of accomplishment.

Chart 9: Percentage of Municipalities According to PI Accomplishment

Region	June 2010 (RD 027-2010-EF)		December 2010 (RD 003-2011-EF)		June 2011 (RD 015-2011-EF)		Number of Districts
	Accomplished	Did Not	Accomplished	Did Not	Accomplished	Did Not	
Apurímac	68%	33%	66%	34%	78%	23%	80
Ayacucho	82%	18%	83%	17%	74%	26%	116
Cusco	77%	23%	77%	23%	93%	7%	108
Huánuco	68%	33%	66%	34%	78%	23%	76
San Martín	80%	20%	73%	27%	93%	7%	77
Ucayali	78%	22%	79%	21%	83%	17%	15
Type of Population Center							
CP –Centro Poblado	95%	5%	97%	3%	97%	3%	37
Number of CP > 500 U	77%	23%	79%	21%	95%	5%	160
Number of CP < 500 U	76%	24%	76%	24%	74%	26%	275
Total	78%	22%	79%	21%	83%	17%	472

By analyzing the typology of the districts in the three assessments, those showing a higher percentage of accomplishment are the districts located within the major cities (CP-Ciudades Principales); and among those districts that do not belong to major cities, the larger districts have a higher percentage of accomplishment with the goals in comparison with the small or rural districts. Among the latter goal accomplishment has remained around 76% and even went down to 74% in the last assessment. In total, there are 80 districts from these 6 regions that did not accomplish the goals of the last assessment; of them 71 are districts with less than 500 urban dwellings that should have accomplished the goal of registry and forwarding to the RENIEC the Birth Certificates with the Sole Registry of Identification of Births- *inscripción y envío al RENIEC de las actas de nacimiento con el registro único de identificación (CUI) de nacimientos*.

Use of Allocated Resources

During the year 2010 resources were allocated to the District and Province Municipalities for an amount of S/.700 Millions of Soles, 45% of which were assigned to 249 Major Cities (CP-Ciudades Principales), 32% to 555 districts with more than 500 urban dwellings that are not CP, and 23% to 1,030 small and rural districts. Of the 350 Millions allocated in the second transfer, 81% of funds were allocated for accomplishment of goals, and the remaining 19%

was retained from those districts that did not accomplish the goals to be distributed among those districts that accomplished the goals.

Chart 10: Amount of Resources Allocated to Municipalities which Accomplished the Goals

Type of Municipality	Number of Municipalities	Amount allocated March 2010	Amount for accomplishment of September Goal	Additional Amount September 2010	Total Allocated
Major Cities-CP	249	158.4	135.6	22.9	317.0
Non- CP with more than 500 urban dwelling units	555	111.1	87.1	24.1	222.3
Non- CP with less than 500 urban dwelling units	1030	80.4	61.2	19.2	160.8
Total	1834	350	283.9	66.1	700.0

In the regions that were given priority by the Project, resources allocated during 2010 as part of the PI, constitute an average of 4% of the Modified Institutional Budget *-presupuesto institucional modificado-* (PIM) of the 275 GL included within this analysis. In the case of the smallest municipalities of San Martín, allocations received reach up to 10% of PIM.

Tabla 11: Amount of Resources allocated for PI and their Execution Percentage

Regions	Type of Municipality	Number of Municipalities	Total PI Allocated 2010	% Allocation regarding PIM 31-Dec-10	Execution 31-Dec-10 (Accrued)	% Execution of PI Allocation 31-Dec-10
Apurímac	CP (Major City)	4	4,560,010	5%	2,008,909	44%
	Non- CP > 500 U	15	5,178,336	7%	3,746,814	72%
	Non- CP < 500 U	61	8,027,091	6%	7,147,525	89%
Ayacucho	CP (Major City)	10	5,294,106	5%	4,667,814	88%
	Non- CP > 500 U	39	12,361,402	5%	8,198,190	66%
	Non- CP < 500 U	67	8,968,717	5%	7,165,297	80%
Cusco	CP (Major City)	8	14,191,422	3%	10,734,606	76%
	Non- CP > 500 U	46	20,314,651	2%	14,589,531	72%
	Non- CP < 500 U	54	12,805,843	2%	9,658,123	75%
Huánuco	CP (Major City)	5	7,897,043	7%	3,709,534	47%
	Non- CP > 500 U	22	10,615,587	6%	7,882,534	74%
	Non- CP < 500 U	49	10,669,118	7%	9,184,381	86%

San Martin	CP (Major City)	7	7,887,740	7%	4,006,804	51%
	Non- CP > 500 U	32	12,239,721	8%	9,703,951	79%
	Non- CP < 500 U	38	5,410,706	10%	4,846,403	90%
Ucayali	CP (Major City)	3	9,546,893	5%	3,397,550	36%
	Non- CP > 500 U	6	4,188,181	3%	3,503,063	84%
	Non- CP < 500 U	6	1,508,229	3%	1,315,536	87%
Total	CP (Major City)	37	49,377,214	4%	28,525,217	58%
	Non- CP > 500 U	160	64,897,878	4%	47,624,083	73%
	Non- CP < 500 U	275	47,389,704	4%	39,317,265	83%

In the percentage of execution of the PI allocated funds we can see the importance that this allocation has had with regard to the smallest municipalities. In these 6 regions, the 275 smallest districts executed 83% of allocated funds while the CP districts executed 58% and those districts with more than 500 dwellings executed 73%. In San Martín, the execution level reached 90% in rural districts. Only in Ayacucho and Cusco PI funds were equally executed by CP Municipalities, intermediate Municipalities and the smallest and rural Municipalities.

