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GUATEMALA LOCAL GOVERNANCE PROJECT

(OCTOBER – DECEMBER, 2013) APPROVED

QUARTERLY REPORT
(October – December 2013)

January 2014

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DISCLAIMER

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

ACRONYMS AND ABBREVIATIONS

ADET	Agenda de Desarrollo Económico Territorial (Territorial Economic Development Program)
ANAM	<i>Asociación Nacional de Municipalidades</i> (National Association of Municipalities)
CAS	<i>Comisiones de Agua y Saneamiento del COCODE</i> (COCODE Water and Sanitation Commission)
COCODE	<i>Consejo Comunitario de Desarrollo</i> (Community Development Council)
COMUDE	<i>Consejo Municipal de Desarrollo</i> (Municipal Development Council)
COMUSAN	<i>Comisión Municipal de Seguridad Alimentaria y Nutricional</i> -
DAFIM	<i>Dirección de Administración Financiera Municipal</i>
DAAFIM	<i>Dirección de Asistencia a la Administración Financiera Municipal del MINFIN</i> (Assistance Agency for Municipal Financial Administration of the MINFIN)
DEAGUAS	<i>Departamento de Agua y Saneamiento</i> (Water and Sanitation Office)
DEL	<i>Desarrollo Económico Local</i> (Local Economic Development)
DMP	<i>Dirección Municipal de Planificación</i> (Municipal Planning Office)
FONAGRO	<i>Fondo Nacional Agropecuario</i> (National Agricultural Fund)
FtF	Feed the Future
IUSI	<i>Impuesto Unico sobre Inmuebles</i> (Sole Property Tax)
LED	Local Economic Development
LGP	Local Governance Project
LLR	Lower-Level Result
MAGA	<i>Ministerio de Agronomía y Agricultura</i> (Ministry of Agronomy and Agriculture)
MINFIN	<i>Ministerio de Finanzas Públicas</i> (Ministry of Public Finance)
M&E	Monitoring and Evaluation
OMAS	<i>Oficina Municipal de Agua y Saneamiento</i> (Municipal Water and Sanitation Office)

OMM	<i>Oficina Municipal de la Mujer</i> (Municipal Office for Women)
OSR	<i>Fuente de ingresos propios</i> (Own Source Revenues)
LGP	<i>Plan de Gobierno Local</i> (Local Government Plan)
PROLOSAN	<i>Promotores Locales en Seguridad Alimentaria y Nutricional</i> (Local Food and Nutritional Security Promoters)
RAS	<i>Red de Agua y Saneamiento</i> (Water and Sanitation Network)
SAN	<i>Seguridad Alimentaria y Nutricional</i> (Food and Nutritional Security)
SEGEPLAN	<i>Secretaría General de Planificación y Programación de la Presidencia</i> (Planning and Programming Secretariat-General of the Presidency)
SEPREM	<i>Secretaría Presidencial de la Mujer</i> (Presidential Secretariat on Women)
SESAN	<i>Secretaría de Seguridad Alimentaria y Nutricional</i> (Department of Food and Nutritional Security)
Sub-IR	Sub-Intermediate Result
UDEL	<i>Unidad de Desarrollo Económico Local</i> (Local Economic Development Office)
USAID	United States Agency for International Development
WHIP	Western Highlands Integrated Program

CONTENTS

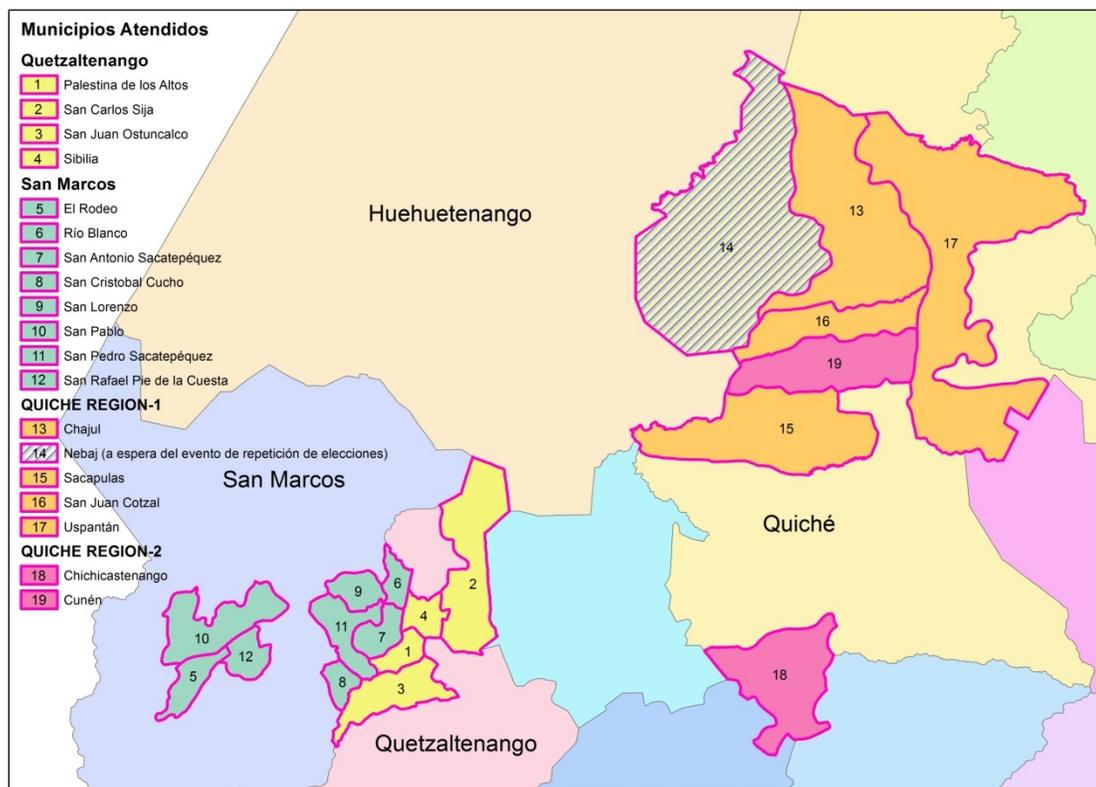
ACRONYMS AND ABBREVIATIONS	1
CONTENTS	3
RESUMEN EJECUTIVO	6
EXECUTIVE SUMMARY	12
1.0 NARRATIVE REPORTING OF GOALS	17
San Marcos & Quetzaltenango	18
1.1 Goal 1: Municipalities with transparent procurement processes, procedures, and systems in place and operating effectively (LLR 2.1.1)	18
1.2 Goal 2: Local economic development (LED) plans designed and Implementation initiated (LLR 2.1.2)	21
1.3 Goal 3: Policies and practices adopted that improve the enabling environment for local business. (LLR 2.1.3).....	21
1.4 Goal 4: At least one critical basic service improved in each selected municipality/mancomunidad (LLR 2.1.4)	22
1.5 Goal 5: USAID participatory planning and investment methodology fully implemented in all selected municipalities/mancomunidades through the strengthening of the Development Councils (LLR. 2.3.1)	23
Quiché	26
1.6 Goal 6: Municipalities with transparent procurement processes, procedures, and systems in place and operating effectively (LLR 2.1.1)	26
1.7 Goal 7: All selected municipalities sustainably increase own-source revenue (LLR 2.1.2)	27
1.8 Goal 8: Municipalities practice responsible indebtedness (LLR 2.1.3)	28
1.9 Goal 9: At least one critical basic service improved in each selected municipality/mancomunidad (LLR 2.1.4)	28

1.10	Goal 10: Municipalities improve the enabling environment for local economic development (LLR. 2.1.5)	29
1.11	Goal 11: Municipal associations effectively represent their constituencies (LLR 2.2.1)	29
1.12	Goal 12: ANAM is financially capable to carry out its mission (LLR 2.2.2)	32
1.13	Goal 13: ANAM provides improved services to its members (LLR 2.2.3)	32
1.14	Goal 14: USAID participatory planning and investment methodology fully implemented in all selected municipalities/mancomunidades through the strengthening of the Development Councils (LLR.2.3.1).....	33
2.0	SPECIAL ACTIVITIES.....	35
3.0	CROSS-CUTTING THEMES: GENDER, INDIGENOUS PEOPLES, AND LOCAL ECONOMIC DEVELOPMENT	36
3.1	GENDER AND INDIGENOUS PEOPLES	36
3.2	LOCAL ECONOMIC DEVELOPMENT	36
4.0	MONITORING AND EVALUATION PLAN	37
4.1	QUARTERLY M&E REPORT.....	37
5.0	SPECIAL REPORTING	41
A.	Local Governance Project	41
	5.1. Small Grants Program.....	41
	5.2. Financial Report	41
	5.3. Rapid Response Fund	42
	5.4. Project Management	42
	5.5. Key Issues	42
	5.6 Budget Reallocations	43
B.	Feed the Future Initiative.....	44
	5.7. Small Grants Program.....	44
	5.8. Financial Report	44
	5.9. Rapid Response Fund	45
	5.10 Project Management	45
	5.11 Key Issues	45
	5.12 Budget Reallocations	46

6.0	ACTIVITY PLAN FOR NEXT QUARTER: OCT. - DEC. 2013	47
7.0	ANNEXES/OTHER REPORTS	52

RESUMEN EJECUTIVO

El trimestre de octubre a diciembre de 2013 coincide con el primer trimestre de ejecución del año V del Proyecto. Para este nuevo año el Proyecto debe mantener la atención a las 12 municipalidades de San Marcos y Quetzaltenango e iniciar actividades en 8 municipalidades en Quiché. El siguiente mapa muestra la nueva área de cobertura del PGL.



La adecuación del plan de trabajo y del Plan de Monitoreo y Evaluación a los nuevos requerimientos de USAID fueron ejercicios participativos que demandaron una inversión importante en tiempo y esfuerzo de todo el equipo del PGL; sin embargo, las nuevas estructuras permiten visualizar con detalle las acciones a realizar y facilitan el monitoreo de evaluación de los indicadores propuestos. El Plan de trabajo fue aprobado el 15 de noviembre y con ello se iniciaron las actividades en campo.

Partiendo de que los éxitos cosechados por el Proyecto hasta el momento están directamente vinculados con la confianza política y el respaldo que las autoridades municipales dan a la asistencia técnica brindada, fue un gran reto para el Proyecto conseguir en poco tiempo la aceptación de las nuevas municipalidades a atender en Quiché. Para contar con ese respaldo político, el Proyecto fue acompañado por la ANAM en la primera visita de acercamiento y presentación del Proyecto a las autoridades y funcionarios municipales.

Con excepción del municipio de Zacualpa, en donde el alcalde argumentó que es muy poco tiempo para obtener resultados, las municipalidades visitadas manifestaron su interés y aceptación. El PGL está a la espera de que se repitan las elecciones en el municipio de Santa María Nebaj, las que se realizarán el próximo 12 de enero, para presentar a las autoridades electas la oferta de asistencia técnica.

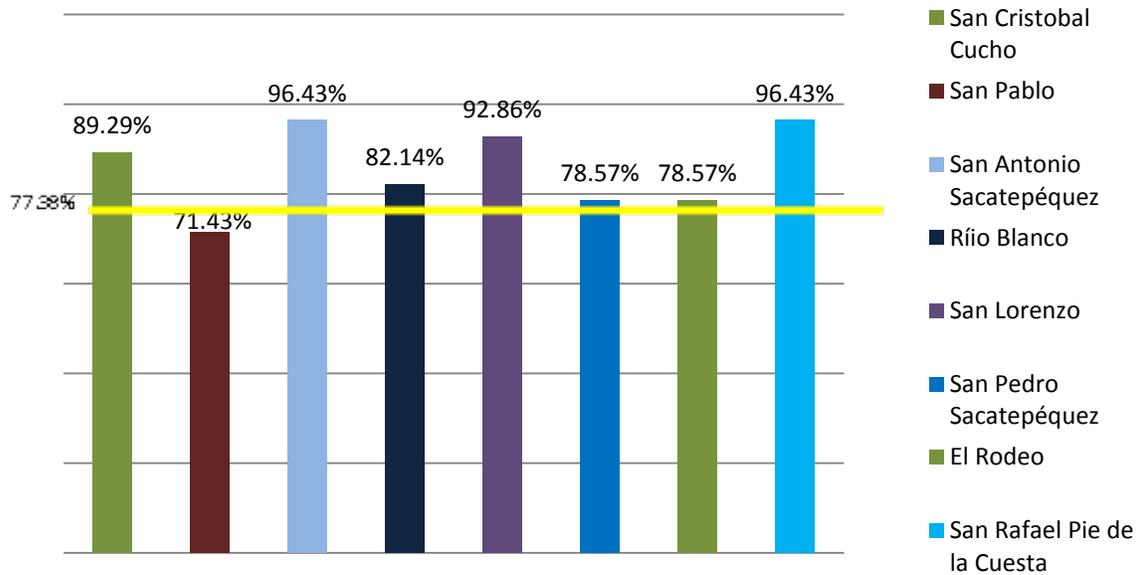
Un avance fundamental para el Proyecto fue que el 27 noviembre los alcaldes de los seis municipios de Quiché firmaron los convenios de cooperación con el Proyecto en un evento que contó con la participación del Gobernador Departamental, lo que permitió iniciar actividades de asistencia técnica y asesoría.