Regarding the “functions” wherein were consigned the execution of PI funds, 50% was spent in planning, management and sanitation functions. Only around 10% was spent in the Health Function. None of these functions is necessarily linked with infant chronic malnutrition reduction. Only by knowing in which of the budgetary chains the funds were executed we shall come to know how much did those executions were related with which is one of the main objectives of PI.

5. Recommendations

- The first year of PI implementation has been a learning year for all actors, including those of the international technical cooperation. The changes in the assessment schedule and allocation of resources as well as the electoral process interrupted the flow of the processes in training as well as in the articulation among governmental levels and, finally, in accomplishments of goals on the part of local governments. It shall be necessary to conduct a careful follow-up of process during 2011 in order to assess more closely the accomplishments obtained from technical assistance and PI implementation.
- There has been great progress on the conceptualization by the Local Governments regarding “management of primary health attention”, this concept being the matter of the allocation they are entitled to within the framework of regional decentralization. However, there is still pending the formalization of this concept and its contents. This undertaking requires a consensus to be developed among the Ministry of Health, the Regional Governments and the Local Governments.
- The role of the Regional Governments, especially those of the regional health bureaus -*Gerencias or Direcciones de Salud*- (DIRESA) is of vital importance to promote inter governmental articulation and alignment towards the accomplishment of common goals. Still we need to strengthen managerial capacities at the regional level to attain a better articulation with local levels.
- The classification of districts used by the Incentive Plan taking into consideration the criteria of rural level, scarcity of basic services within the the house and the unsatisfied basic needs -*necesidades básicas insatisfechas*- (NBI), should be used in a similar way to grant priority of technical assistance and training to the smallest and rural districts which are the ones which have had the greatest difficulties in the accomplishment of goals. As training for 1,834 districts, of which 56% are small and rural, only can be attained through a “cascade methodology” as the one the MEF has been implementing, then, to this dynamic can be added the scheme of incentives directed toward the Province Municipalities or Regional Governments for accomplishment of goals of their districts with less than 500 dwellings.
- The process of strengthening of capacities must be a continuous process above all taking into consideration that many of the teams trained during 2010 were changed as result of the electoral process.

Appendix 1: Normative Framework

Normative Framework of the Incentive Plan to Improve Municipal Management

Norm Number	Content	Issue Date
Law N° 29332	Act establishing the Incentive Plan to Improve Municipal Management	19/03/09
Law N° 29465	2010 Budget Act, approving the appropriations of the Ministry of Economy and Finance, of which 700 million are to finance the Incentive Plan to Improve Municipal Management under the provisions of Law No. 29332. These resources are allocated according to criteria i) classification of municipalities according to their characteristics, strengths and needs, and ii) compliance with requirements related to results of municipal tax collection and quality and targeting of social spending, especially linked to the Strategic Articulated Nutritional Program. These resources are transferred in two stages: first, to March 31, 2010 and the second to the September 30, 2010.	30/11/09
DU N° 119-2009/EF	Modifies Art.1 of Law N ° 29332, adding the reduction of infant chronic malnutrition as an objective of the Incentive Plan, and noting that the resources allocated to the Plan is intended exclusively for achieving the aims and objectives of that Plan.	02/01/10
DS N° 003-2010-EF	Approves the procedures for accomplishing goals and allocation of resources of the Incentive Plan. It includes the methodology, goals, use, indicators and procedures for the distribution of resources.	11/01/10
DS N° 093-2010-EF	Modifies the procedures for accomplishing goals and allocation of resources of the Incentive Plan approved by DS N ° 003-2010-EF	19/03/10
RM N° 169-2010-EF/76	Approves the maximum amount of resources corresponding to each of the municipalities that meet 100% of the goals established in the Municipal Modernization Program and the Incentive Plan for 2010.	30/03/10
DS N° 100-2010-EF	Authorizes budget increase of local governments to supplement the FONCOMUN by transfer of Soles under the Incentive Plan to Improve Municipal Management and Municipal Modernization Program.	07/04/10
DS N° 183-2010-EF	Approves the procedures for the assessment of goals compliance and resources allocation under the Incentive Plan (FONCOMUN CONDICIONADO II)	03/09/10
RD N° 027-2010-EF/76.01	Approves the results of the assessment of compliance with the goals related to tax collection, expenses under health and sanitation and implementation of household	18/10/10

	focalization, set by the Incentive Plan	
DU N° 071-2010	Authorize a transfer of Soles 350 million for local governments, for fiscal year 2010 under the Incentive Plan to improve municipal management.	03/11/10
DU N° 012-2011	Provides that the allocation of resources of the Modernization Program and the Municipal Incentive Plan, regulated by Law N ° 29626, Law on Public Sector Budget for Fiscal Year 2011, is made in September this year, up to the amounts provided for such Program and Plan	31/03/2011
Oficio Circular 009-011-EF/76.18	Requests the designation of the Municipality coordinator responsible for compliance with the goals of the Incentive Plan	
DU N° 026-2011	Sets June 30, 2011 as the deadline for the allocation of the Incentive Plan resources which was initially scheduled for March 2011	10/06/2011
RD N° 003-2011-EF/50.1	Approves the results of the assessment of compliance with the goals set for December 31, 2011	14/06/2011
RM N° 467-2011-EF/11	Approves the maximum amount of resources corresponding to the municipalities that meet 100% of the goals of the Incentive Plan in the Year 2011	24/06/2011
DS N°114-2011-EF	Authorize a transfer of Soles 777 million for local governments, for fiscal year 2011, under the Incentive Plan	25/06/2011
RD N° 015-2011-EF/50.01	Approves the results of assessment of compliance with the Incentive Plan goals for the first half of 2011	22/09/11