En este trimestre, el PGL se enfocó en realizar diagnósticos rápidos de los municipios en cada una de las áreas a atender. Se estableció que las estructuras administrativas de las municipalidades son débiles y que tienen una fuerte demanda de asesoría legal y financiera para mejorar los ingresos propios y la prestación de servicios municipales, las que serán atendidas en el siguiente trimestre.

En los municipios de San Marcos y Quetzaltenango se restableció la asistencia técnica que había sido suspendida desde agosto. En esta área destacan las siguientes actividades realizadas en el trimestre:

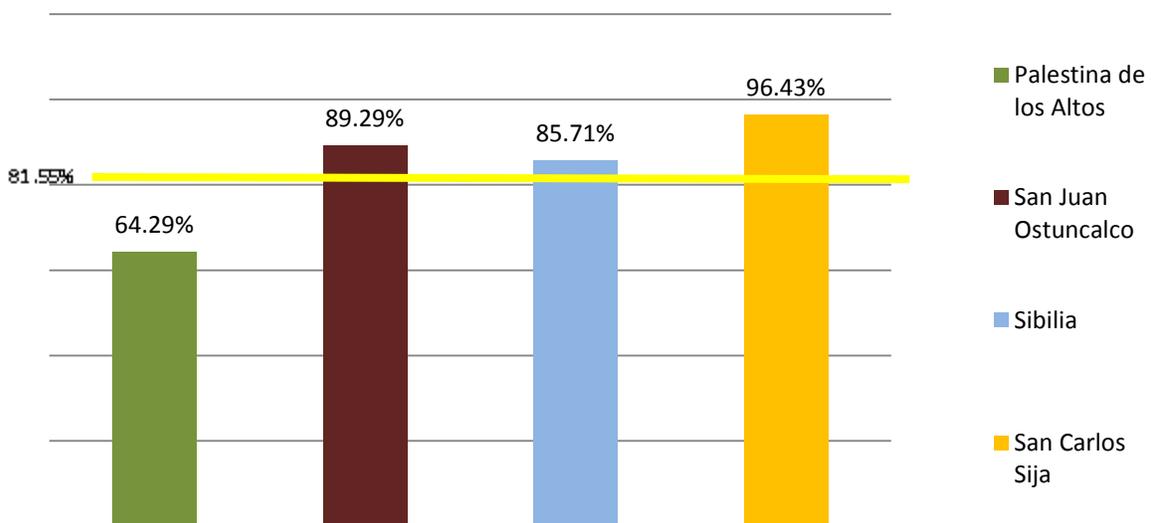
1. La asesoría brindada al Concejo Municipal de San Rafael Pie de la Cuesta, que les permitió percibir ingresos propios superiores a US\$100,000 por la autorización de la construcción de una hidroeléctrica;
2. Se reporta en las municipalidades seleccionadas para la implementación del Proyecto IUSI una recaudación del 134%, comparada con el año anterior.
3. Para determinar las actividades que deben realizarse para lograr la sostenibilidad de los sistemas de cloración y manejo del agua, el Proyecto revisó la operación de los cloradores instalados previamente con su asistencia y encontró que la mayoría operan satisfactoriamente. Esta información es un indicador alentador de la sostenibilidad de las intervenciones del Proyecto en el tratamiento del agua.
4. La asesoría brindada a las Municipalidades, de los departamentos de San Marcos y Quetzaltenango en coordinación con el Ministerio de Finanzas (MinFin), para la formulación del Plan Operativo Anual y Presupuesto 2014;
5. La elaboración, en coordinación con la Secretaría de Seguridad Alimentaria y Nutricional (SESAN) de un diagnóstico sobre el funcionamiento de las Comisiones Municipales de Seguridad Alimentaria (COMUSAN). El Proyecto desarrolló una lista de 28 aspectos que determinan el cumplimiento de la COMUSAN, que incluyen: el nivel de participación de los oficiales y autoridades municipales; la participación de los representantes de las autoridades públicas y de organizaciones de la sociedad civil; la frecuencia de las reuniones; el desarrollo y aplicación de los Planes SAN en el nivel municipal, y la implementación de los sistemas de información sobre SAN. Los resultados demuestran que las municipalidades atendidas por el Proyecto funcionan mejor que el promedio del departamento al que pertenecen.

Cumplimiento de las actividades y funciones de las COMUSAN atendidas por PGL en San Marcos, diciembre 2013



La línea amarilla indica el promedio del departamento.

Cumplimiento de las actividades y funciones de las COMUSAN atendidas por el PGL en Quetzaltenango, diciembre 2013



La línea amarilla indica el promedio del departamento.

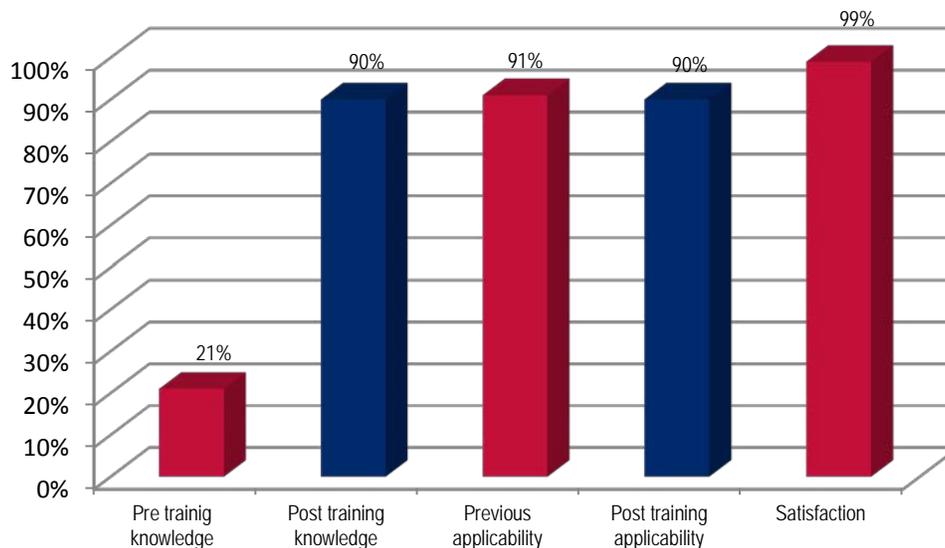
Apoyo a la Asociación Nacional de Municipalidades

- En coordinación con el Western Highlands Integrated Program (WHIP), del Primer Encuentro entre Autoridades Municipales, Sectoriales y Proyectos de USAID sobre Reducción de la Desnutrición Crónica y Pobreza, en el Marco del Plan del Pacto Hambre Cero. Al encuentro asistieron representantes de 22 de las 30 municipalidades priorizadas por USAID, el Secretario de la SESAN y los viceministros de los Ministerios de Salud Pública y Asistencia Social; de Agricultura, Ganadería y Alimentación; de Desarrollo Social; y de Educación. A través de las intervenciones sobre estos problemas sociales, el Encuentro demostró que la coordinación es el mejor mecanismo para promover esfuerzos conjuntos para reducir la desnutrición crónica y la pobreza. Los participantes se comprometieron a coordinar estrategias e intervenciones, apalancar la asistencia recibida del gobierno central y de USAID y a hacer un mejor uso de las habilidades y conocimiento invertidos en el área tanto por los gobiernos locales como por USAID.
- El PGL también apoyó en el fortalecimiento de la capacidad de incidencia de la ANAM para representar y defender los intereses municipales ante el gobierno central en los siguientes asuntos: **1)** evitó que el Congreso de la República aprobara el Arbitrio sobre el Alumbrado Público, que perjudica los ingresos de las municipalidades al reducir los ingresos que éstas perciben por dicho servicio; **2)** evitó que el Congreso de la República aprobara una reforma a la Ley del Impuesto Único Sobre Inmuebles que eliminaba las tarifas de 6 y 9 por millar y dejaba una única de 2 por millar; **3)** evitó que en el mes de septiembre las municipalidades tuvieran un recorte del 15% de sus ingresos. En el mes de octubre no fue posible evitar el recorte, por lo que la ANAM convocó a los alcaldes para que el 31 de octubre solicitaran al Ministerio de Finanzas que no hubieran más recortes y al Congreso de la República para que aprobara un préstamo necesario para financiar el Presupuesto Nacional. Más de la mitad de los alcaldes acudieron a la convocatoria de ANAM y con ello el Congreso aprobó el préstamo mencionado y el Ministerio de Finanzas no recortó recursos para las municipalidades en los meses de noviembre y diciembre y se comprometió a transferir los fondos recortados en octubre; **4)** Gestionó que el Instituto Nacional de Bosques (INAB) y el MinFin pagaran a las municipalidades US\$1,000,000.00 correspondientes a los convenios por reforestaciones hechas por 110 municipalidades.

Satisfacción de los beneficiarios

Un importante logro del Proyecto durante el trimestre fue el nivel de satisfacción demostrado por 146 personas capacitadas, como se resume en las encuestas previas y posteriores a las capacitaciones:

Efectividad, aplicabilidad y nivel de satisfacción percibidos de los talleres de capacitación del PGL de octubre a diciembre de 2013



Conflictividad en el área de intervención.

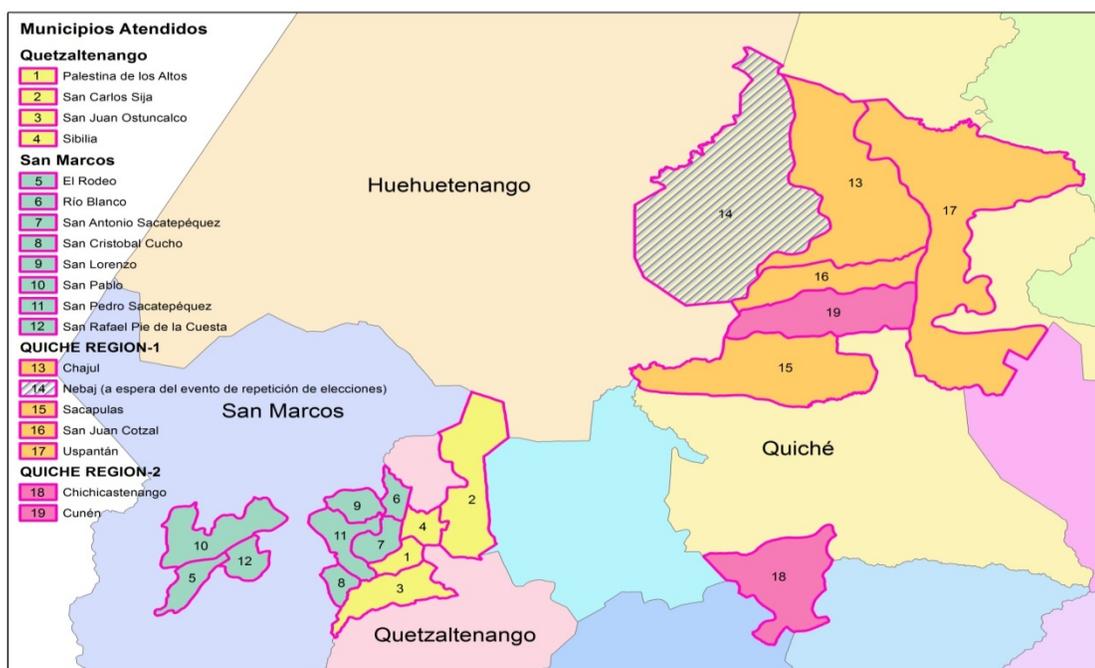
La implementación del proyecto será constantemente desafiada por los conflictos endémicos de las regiones atendidas, caracterizada por la repetición de elecciones, amenazas de muerte, conflictos socio-ambientales y disturbios civiles. En el trimestre, El Proyecto reporta conflictividad social en tres de los municipios atendidos:

- San Pablo, San Marcos:** La oposición a la construcción de una hidroeléctrica legalmente autorizada implicó que la municipalidad permaneciera cerrada durante algún tiempo y que el alcalde no pueda ingresar al edificio municipal por encontrarse amenazado de muerte por los opositores. La conflictividad continuará, pues la municipalidad está a punto de aprobar la construcción de una segunda hidroeléctrica. Esta conflictividad ha impedido que el Proyecto desarrolle sus actividades en este municipio, lo que se refleja en los resultados alcanzados.
- Santa María Nebaj, Quiché:** La repetición de las elecciones de las autoridades municipales ha desatado mucho malestar en la población. Los constantes cambios en la fecha de realización de las elecciones han creado incertidumbre y es muy posible que existan enfrentamientos los días previos y el día de las elecciones, así como que la conflictividad no disminuya inmediatamente después de las votaciones.
- Chichicastenango, Quiché:** Desde el inicio del periodo de gobierno ha existido oposición al alcalde municipal, ello ha implicado destrucción de edificios municipales y de las casas del alcalde por parte de la población, así como el secuestro de familiares de miembros del Concejo Municipal. Se estima que la conflictividad se aumentará a medida que se acerquen las elecciones de 2015.

En resumen, a pesar del corto período de implementación y del desafiante contexto político, el Proyecto logró los acuerdos políticos necesarios para iniciar actividades en las nuevas municipalidades, renovó los acuerdos en aquellos municipios en los que había trabajado previamente, desarrolló diagnósticos participativos sobre las necesidades de las municipalidades atendidas, relanzó la asistencia técnica programada y desarrolló una alianza entre la ANAM y el WHIP. Nuestro enfoque en los aspectos prácticos de la mejora de la recaudación de ingresos propios produjeron resultados inmediatos y extraordinarios en al menos una municipalidad y fijan las bases para mejoras en cada una de las demás atendidas.

Executive Summary

The October through December 2013 reporting period represents the first quarter of Project implementation for Year 5. As the new implementation year unfolds, the Project will continue to focus activities in twelve municipalities in San Marcos and Quetzaltenango while it launches activities in eight municipalities in Quiché, which were included as beneficiaries in the September 2013 modification of the project contract. The following map illustrates LGP coverage.



During the reporting period, the entire Project technical team contributed significant time and effort to undertake a participatory process to restructure the Work Plan and M&E Plan to meet USAID requirements. The objectives of the review were to provide greater transparency to proposed activities, detailing the intermediate steps for the achievement of each expected result, and results-based indicators tailored to the project's strategic interests. The resulting documents provide a clear definition of activities and facilitates the monitoring and evaluation of proposed indicators. Once USAID approved the Work Plan on November 15, the Project proceeded with field activities shortly thereafter.

The success of the Project's technical assistance to date is the direct result of its efforts to build the relationships of trust that generate support and gain the political will of local government authorities. To that end, the Project initiated activities with a concerted effort to accelerate a similar process with the new municipal authorities in Quiché. In order to gain the political support required for project implementation, LGP built upon its close relationship with ANAM in initiating contacts and presenting Project activities to local authorities and municipal officials.

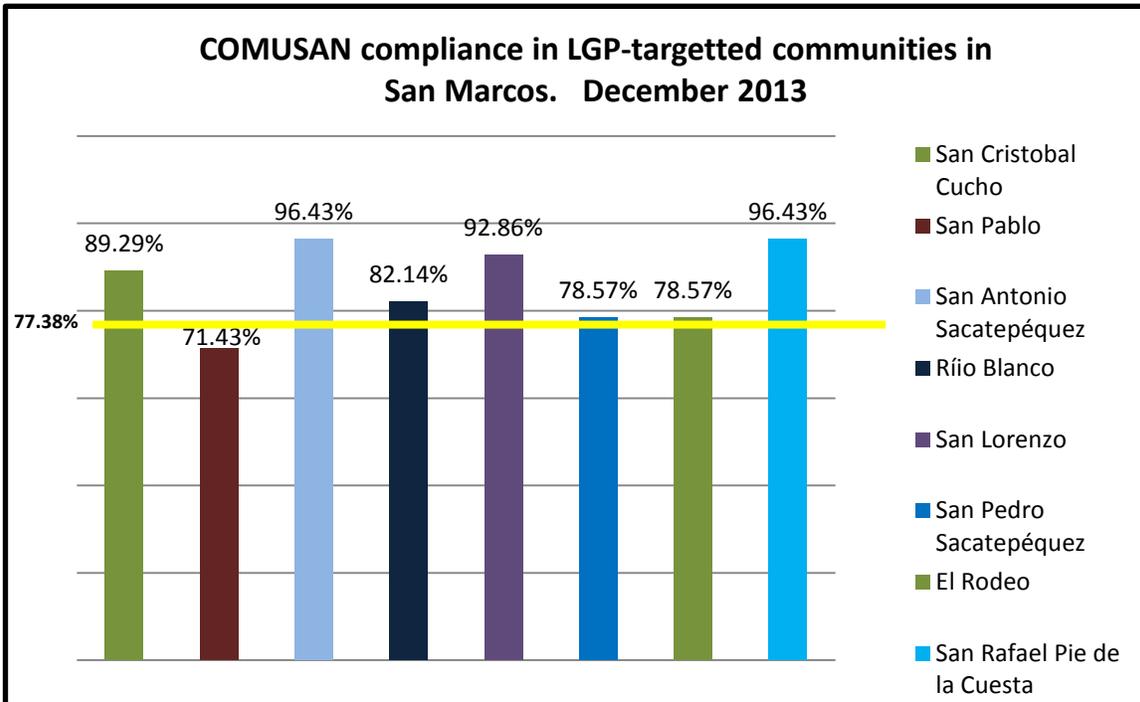
All municipalities expressed their interest and acceptance of LGP assistance, with the exception of the mayor of Zacualpa who indicated that the time frame seemed too short to achieve expected results. In addition, LGP has to await the results of a special election in Santa María Nebaj that are scheduled to take place early next quarter on January 12. Once new municipal authorities are elected, LGP will present the offer of technical assistance.

The Project achieved a first milestone in initiating technical assistance on November 27 during a public event that included the participation of the Governor to witness the signing of LGP cooperation agreements with the mayors from the six municipalities in Quiché.

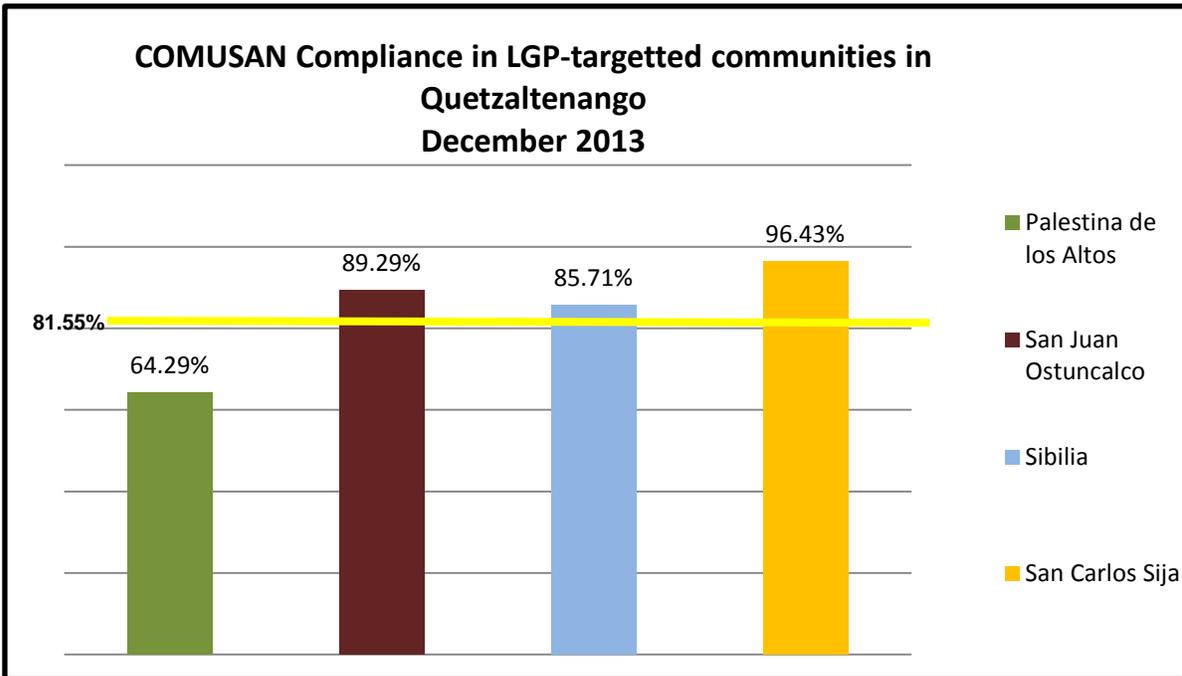
With political agreements in place, project technical staff conducted rapid diagnostic assessments of each of the target municipalities. The Project determined that the management structures in each local government are weak and require significant legal and financial assistance to improve own-source revenues and the provision of municipal services. More detail on the project's progress in addressing these needs in Quiché will be included in next quarter's progress report.

LGP also reinitiated technical assistance activities within San Marcos and Quetzaltenango. Highlights of the quarter are listed below.

1. LGP assistance to the Town Council (COMUDE) in San Rafael Pie de la Cuesta enabled authorities *to increase own-source revenues in excess of US\$100,000 as a result of building permit fees for a hydroelectric facility.*
2. Reporting in our treated municipalities of IUSI (Property Tax) – the largest single source of municipal own-source revenues – *demonstrated a 134% increase, year on year.*
3. The Project coordinated efforts with the Ministry of Finance to provide technical assistance to municipal officials in the provinces of San Marcos, Quiché and Quetzaltenango to develop annual work plans and 2014 budget documents.
4. In order to determine what activities might be required to sustain the chlorination and water management systems, the Project reviewed the operations of the chlorinators previously installed through LGP assistance *and found that the great majority of systems were operating satisfactorily.* This data provides an encouraging indication of the sustainability of program interventions to date in water treatment
5. LGP worked closely with SESAN to conduct a diagnostic assessment of COMUSAN operations. The project established a list of 28 items to determine COMUSAN compliance, including: the degree of participation of municipal officials and authorities; the participation of representatives from local government and non-government organizations; the frequency of the meetings; the development and application of SAN plans at the local government level, and the implementation of a SAN information system. *Findings revealed that 10 of the 12 LGP-target municipalities have improved operations compared to the average performance of other municipalities within the same province.*



Yellow line illustrates "Average of Provincial Municipalities"



Yellow line illustrates "Average of Provincial Municipalities"

Support to the National Association of Municipal of Municipalities

- In alliance with ANAM, the Project coordinated efforts this quarter with the Western Highlands Integrated Program (WHIP) to organize the First Meeting among Municipal,

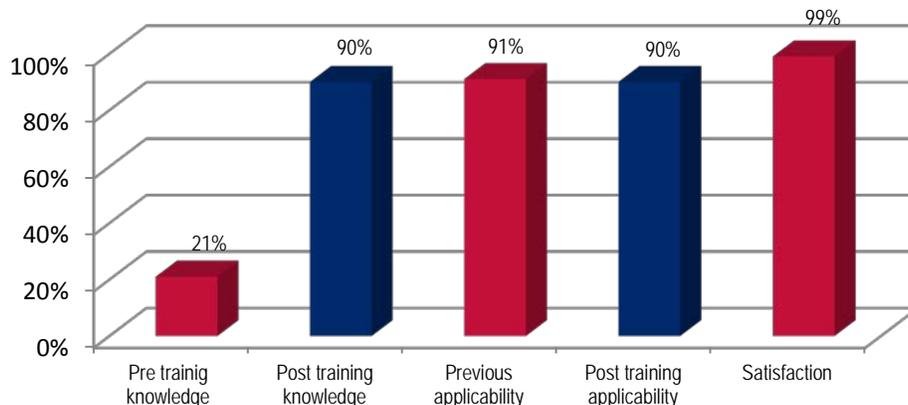
Sectorial and USAID Project authorities on Reducing Chronic Malnutrition and Poverty as part of the Zero Hunger Pact framework plan. In addition to the participation of the SESAN Secretary together with that of each of the vice ministers of Health, Agriculture, Social Development and Education, the meeting was attended by representatives from 22 out of a total of 30 of the municipalities prioritized by USAID. By leveraging interventions to address these social problems, the meeting showcased the fact that coordination is the best mechanism to promote joint efforts to reduce chronic malnutrition and poverty. Participants utilized the event to commit themselves to coordinate strategies and interventions, leverage central government and USAID assistance and make better use of the skills and knowledge of both local governments and USAID's many investments in this area.

- The LGP also helped to strengthen the advocacy capacity of ANAM to represent and defend municipal interests before the national government. Regarding **Fees for public lighting**: ANAM lobbied to stop passage of the bill which would have reduced municipal fees for public lighting. ANAM was also successful in its efforts before Congress to stop passage of reforms to the Law on a Sole Property Tax (*Ley del Impuesto Único Sobre Inmuebles*) which attempted to eliminate property tax rates of .006% and .009% and replace them with a single rate of .002%. ANAM also managed to avoid a cut in municipal budgets of 15% in September (but was unable to avoid cuts in October). ANAM called a meeting of mayors to submit a request to the Ministry of Finance to limit further cutbacks and to present a request to Congress to approve measures required to approve international loans to finance the budget shortfall. More than half of the country's mayors heeded ANAM's call. The Ministry of Finance made no further cuts to municipal resources in November and December and committed to making up the difference from the cuts in October. ANAM also managed to get the National Forestry Institute (*Instituto Nacional de Bosques –INAB* in Spanish) and the Ministry of Finance to pay the US\$1,000,000 due municipalities in compliance with the reforestation agreements signed by 110 local governments.

Client Satisfaction

An important achievement of the project during the implementation period was the degree of satisfaction demonstrated by the 146 trainees, as summarized in the project's pre and post training surveys:

Effectiveness, Applicability and Perceived Level of Satisfaction as a Result of LGP Training Activities. October - December 2013



Conflict in Project Implementation Areas

Implementation of the Project will be constantly challenged by the endemic conflicts of our target regions, characterized by recall efforts of elected authorities, death threats, socio-environmental conflicts, civil unrest and kidnapping. Over the course of this quarter, the Project reports outbreaks of social conflict in three target municipalities as summarized below.

- **San Pablo, San Marcos:** Opposition to the construction of a hydroelectric facility that was officially authorized by local authorities led to the temporary closing of municipal offices during a relatively prolonged period. Death threats forced the mayor into hiding and kept him from his duties. LGP expects that the level of conflict will continue in light of the fact that municipal authorities are about to authorize construction of a second hydroelectric plant. The level of conflict is keeping the Project from implementing activities as planned and is reflected in the progress toward expected results.
- **Santa María Nebaj, Quiché:** The call for new elections has caused unrest among local inhabitants. The date for new elections has been postponed on several occasions, leading to increased uncertainty that could possibly induce additional clashes in the days leading up to elections, as well as on the day voters head out to the polls. The Project foresees that the degree of unrest may not wane immediately following elections.
- **Chichicastenango, Quiché:** Dating back to the first days after the current administration took office, the mayor has faced increased opposition and civil unrest leading to the destruction of public facilities, as well as to damage to the mayor's private residence. The aggression escalated to kidnapping of close relatives of town council members and the Project foresees that the conflict may escalate further as the national campaign and election cycle approaches in 2015.

In summary, within a short implementation time frame and challenging political context, the Project has successfully structured the political agreements necessary to initiate activities in new municipalities, renewed agreements in those municipalities in which we have worked previously, conducted participatory needs diagnostics in all target municipalities, relaunched our technical assistance programming and renewed alliances with ANAM and WHIP programming. Our focus on the nuts and bolts of OSR produced immediate and extraordinary results in at least one municipality and set the stage for improvements in each of the others.

1.0 NARRATIVE

REPORTING OF GOALS

The LGP Results Framework is summarized in the following table.

Table 1. Objectives and Goals

Objectives	Quetzaltenango/San Marcos 12 municipalities	Quiché 8 municipalities
<p>• Objective: Local governments capable of implementing economic development and nutritional security activities to reduce chronic malnutrition and poverty</p>		
	<p>USAID Special Activity: <i>Support for Implementation of the USG Feed the Future Activities in Guatemala</i></p>	<p>Intermediate Result 2: <i>Greater Transparency and Accountability of Governments (IR 2)</i></p>
<p>Sub-Intermediate Result 2.1, “More Transparent Systems for Management of Public Resources by Local Governments;”</p>	<p>GOAL 1: Municipalities with transparent procurement processes, procedures, and systems in place and operating effectively (LLR 2.1.1)</p> <p>GOAL 2: Local Economic Development (LED) plans designed and implementation initiated (LLR 2.1.2).</p> <p>GOAL 3: Policies and practices adopted that improve the enabling environment for local business. (LLR 2.1.3)</p> <p>GOAL 4: At least one critical basic service improved in each selected municipality/mancomunidad (LLR 2.1.4).</p>	<p>GOAL 6: Municipalities with transparent procurement processes, procedures, and systems in place and operating effectively (LLR 2.1.1)</p> <p>GOAL 7: All selected municipalities sustainably increase own-source revenue (LLR 2.1.2)</p> <p>GOAL 8: Municipalities practice responsible indebtedness (LLR 2.1.3)</p> <p>GOAL 9: At least one critical basic service improved in each selected municipality/mancomunidad (LLR 2.1.4)</p> <p>GOAL 10: Municipalities improve the enabling environment for local economic development (LLR 2.1.5)</p>
<p>Sub-Intermediate Result 2.2, “More Effective Advocacy of Municipalities for Local Citizen Priorities with National Government;” and</p>		<p>GOAL 11: Municipal associations effectively represent their constituencies (LLR 2.2.1).</p> <p>GOAL 12: ANAM is financially capable to provide training and advisory sustaining services (LLR 2.2.2)</p> <p>GOAL 13: ANAM provides improved services to its members (LLR 2.2.3)</p>
<p>Sub-Intermediate Result 2.3, “More Opportunities for Citizen Participation and Oversight of Local Government Decision-making.”</p>	<p>GOAL 5: USAID participatory planning and investment methodology fully implemented in all selected municipalities/mancomunidades through the strengthening of the Development Councils (LLR 2.3.1)</p>	<p>GOAL 14: USAID participatory planning and investment methodology fully implemented in all selected municipalities/mancomunidades (<i>commonwealths</i>) through the strengthening of the Development Councils (LLR 2.3.1)</p>

San Marcos & Quetzaltenango

GOAL 1: MUNICIPALITIES WITH TRANSPARENT PROCUREMENT PROCESSES, PROCEDURES, AND SYSTEMS IN PLACE AND OPERATING EFFECTIVELY (LLR 2.1.1)

Strengthen Municipal Capacity to Increase Own Source Revenue

LGP efforts during the reporting period focused on the provision of technical and legal assistance to target municipalities to review and approve regulations governing local services, municipal fees and collection policies as fundamental tools needed by local governments to increase own-source revenue.

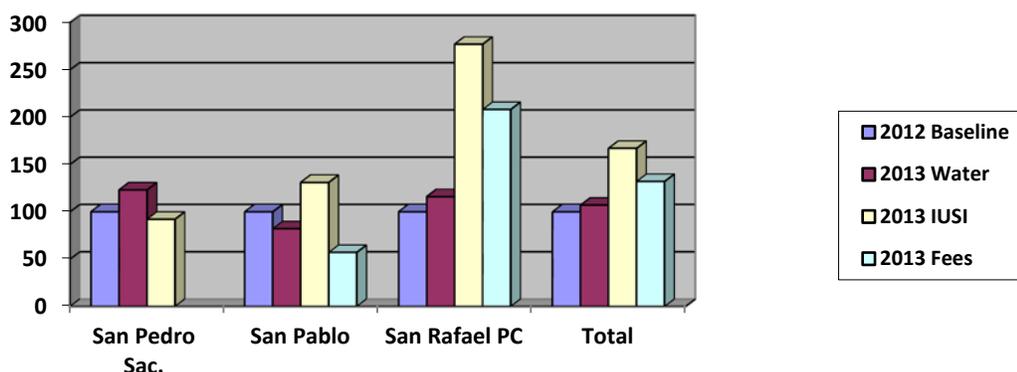
1. Assistance to the Sibilia Town Council on the process to approve and publish the Municipal Fees Plan and the regulations governing the town market, slaughterhouse and water and sewage systems, including updated fees levied for services.
2. Support the town council and municipal officials in San Rafael Pie de la Cuesta to implement, construction regulations as approved and published with LGP assistance. As a result, the local government perceived revenues in December in excess of US\$100,000. The municipality perceived revenues of GTQ1,169,570.09 (US\$146,196.26) in 2012 compared to revenues of GTQ2,092,493.10 (US\$261,561.63) in 2013. Of the latter total, GTQ818,880.57 (US\$102,360.07) was perceived from building permits and licenses issued in December to a hydroelectric facility.
3. Technical assistance to the San Pablo Town Council to approve and publish new construction regulations in response to requests to approve two building permits for hydroelectric facilities.
4. Technical assistance to the San Jose El Rodeo municipal government to implement the transportation regulations approved through LGP-assisted activities to regulate passenger transportation throughout the municipality and to improve own-source revenues by mandating that all public transportation vehicles be registered and licensed for operation within city limits.



LGP Technical Assistance for Traffic Officers in San Jose El Rodeo, San Marcos

The Project also worked with local authorities on a complimentary tool to increase own-source revenues by implementing GIS in San Pedro Sacatepéquez, San Rafael Pie de la Cuesta and San Pablo. While the use of GIS has ancillary benefits for the collection of water and usage fees, its central value is increasing the collection and efficiency in the administration of the property tax, the central source of Own Source Revenues at the municipal level. The following table summarizes progress to date regarding revenue collected from Water, User and IUSI property taxes in 2013 as compared to the 2012 baseline. The baseline represents all own-source revenues raised in 2012 including all sources of revenue, but not broken down by revenue source. 2012 was the year when assistance for improving own-source revenues was first provided to these municipalities. **From 2012 to 2013, Water Fee collection improved by 107%; for Municipal Fees by 132%; and for collection of IUSI – the largest single source of municipal own source revenues – by 167% year on year.**

Table 2. Comparative Data for IUSI Project Target Municipalities 2012 / 2013



Source: 2012 Baseline is a combination of own-source revenues (Water, IUSI, and Fees) from the SIAF System, Ministry of Finance, 2013

The Project reports that progress in increasing revenues collected for water services is a direct result of improvements in identifying users in arrears and in issuing orders to suspend water services (300 over the course of the reporting period) as stipulated in the collection policies developed through LGP-assisted activities.

Technical Assistance Coordinated through the Ministry Of Finance to Prepare Annual Work Plans and Budgets in Target Municipalities

The Project has facilitated the work of both the Ministry of Finance as well as SEGEPLAN with municipal governments. The objective is to provide technical and financial assistance to personnel from DAFIM offices and DMP staff to develop annual work plans and budget documents for 2014. In order to comply with the Municipal Code, the efforts were directed to ensure completion of the process by December 15, 2013.

The assistance emphasized compliance with new regulations mandating that all social investment projects be included and updated in the national public investment (*sistema nacional de inversión pública* –SNIP in Spanish), as well as on procedures to link annual municipal work plans to budget data. Lastly, it is worth mentioning that the Project provided support to local governments to upload their 2014 budget documents to the SICOINGL program as a means to ensure data access in real time.



Technical assistance to municipal officials from San Marcos to upload 2014 Annual Work Plan and budget documents to SICOINGL

As a mechanism to increase coverage, LGP provided assistance through regional workshops for each province.

In Quetzaltenango and San Marcos the Project noted that 84% of the DAFIM and DMP municipal officials that were invited participated in the activity, demonstrating the value which the targeted municipalities assign to the training.

Table 3. Local Governments Participating in 2014 Budget Workshops

Province (<i>departamento</i> in Spanish)	Municipalities Invited/Total Municipalities	Municipalities Represented	% Participation
San Marcos	29/30*	24	83%
Quetzaltenango	15/24**	13	87%
TOTAL	44	37	84%

* The Municipality of Ocós has chosen not to participate in any financial trainings. As such, the municipality was not invited to attend the training.

** 9 municipalities from Quetzaltenango had finalized their annual budgets before the scheduled workshop and, as such, were not invited to attend the training.

On a final note, the Project reports assistance to ANAM to establish a technical working group to review the implications for local governments in applying the new Budget Classification Handbook as described under Goal 11.

GOAL 2: LOCAL ECONOMIC DEVELOPMENT (LED) PLANS DESIGNED AND IMPLEMENTATION INITIATED (LLR 2.1.2)

Municipalities Continue to Implement LED Plans and Evaluate Progress

Project assistance this quarter to the Dairy Corridor (comprised of San Carlos Sija and Sibilia municipalities in Quetzaltenango and San Pedro Sacatepéquez in San Marcos) focused primarily on advocacy strategies with a trust fund operated by the Ministry of Agriculture entitled as the National Agricultural Fund (*Fondo Nacional Agropecuario* –FONAGRO in Spanish). The advocacy was designed to encourage an additional review of a previously-denied funding request for GTQ1,700,000 (US\$212,500) submitted by the Association of *La Vaquita* Dairy Producers. The advocacy strategy included the steps listed below.



Mayor meets with dairy producers and representatives from FONAGRO, MAGA and LGP

1. Engage FONAGRO directors to present the dairy corridor concept and request a site visit.
2. Conduct the site visit with FONAGRO representatives to San Carlos Sija to provide first hand information on the Association’s activities and discuss the proposed funding requirements.

The site visit concluded with a meeting at City Hall hosted by the mayor with the participation of the OMM Coordinator, MAGA extension agents, dairy producers from the *La Vaquita* Association, LGP technical team members and FONAGRO representatives. The latter noted the degree of institutional strength apparent in having the local government support the dairy corridor and suggested that the Association expand the funding request and the proposed activities in such a way as to strengthen the funding application, with the implication that it would receive a second hearing.

GOAL 3: POLICIES AND PRACTICES ADOPTED THAT IMPROVE THE ENABLING ENVIRONMENT FOR LOCAL BUSINESS. (LLR 2.1.3)

Coordinated Efforts between Municipal Governments and Private Sector to Jointly Implement Plan

The Project’s activities planned this quarter to improve the environment for local businesses were focused primarily on strengthening local and regional capacity in chains of production; more specifically, working with producers in the Dairy Corridor to increase productivity.

LGP capacity-building efforts included Project assistance to have ten dairy producers participate in a livestock show and seminar in San José Pinula. The event was organized by the Jersey Cattle Association of Guatemala and provided an opportunity to strengthen the technical capacity of the dairy farmers as a means to improve their feed, milking, technology, breeding, health and food safety practices.

The Project provided assistance for both men and women to participate in the event and attend training workshops using a “farmer to farmer” methodology that will have a positive impact on the knowledge base of all of the dairy producers in the Corridor.

GOAL 4: AT LEAST ONE CRITICAL BASIC SERVICE IMPROVED IN EACH SELECTED MUNICIPALITY/MANCOMUNIDAD (LLR 2.1.4)

Sustained Effort to Improve Water Chlorination Systems and Water System Management

In order to determine what activities might be required to sustain the chlorination and water management systems, the Project reviewed the operations of the 25 chlorinators previously installed with LGP assistance to benefit 2,935 families in the municipalities of Sibia, Río Blanco, San Rafael Pie de la Cuesta and El Rodeo. The findings confirmed that 23 of the 25 were operating satisfactorily and sustainably, but two problems in San Rafael Pie de la Cuesta were revealed, as follows.

1. There is a group of community activists in the area of Italia that are opposed to water chlorination and who closed off the chlorinator valve.
2. The chlorinator in the El Nance area has a technical malfunction.

The review also revealed the fact that coordination among municipal governments, the communities (through the RAS and CAS) and the Ministry of Health remains weak, but will be a critical component to future sustainability.

In order to strengthen the coordination mechanisms, the Project facilitated having Environmental Sanitation Inspectors from the Ministry of Health participate in each of the technical assistance meetings with CAS and OMAS participants. As a result of the improved coordination, the Project reports the following results.



Representatives from CAS, RAS and OMAS receiving technical assistance on water chlorination

1. The inspectors from the Ministry of Health publically acknowledged their commitment to provide field support to the CAS in the municipalities of San Rafael Pie de la Cuesta, San Jose El Rodeo and Sibia to measure residual chlorine and train local plumbers to carry on the task.
2. The OMAS in these municipalities committed to acquiring the supplies (chlorine tablets, masks, testers, gloves, etc.) and provide them to the CAS at cost.
3. The CAS will call town meetings in their respective communities to remind residents of the need to chlorinate water supplies, as well as to urge them to pay their contributions as required for system operations and maintenance.
4. LGP will continue to provide technical assistance to the OMAS to strengthen the RAS and CAS as well as to maintain close coordination with the Ministry of Health.

GOAL 5: USAID PARTICIPATORY PLANNING AND INVESTMENT METHODOLOGY FULLY IMPLEMENTED IN ALL SELECTED MUNICIPALITIES/MANCOMUNIDADES THROUGH THE STRENGTHENING OF THE DEVELOPMENT COUNCILS (LLR. 2.3.1)

Strengthen the Municipal Councils, COMUDEs and Municipal Commissions to Promote Participatory Investment and Planning at the Municipal Level

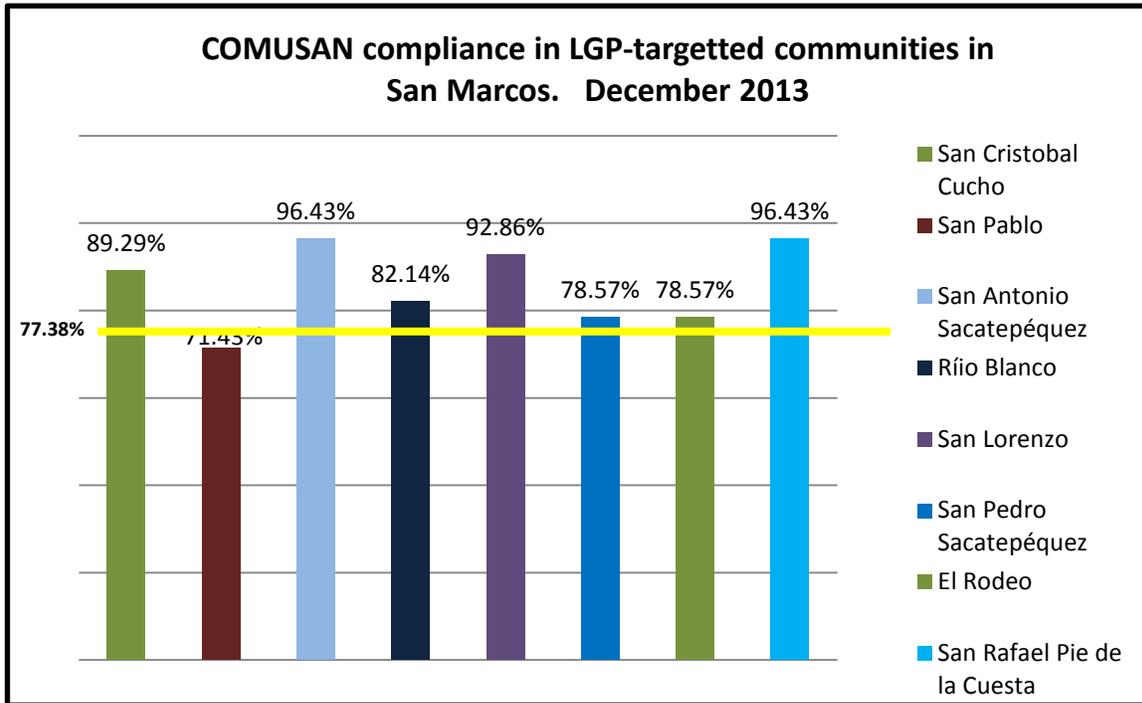
Achievement of the Goals #5 and 14 "participatory planning and investment methodology fully Implemented in all selected Municipalities/associations through the Strengthening of the Development Councils", the project supports the Office of Municipal Planning (DMP, in Spanish) and Municipal Office of Women (OMM, in Spanish) to strengthen participatory mechanisms and the implementation of participatory planning and investment methodologies. The DMP is responsible for planning the development of the municipality and to promote public participation in such planning. In this planning process, the participation of women stands out as a high priority and the prime task of the Coordinators of the OMM, the institution which has been assigned lead responsibility, by the local government and according to the Municipal Code, positioning itself to articulate between local women's groups and the COMUDE. Currently the project provides technical assistance to 20 OMM in promoting participatory planning and investment methodologies. In addition to direct support to 18 COMUDEs, the Project supports 20 Municipal Committees of Food and Nutritional Security (COMUSAN), so that, in a participatory manner, they promote and prioritize all actions aimed at improving the economic, physical, biological and cultural access of at risk populations to food and nutrition.

The Project joined efforts with SESAN to conduct an operational evaluation of the Municipal Commissions on Nutritional and Food Security (*Comisiones Municipales de Seguridad Alimentaria y Nutricional* –COMUSAN in Spanish) throughout LGP-target municipalities.

The first step was to establish a list of 28 items to determine COMUSAN compliance. Among other things, the list focuses on the degree of participation of municipal officials and authorities; the participation of representatives from local government and non-government organizations; the frequency of the meetings; the development and application of SAN plans at the local government level, and the implementation of a SAN information system.

The following graphs summarize the results of the LGP-assisted COMUSAN evaluation and compare them to the average from the entire province (*departamento* in Spanish).

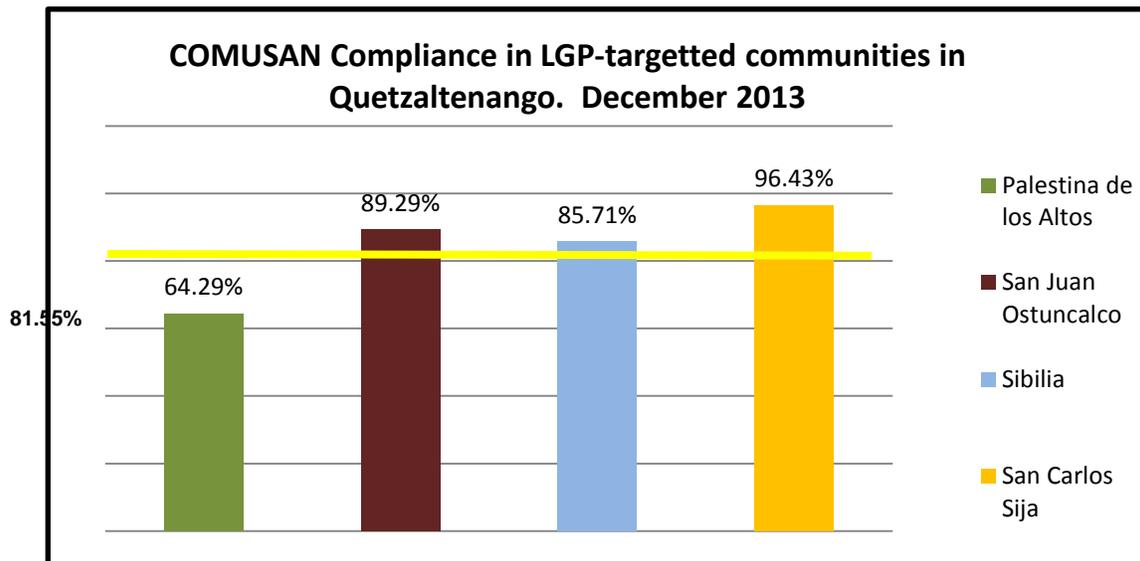
Graph 1. COMUSAN Compliance in LGP-Targetted Communities in San Marcos



Yellow line illustrates "Average of Provincial Municipalities"

Source: LGP data

Graph 2. COMUSAN Compliance in LGP-Targetted Communities in Quetzaltenango



Yellow line illustrates "Average of Provincial Municipalities"

Source: LGP data

The following table presents the strengths and weaknesses revealed in the COMUSANs evaluated by the Project.

Table 4. COMUSAN Strengths and Weaknesses

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • The Health Commission Council Member presides over the meetings. • Meetings are held on a monthly basis. • The OMM Coordinator has taken on a leadership role. • Representatives from the ministries of Health, Education and Agriculture are actively participating. • CSO representatives are actively participating. 	<ul style="list-style-type: none"> • Mayors and DMPs have limited participation. • COCODE representatives have limited participation. • Productive sectors in each municipality have weak participation. • SAN projects lack management. • Few activities to protect water sources and access to safe water.

Detailed information from each municipality is included in Annex 1.



OMM Coordinators receive LGP technical assistance regarding new procedures in place to develop 2014 work plans and budgets

Another significant activity organized by the Project this quarter was to improve coordination between the Presidential Secretariat for Women (*Secretaría Presidencial de la Mujer* -SEPREM), the Presidential Secretariat for Planning (SEGEPLAN), the Ministry of Finance and the LGP technical team to provide direct assistance to the network of OMMs in Quetzaltenango to draft and submit their OMM Annual Work Plans to the DAFIM and their respective town councils. The OMMs had been struggling to develop their annual plans and budget data in response to recent changes in the planning and budget systems.

Quiché

GOAL 6: MUNICIPALITIES WITH TRANSPARENT PROCUREMENT PROCESSES, PROCEDURES, AND SYSTEMS IN PLACE AND OPERATING EFFECTIVELY (LLR 2.1.1)

Financial Management Capacity Strengthened in Target Municipalities



Participants at a presentation on municipal finances and the importance of municipal regulations.

The activities described in the Executive Summary to introduce the Project to local governments in Quiché included a presentation on municipal finances and the importance of municipal regulations. The activity provided an opportunity to emphasize the importance of following procedures and using processes and systems provided by the Ministry of Finance and SEGEPLAN.

Just as the Project did in the provinces of San Marcos and Quetzaltenango, the LGP team joined efforts with officials from the Ministry of Finance and SEGEPLAN to provide technical assistance to DAFIM and DMP officials in LGP-targeted municipalities in Quiché to prepare their annual work plans and 2014 budget documents.

Table 5. Municipalities Participating in Activities to Prepare 2014 Budget Documents

Province	Total Municipalities Invited	Total Municipalities Participating	% Participation
Quiché	21/21	19	91%
TOTAL	21/21	19	91%

The activity included a quick diagnostic of 19 of the 21 municipalities of the department on the current use of the systems, procedures and processes that are compulsory for local governments and municipal finances and produced the following findings.

- All DAFIMs are staffed with the requisite personnel as stipulated in the Municipal Code.
- Local governments are currently using the mandatory systems, processes and financial procedures.
- There are still gaps in the use of certain handbooks, regulations and management standards stipulated in the Municipal Code.
- There is a great deal of reliance on the use of central government transfers.
- The majority lack the mandatory municipal services regulations.

Table 6. Findings from the Quick Financial Diagnostic Assessment for Municipalities in Quiché

Municipality	FINANCIAL INDICATORS						
	2013 Municipal Budget	2013 Own Source Revenue	2013 Resources Leveraged from CODEDEs	Municipal Debt	IUSI Income	Municipal Fees Plan	Municipal Tax Plan
San Juan Cotzal	Q.24,263,311	Q.3,558,573	Q. 1,481,476	None	Authorized in 2005	Revised in 2009	None
Chajul	Q.19,819,280	Q.1,628,876	Q. 11,458,070	None	Authorized in 2006	Revised in 2009	None
Cunén	Q.17,120,357	Q.744,857	Q. 8,039,042	None	Authorized in 2008	None	In effect since 1977
Sacapulas	Q.21,467,660	Q.1,573,842	Q. 17,026,955	None	Authorized in 2012	None	In effect since 1975
Usapantan	Q.31,609,868	Q.2,715,447	Q. 12,160,338	None	Authorized in 2005	None	None

GOAL 7: ALL SELECTED MUNICIPALITIES SUSTAINABLY INCREASE OWN-SOURCE REVENUE (LLR 2.1.2)

Strengthen Municipal Capacity to Increase Own Source Revenue

The Project conducted a quick diagnostic to determine the legal basis the local government uses to collect revenue and found that the majority of the municipalities lack regulations. As summarized in the following table, three of the municipalities have no plan in place regarding the fees local governments are entitled to charge residents.

Table 7. Regulations in place at LGP Target Municipalities in Quiché

Regulations	Cunén	Cotzal	Uspantán	Sacapulas	Chajul
Fees Plan	NO	YES	NO	NO	YES
Water and Sewage	YES	YES	YES	NO	NO
Markets	YES	NO	NO	NO	NO
Slaughterhouse	YES	NO	NO	NO	NO
Cemeteries	YES	NO	NO	NO	NO
Solid Waste	YES	NO	NO	NO	NO
Transportation Services for Goods and Passengers	NO	NO	NO	NO	NO
Audio Equipment for Public Use	NO	NO	NO	NO	NO
Businesses Open to the Public	NO	NO	NO	NO	NO
Billboards	NO	NO	NO	NO	NO
Building Permits	YES	NO	YES	NO	NO

Any attempt to collect fees from residents for services while lacking the requisite regulatory framework could place municipal authorities in jeopardy of being prosecuted for illegal collection with penalties of one to three years imprisonment and fines of up to GTQ25,000 (Article 451 of the Criminal Code).

Implement a Multi-Purpose Geographic Information System in Selected Municipalities as a Basic Tool for Increasing Own-Source Revenue, Land-Use Planning and Mapping Municipal Services

The Project prepared a presentation for the LGP targeted municipalities on the benefits of using geographic information services as tools to improve own-source revenues. The presentation included an analysis on user service patterns that revealed the inconsistencies and duplications that affect own source revenue collection. All of the participating municipalities expressed a keen interest in the use of the tool.

The dissemination of the GIS equipment, and orientation of municipalities in its use, is the first step in the institutionalization of this key tool, with a myriad of potential benefits in strategic planning, more efficient administration of public services, and increased Own Source Revenues (Property, Water and User Fees), as has been demonstrated in those municipalities in which the tool has been adopted. Subsequent reports will provide additional information on the impact of such activities.

GOAL 8: MUNICIPALITIES PRACTICE RESPONSIBLE INDEBTEDNESS (LLR 2.1.3)

Increase Municipal Credit Capacity

The quick diagnostic also revealed that as of November, none of the target municipalities had taken on public municipal debt. The Project counseled authorities on the new legal procedures and requirements that apply when taking on public debt.

GOAL 9: AT LEAST ONE CRITICAL BASIC SERVICE IMPROVED IN EACH SELECTED MUNICIPALITY/MANCOMUNIDAD (LLR 2.1.4)

Implement Actions to Improve Management of Municipal Public Services

The Project launched a quick diagnostic on the current status of municipal services. The following table summarizes progress to date on each activity.

Table 8. Technical Assistance to LGP-targeted Municipalities in Quiché

	Municipality	Current Status LGP Technical Assistance	Office Responsible for Providing Service	Most Likely Service to be Improved
1	San Gaspar Chajul	Diagnostic underway	OSPM	Develop a plan to administer the local town market and plazas
2	San Juan Cotzal	Diagnostic underway	OSPM	Pending prioritization
3	Cunén	Diagnostic underway	OSPM	Organize urban street cleaning
4	Uspantán	Field visit scheduling		
5	Sacapulas	Diagnostic underway	OSPM	Pending prioritization
6	Santa María Nebaj	Activities not yet started		
7	Chichicastenango	Field visit scheduling		

Source: LGP data

Each of the Municipal Public Service Offices (*Oficinas de Servicios Públicos Municipales* –OSPM in Spanish) that the Project engaged expressed the fact that the public services they provide pertain primarily to supplying potable water service and added that they are currently in the process of installing water chlorination systems. As a result, LGP offered to provide them with specific technical assistance.

Each of the local governments requested Project support to update and publish their public service regulations, specifically in regard to water and sewers. By lacking the requisite regulatory framework, the local governments place themselves at risk of being prosecuted with penalties of three to six years imprisonment (according to Article 419 of the Criminal Code).

GOAL 10: MUNICIPALITIES IMPROVE THE ENABLING ENVIRONMENT FOR LOCAL ECONOMIC DEVELOPMENT (LLR. 2.1.5)

Coordinate Efforts between Local Governments and Private Sector to Jointly Implement Plan

On the one hand, the Project’s work in the province of Quiché presents a new opportunity to identify local and regional economic drivers. On the other hand, the context is entirely different than that from LGP’s prior experience. As a result, the Project chose to begin the process by conducting a diagnostic assessment to identify the economic drivers at the municipal level prior to the next step of developing a LED/SAN approach. The following table summarizes the findings from the diagnostic assessment on economic drivers.

Table 8. Economic Drivers at the Municipal Level

No.	Municipality	LED Opportunities
1	San Gaspar Chajul	tourism, handicrafts, traditional textiles and agriculture
2	San Juan Cotzal	tourism and agriculture
3	Cunén	tourism and agriculture
4	Uspantán	tourism, agriculture and trade
5	Sacapulas	agriculture (green beans, corn and black beans) and black salt
6	Chichicastenango	to be determined

Tourism in the targeted municipalities represents an LED opportunity at the municipal and district level. Nevertheless, the majority of local governments lack budget resources for natural resource conservation and tourism promotion; neither do they have municipal policies in place to frame the opportunities from a local government perspective.

GOAL 11: MUNICIPAL ASSOCIATIONS EFFECTIVELY REPRESENT THEIR CONSTITUENCIES (LLR 2.2.1)

SUCCESS STORY

ANAM and USAID Join Forces in Efforts to reduce Chronic Malnutrition and Poverty

One of the most pressing, and persistent, public policy issues in Guatemala today is to address chronic malnutrition and poverty reduction. Guatemala struggles with some of the worst social indicators in the hemisphere: chronic malnutrition is the worst in the hemisphere (49 percent of all children under age five); less than half of rural residents have access to running water, only 25 percent have electricity at home, and less than 10 percent have modern sanitary facilities. Inequality, weak local governance, and corruption continue to limit Guatemala's stability and development as a democracy.

In recognition that addressing such a complex, endemic problem is beyond the reach of any one institution, whether governmental or non-governmental, the LGP project helped to organize and facilitate the first meeting between municipal, sectorial and USAID authorities on December 5-6, 2013 to discuss chronic malnutrition and poverty reduction issues as part of the Framework Plan for the Zero Hunger Pact

The event, co-hosted by the National Association of Municipalities (*Asociación Nacional de Municipalidades --ANAM* in Spanish) and the USAID Western Highlands Integrated Program (WHIP) – received the technical and financial support from the 18 USAID projects that comprise the WHIP program. The event provided an outstanding opportunity for the more than 150 participants to coordinate strategies and interventions to address these pressing issues. Participants included mayors, city council members and coordinators from the Municipal Offices for Women (OMMs in Spanish) representing 22 out of the total 30 municipalities prioritized under WHIP. The meetings were also attended by the Secretary for Food and Nutritional Security and the vice ministers for Agriculture, Social Development, Health and Education along with the provincial representatives from each ministry.



By leveraging interventions to address these social problems, the meeting showcased the fact that coordination is the best mechanism to promote joint efforts to reduce chronic malnutrition and poverty. Participants utilized the event to commit themselves to coordinate strategies and interventions, leverage central government and USAID assistance and make better use of the skills and knowledge of both local governments and USAID's many investments in this area.

"We in local government have a clear understanding of our key role in reducing chronic malnutrition and poverty. We also

understand that our efforts have to be coordinated in conjunction with those of the many public institutions that are directly responsible for implementing the Zero Hunger Pact; we see our role as facilitators for these activities within each of our territories." **Rubelio Recinos Corea, ANAM President**

"Our efforts as part of an alliance are much more effective than any we could undertake individually. The fight against poverty and chronic malnutrition in Guatemala can only be won if we share the responsibility and manifest our commitment through integrated activities and efforts." **William Brands, Mission Director, USAID Guatemala**

"If I do not take this on, who will? If it benefits no one else but me, why bother? If not now, when?" **Bernardo Kliksberg, International Expert and Principal Speaker at the meeting** to motivate participants to get involved in reducing malnutrition and poverty.

"We are extremely appreciative of USAID, especially of the Local Governance Project, for the support they provide to ANAM to hold meetings such as this one. These are important contributions to developing municipal governance." **Gerson Lopez, ANAM Executive Secretary.**

Municipal Governments (ANAM and AGAAI) Drive Progress on the Municipal Agenda (service providers for development agents)

Over the course of the reporting period, the Project provided support to ANAM for their advocacy efforts in representing and defending the interests of municipalities as described below.

- 1. Fees for public lighting:** advocacy efforts before Congress to stop passage of the bill on fees for public lighting which would have a negative impact on municipal revenues by reducing the fees being collected for public lighting. In its stead, ANAM has continued to implement its methodology whereby local governments levy proportionally lower fees on users with reduced consumption thereby avoiding discontent among residents.
- 2. Property tax reduction:** ANAM was successful in its efforts before Congress to stop passage of reforms to the Law on a Sole Property Tax (*Ley del Impuesto Único Sobre Inmuebles*) which attempted to eliminate property tax rates of .006% and .009% and replace them with a single rate of .002%. Passage of the reforms would have significantly impacted municipal revenues because most properties are currently taxed at rates of .009%.
- 3. Cutbacks in central government transfers:** funding shortfalls for the 2013 National Budget led to budget cuts for a number of government agencies. ANAM managed to avoid a cut in municipal budgets of 15% in September, but was unable to avoid cuts in October. As a result, ANAM called a meeting of mayors to submit a request to the Ministry of Finance to limit further cutbacks and to present a request to Congress to approve measures required to approve international loans to finance the budget shortfall. More than half of the country's mayors heeded ANAM's call to see Congress approve the loan. Furthermore, the Ministry of Finance made no further cuts to municipal resources in November and December and committed to making up the difference from the cuts in October.
- 4. Payment of forestry incentives:** ANAM managed to get the National Forestry Institute (*Instituto Nacional de Bosques* –INAB in Spanish) and the Ministry of Finance to pay the US\$1,000,000 due municipalities in compliance with the reforestation agreements signed by 110 local governments.
- 5. Budget classification manual:** In response to requests and queries submitted by municipal authorities, ANAM set up a technical working group that included officials from the Ministry of Finance, SEGEPLAN, the Office of the Comptroller General and LGP technical personnel to analyze the changes to the manual on budget classifications. The technical working group is developing shared criteria on interpreting the manual and developing a nationwide training program to disseminate the criteria. One of the most significant accomplishments this quarter was the successful effort to have the manual go into effect when municipal governments prepare their 2015 budgets (see Annex II).

ANAM worked with the Western Highlands Integrated Program (WHIP) to organize the first meeting of municipal, sectorial and USAID project authorities on reducing chronic malnutrition and poverty as part of the Framework Plan for the Zero Hunger Pact. The meeting included the objectives described below:

- provide an opportunity to identify competencies, responsibilities and commitments among the various stakeholders from local government and central government agencies to achieve reductions in chronic malnutrition and poverty rates;

- facilitate coordination within the COMUSAN framework among the 30 municipalities in the five provinces prioritized by USAID to achieve reductions in chronic malnutrition and poverty, and
- raise awareness regarding USAID’s donor role and present the projects being implemented to support reducing in chronic malnutrition and poverty rates.

Participants included representatives from 22 of the total of 30 municipalities invited. Upon conclusion of the meeting, municipal representatives signed a declaration on behalf of reductions in poverty and malnutrition within the framework plan for the Zero Hunger Pact. Central government representatives at the meeting included the SESAN Presidential Secretary and vice ministers from Agriculture, Education, Social Development and Health.

GOAL 12: ANAM IS FINANCIALLY CAPABLE TO CARRY OUT ITS MISSION (LLR 2.2.2)

ANAM has a Solid Administrative Structure as well as the Capacity to Finance It

One of the main challenges faced by ANAM is financial sustainability. Over the quarter, ANAM was capable of using its own resources to cover its entire payroll, including the four professional staffers that LGP had financed up until June 2013.

To continue fulfilling its mission and provide quality services to its membership, ANAM requested financial assistance from external sources to carry out the following activities.

1. Workshop to improve collection policies of property taxes financed through the German International Cooperation Agency (GiZ) and the Peruvian Agency for International Cooperation.
2. A national forestry congress organized with assistance from INAB and from private forestry companies in Guatemala.
3. Regional roundtable meetings (three financed through the Ministry of Health and a fourth with LGP assistance).

This quarter the Project provided assistance to the Guatemalan Association of Indigenous Mayors and Authorities (*Asociacion Guatemalteca de Alcaldes y Autoridades Indígenas* –AGAAI in Spanish) to develop a strategy to improve their financial sustainability by setting monthly quotas for its membership. The agenda item regarding a regular monthly membership fee of GTQ500.00 (US\$63) was approved at the AGAAI ordinary meeting on December 13, 2013. The fee will ensure that AGAAI can cover basic operating costs and offer in-kind resources as a counterpart contribution for projects financed by the international donor community.

GOAL 13: ANAM PROVIDES IMPROVED SERVICES TO ITS MEMBERS (LLR 2.2.3)

ANAM Provides Training and Sustaining Advisory Services

This quarter ANAM continued to provide technical services to municipal governments. Some of the highlights are summarized below.

1. Legal advice to 50 municipal governments named in a suit filed by the Office of the Human Rights Ombudsman regarding the fees they were charging for public lighting.

2. ANAM joined forces with the Ministry of Health and the GCG to provide advice to local governments in the provinces of Guatemala, Sacatepéquez, Chimaltenango, Santa Rosa, Jutiapa, Escuintla, Sololá and Totonicapán regarding regulations that pertain to water chlorination and environmental audits.
3. Assistance to interpret and apply the new manual on budget classifications, as described earlier in this report regarding the technical working group.
4. Assistance to interpret Decree 13-2013 containing modifications to the charter legislation on the national budget as applicable to municipal governments in regard to transparency and budgetary controls.
5. The Project coordinated efforts through WHIP and SESAN to provide assistance to local government authorities and officials in the 30 USAID-targeted municipalities regarding the opportunities for increased coordination to reduce chronic malnutrition and poverty in those regions.
6. ANAM coordinated efforts with LGP technical staff to visit each of the eight municipalities targeted in Quiché to engage leadership and learn of their concerns and requests for assistance.

USAID provided assistance so that ANAM could have some initial contact with the Presidential Agency for International Cooperation in Colombia with which they expect to begin an experience exchange that will allow Guatemalan mayors to learn about progress in Colombia on local governance, strategic development planning, violence prevention and improved income collection.

**GOAL 14: USAID PARTICIPATORY PLANNING AND INVESTMENT
METHODOLOGY FULLY IMPLEMENTED IN ALL SELECTED
MUNICIPALITIES/MANCOMUNIDADES THROUGH THE STRENGTHENING OF
THE DEVELOPMENT COUNCILS (LLR. 2.3.1)**

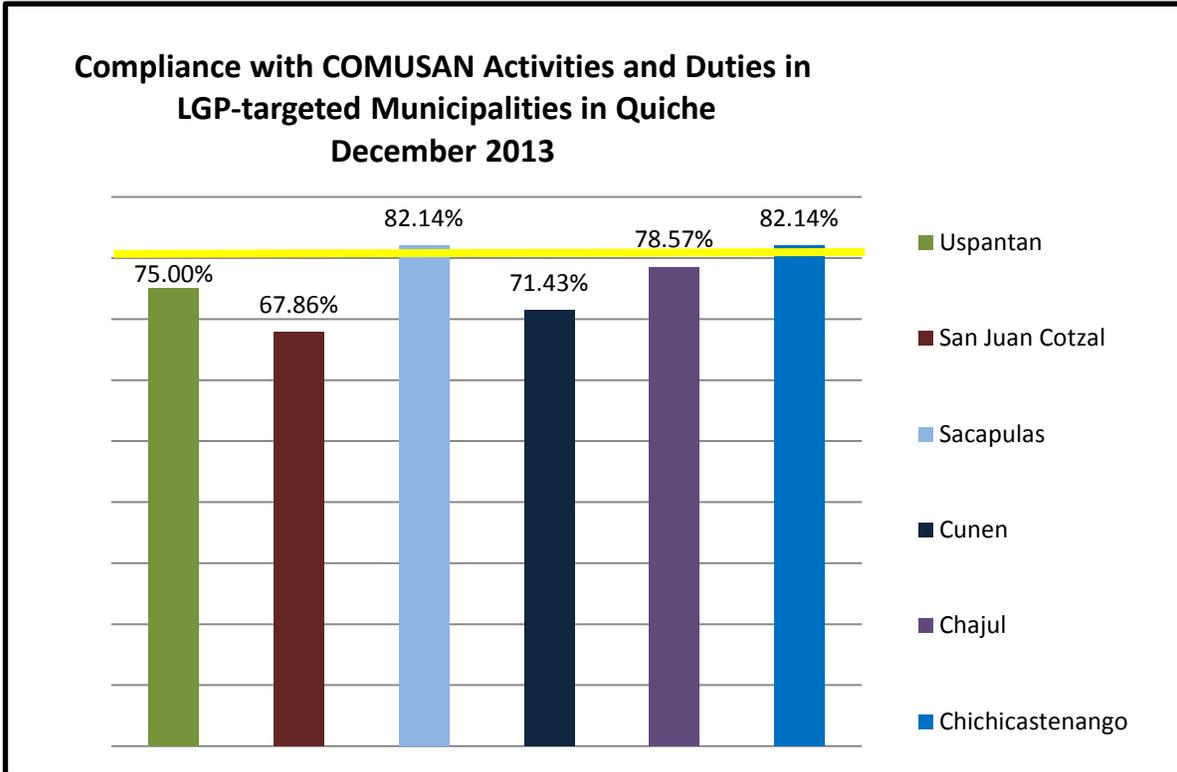
Strengthen the Municipal Councils, COMUDE and Municipal Commissions to Promote Participatory Investment and Planning at the Municipal Level

The Project conducted a quick diagnostic assessment on citizen participation in regard to the Development Council System and COMUSAN operations in the target municipalities. The findings are listed below.

1. Only three of the six target municipalities have operational COMUDEs.
2. There is significant confusion around the duties and responsibilities of some actors versus others.
3. Citizen participation within the framework legislation for the development councils is more acceptable to officials than to municipal authorities.
4. Community representatives (COCODEs) confuse their role as participants with the decision-making role of the Town Council.

In regard to COMUSAN, the findings confirmed that they are in place in each of the target municipalities. That said, their role and operations fall below the regional average and will require strengthening.

Graph 3. Compliance with COMUSAN Activities and Duties



2.0 SPECIAL ACTIVITIES

NO SPECIAL ACTIVITIES TO REPORT

3.0 CROSS-CUTTING THEMES: GENDER, INDIGENOUS PEOPLES, AND LOCAL ECONOMIC DEVELOPMENT

3.1. GENDER AND INDIGENOUS PEOPLES

Although most of the LGP activities in the Western region focus on indigenous people and all four strategic pillars incorporate the participation of women, the following section highlights the most relevant activities this period.

- The first meeting among municipal and sectorial authorities with USAID project representatives to address the reduction of chronic malnutrition and poverty within the framework plan for the Zero Hunger Pact included the participation of representatives from the Municipal Offices for Women (*Oficina Municipal de la Mujer* -OMMs in Spanish) in 22 municipalities. During the meetings, participants proposed that the OMMs work with organized women groups to take the lead on these issues.
- The Project provided technical and financial assistance to the Guatemalan Association of Indigenous Mayors and Authorities (*Asociación Guatemalteca de Alcaldes y Autoridades Indígenas* –AGAAI in Spanish) for its 2013 General Assembly.

3.2. LOCAL ECONOMIC DEVELOPMENT

Local economic development activities are described under Goals 2, 3 and 10.

4.0 MONITORING & EVALUATION PLAN

4.1 QUARTERLY M&E REPORT

As part of our permanent commitment to sharpen the project’s focus on the achievement of results, the LGP project proposes the incorporation of the following table into the Monitoring and Evaluation Section, to be reported out in each of the project’s Quarterly Reports. The table will provide a quick overview for both USAID and the project as to progress in the achievement of targets. During this first quarter reporting period, progress in the achievement of annual results is relatively limited, as might be expected, due to the project’s dedication to revising and finalizing the FY 2014 Annual Work Plan (15 November); the logistical and political challenge of presenting and negotiating operating agreements with each of the target municipal governments (30 November); and the traditionally extended Christmas holiday of our counterparts, which began on 15 December. The advances of this first quarter, however, have laid the basis for the steady achievement of results throughout FY 14, as will be evidenced in subsequent reporting periods.

This version of the table has been revised to incorporate USAID’s approval of the PMP in early February, 2014.

LGP Indicators as per M&E Plan Approved on February 11th, 2014

No.	Indicators*	Reporting Frequency	Target FY 14	Q1 Oct. – Dec. 2013	Q2 Jan. – March, 2014	Q3 Apr. – Jun 2014	Q4 July – Sept. 2014	FY Total	Comment Status (as of Month/Year)
1	Percentage increase in municipal own source revenues during the first six months of Guatemalan Fiscal Year 2014 (Disaggregated by municipality)	Annually	5%	N/A					Issues: LGP will work on convincing the Municipal Councils to implement collection policies, update rate plans for services and their implementation. Because it is a pre-election year, it is most likely that Municipal Councils will be reluctant to increase rates. Next steps: We will recommend the implementation of collection policies prepared by LGP, the approval of regulations, and their implementation.
2	Number of individuals who received USG assisted training, including management skills and fiscal management to strengthen	Quarterly	2,235 (894w/1 341m)	155 (33W/1 22M)					Issues: Just a few training courses were developed this quarter due in part to the date when the Work Plan and budget were approved. Some trainings are dependent on approval of the budget realignment. Next steps: LGP will continue giving training courses on key Project activities. The Project will publish a guide on how to improve own source revenues and will conduct national workshops in April and May.

No.	Indicators*	Reporting Frequency	Target FY 14	Q1 Oct. – Dec. 2013	Q2 Jan. – March, 2014	Q3 Apr. – Jun 2014	Q4 July – Sept. 2014	FY Total	Comment Status (as of Month/Year)
									It will also continue facilitating the exchange of experiences.
3	Number of regulations for municipal public services strengthened	Quarterly	20	5					Issues: Five regulations were approved in the first quarter. Develop the political will of the municipal councils to discuss and approve the regulations and rate plans. Next steps: We will continue taking Municipal Councils' requests on submitting proposals of regulations and rate plans.
4	Number of municipalities that review their taxpayer rolls and municipal service user registries to identify inconsistencies and update them.	Quarterly	3	0					Issues: During this quarter, the tax payer rolls and user registries were collected and the Project began to review them. The activities of the end of fiscal year 2013 are time-consuming to the municipal employees who make audits and updates. Next steps: To promote the analysis of the tax payer rolls and user registries to identify discrepancies and recommend clarifications.
5	Percentage of progress updating registries of IUSI payers, municipal taxpayers and water service users.	Quarterly	50%	0					Issues: During this quarter the tax payer rolls and user registries were collected and the Project began its review to determine the baseline. The extensive tax payer rolls and user registries delay analysis of records. Municipal employees are required to perform field verifications, but the staff assigned to the task have weak technical skills. Next steps: Continue the process of clarifying and updating records.
6	Number of municipalities with budgets and expenditure reports publicly available within 3 months of completion of Guatemalan FY 2013. (Disaggregated by municipality, expenditure and income reports).	Annually	20	N/A					Issues: The obligation should be met by March 2014. Political will of the 20 municipalities to meet the legal obligation. Next steps: Provide advice to the 20 municipalities to promote compliance with legal obligation.
7	Number of Geographic Information Systems (GIS) with IGN (Instituto Geográfico Nacional) overlays designed and implemented in selected municipalities. (Disaggregated by municipality)	Quarterly	5	0					Issues: Five pieces of equipment were purchased for the implementation of GIS offices in five municipalities. Next steps: Continue the design and implementation of service layers and training those responsible.
8	Number of strategic plans, development agendas, and operative annual plans strengthened through participatory means (Disaggregated by municipality)	Quarterly	15	0					Issues: LGP supported the preparation of the Plans and Budgets of the 20 municipalities served, which were approved in final form in January 2014. Due to lack of approval of the 2014 national budget, there were cuts in CODEDE funds that finance projects approved in a participatory manner through the Councils system. Next steps: Advise the Municipal Council and COMUDE in compliance with the plans and budgets approved in a participatory manner.
9	Amount of leveraged funding as a result of public and private alliances established with LGP assistance	Quarterly	\$20,000	0					Issues: Alliances and coordination in the quarter were resumed. Gaps in partners programming the implementation funds. Legal representation and decision making are centralized.

No.	Indicators*	Reporting Frequency	Target FY 14	Q1 Oct. – Dec. 2013	Q2 Jan. – March, 2014	Q3 Apr. – Jun 2014	Q4 July – Sept. 2014	FY Total	Comment Status (as of Month/Year)
									Next steps: Updating existing agreements and signing of new partnerships.
10	Number of public-private partnerships formed as a result of LGP assistance	Quarterly	8	0					Issues: Alliances and coordination in the quarter were resumed. The short term for implementing. The short timeframe for implementing the extension period of the project. Next steps: Follow up on established alliances. Identify new alliances in key subjects that LGP works on.
11	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training. (Disaggregated by municipality, gender and type of individuals). Objective 3.1/170 . Objective 4.1/80. Objective 14.1/70	Quarterly	320 (128w/192m)	0					Issues: No training was performed this quarter due to the delay in approval of the work plan and budget. Next steps: I) Exchanges of experiences for the sustainable management of water and sanitation, coordinating with ANAM, MOH, the OMAS and DEAGUAS; II) The course on Municipal Management in coordination with the ANAM and INAP; III) Training on municipal competencies related to the National Drinking Water Policy.
12	Number of urban and rural water supply systems supported to improve their sustainability. (Disaggregated by municipality)	Quarterly	25	23					Issues: 23 CAS (2 RAS) were supported in the evaluation of the operation and sustainability of water systems. Community opposition to chlorination. Weakness of the Municipality to provide water services and sanitation in rural areas. MOH institutional weakness to assist and sensitize rural water service providers. Next steps: Technical assistance and training in compliance with the rules on water chlorination and operation of water supply systems.
13	Number of local mechanisms supported with USG assistance for citizens to engage their sub-national government (Disaggregated by local number of mechanisms). Objective 4.1/4 local. Objective 5.1/18. Objective 14.1/12.	Quarterly	34	0					Issues: It was established that in the municipalities served in Quiché 3 COMUDE, 8 COMUSAN and 0 officer networks are operational; in San Marcos and Quetzaltenango 11 COMUDE, 12 COMUSAN, and 4 officer networks are operational. Next steps: Re-activating or reorganizing of COMUDE and COMUSAN, and departmental officers networks. Development of internal regulations for its operation.
14	Number of municipalities with <i>Sitios Centinela</i> installed and/or operating	Quarterly	16	2					Issues: It was determined there were two <i>Sitios Centinela</i> installed. Institutional weakness of SESAN to coordinate the implementation of <i>Sitios Centinela</i> , especially with Municipalities. In the communities, <i>Sitios Centinela</i> work ad-honorem. Next steps: Provide training and deliver materials produced by LGP to <i>Sitios Centinela</i> to improve their operation.
15	Percentage of target groups families that have improved hygiene and nutrition practices as a result of LGP assistance	Annually	15%	0					Issues: Contacts were reestablished to begin trainings. The ballot shall be revised to collect basic information. Availability of staff time that will be responsible to collect information (MAGA home educators and PROLOSAN promoters). Next steps: In the target group associated with the Dairy Corridor, collect baseline information in coordination with MAGA and the

No.	Indicators*	Reporting Frequency	Target FY 14	Q1 Oct. – Dec. 2013	Q2 Jan. – March, 2014	Q3 Apr. – Jun 2014	Q4 July – Sept. 2014	FY Total	Comment Status (as of Month/Year)
									PROLOSANs.
16	Number of people trained in child health and nutrition through USG-supported programs. (Disaggregated by municipality, municipal office, and gender).	Quarterly	250 (100w/150m)	0					Issues: The training plan of Dairy Corridor activities was developed and approved in coordination with PARMA (Dairy Products) and MAGA. High personnel rotation at MAGA. Possible reluctance by dairy producers to changes in production and consuming practices. Next steps: Implement the training plan approved, including new actors. Start the training course “Local Promoters in Food and Nutritional Security” (PROLOSAN in Spanish).
17	Number of municipalities that meet their requirements governing municipal debt	Quarterly	8	0					Issues: None of the municipalities supported have debt. Failure to approve the 2014 National Budget may cause assisted municipalities need to incur debt. Next steps: Continue with counseling to meet the compliance of municipal debt regulations.
18	Number of reform initiatives supported by municipal associations (ANAM, AGAAL, Instancia Municipalista or any other association) that incorporate demands to strengthen local government and decentralization.	Quarterly	5	1					Issues: The Project supported ANAM in reviewing the proposal for municipal tax reform related to public lighting. The legislative agenda in Congress was blocked. Next steps: Continue supporting ANAM in the analysis of laws affecting municipalities.
19	Number of public and/or private institutions that support ANAM in providing services or training to the municipalities	Quarterly	3	2					Issues: ANAM got MOH’s technical and financial support to carry out regional roundtables, and from INAB to carry out the “National Forestry Workshop”. Next steps: Support ANAM in their sustainability through fundraising to provide relevant services to municipalities.
20	Number of ANAM’s publications supported by LGP	Quarterly	2	0					Issues: The “Guide to Improve Own Revenues” will be published in April. The second publishing will depend on the topics that municipalities request ANAM. Next steps: Publish the “Guide to Improve Own Revenues” in April. Publish other documents requested by ANAM.

* As per LGP M&E Plan, amendment No.4, approved by USAID Mission on February 11, 2014. (Work plan approved on November 15, 2013.)

The Project submitted Amendment 4 to the LGP M&E Plan on October 30 to the USAID Mission, which has undergone several revisions to more tightly focus on the achievement of results. That plan is expected to be finalized by February 2014. As proposed, Amendment 4 stipulates that 17 indicators will be reported on a quarterly basis (2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19 and 20) and the remaining 3 indicators are to be reported annually (1, 6, and 15). Given that the Annual Work Plan that covers the extension period was approved on November 15, the following section describes Project performance for the quarterly indicators for which LGP implemented activities this period.

Indicator 2. USG FACT: Number of individuals who received USG-assisted training, including management skills and fiscal management to strengthen local government and/or decentralization.

As stated in Amendment 4 to the LGP M&E Plan, the target for Year 5 is to train 2,235 individuals in management skills and fiscal management to strengthen local governments and decentralization. Over the reporting period, the Project trained a total of 155 individuals (21% of which were women).

The training activities this quarter covered municipal budget preparation for the 2014 fiscal year, as summarized in the following table.

Table 9. Training Activities for the October-December 2013 Quarter. Indicator 2

Item	Training Title	Target Group	Dates/Location	Women	Men	Total Participants
1	Developing the Municipal Budget for FY 2014	municipal officials	November 25-26, 2013 in Nebaj, Quiché	3	24	27
2	Developing the Municipal Budget for FY 2014		November 26-27, 2013 in Quetzaltenango	12	20	32
3	Developing the Municipal Budget for FY 2014		November 28-29, 2013 in Quiché	4	26	30
4	Developing the Municipal Budget for FY 2014		December 3-5, 2013 in San Rafael Pie de la Cuesta	14	52	66
TOTALS				33	122	155

Source: LGP files

The Project evaluated each of the training workshops using pre- and post-training surveys to capture data on female participation, effectiveness, relevance and user satisfaction. The following table summarizes the results.

Table 10. Impact Evaluation of Training to Strengthen and/or Decentralize Local Governments. October - December 2013

Workshop	Total Participants (average)	Average Number of Women	% of Women	% of General Knowledge on the Subject		% of Applicability		Participant Satisfaction	TOTAL INDIVIDUALS	
				Pre-	Post-	Pre-	Post-		Pre-	Post-
WORKSHOPS EVALUATED USING PRE- AND POST-TRAINING SURVEYS										
FY2014 Municipal Budget Preparation, Nebaj, Quiché, November 25-26, 2013	26	4,0	15%	27%	96%	81%	92%	100%	26	26
FY2014 Municipal Budget Preparation, Quetzaltenango, November 26-27, 2013	32	14,0	44%	6%	84%	97%	84%	100%	32	32
FY2014 Municipal Budget Preparation, Quiché, November 28 and 29, 2013	28	4,0	14%	4%	89%	86%	82%	100%	28	28
FY2014 Municipal Budget Preparation, San Marcos, December 3-5, 2013	60	14,0	23%	33%	93%	95%	95%	97%	61	59
TOTAL	146	36	25%	21%	90%	91%	90%	99%	147	145

Source: LGP files

Out of an average of 146 participants that completed the pre- and post-training surveys, 25% were female participants as illustrated in the graph below.

The lowered perception of “applicability” is, we believe, due to participants anticipating the project would train on new procedures related to the elaboration of budgets. Nevertheless, as such procedures only come into force as of 2015, such trainings would only be relevant in future year trainings.

5.0 SPECIAL REPORTING

A. LOCAL GOVERNANCE PROJECT

5.1. SMALL GRANTS PROGRAM

There are no small grants program activities to report this quarter.

5.2. FINANCIAL REPORT

5.3 RAPID RESPONSE FUND (RRF)

There are no rapid response activities to report this quarter.

5.4 PROJECT MANAGEMENT

On October 22, 2013, USAID approved the contract to hire Rosmery Emileny Molina Solares as an administrative assistant. She reported for work on November 4, 2013.

On November 26, 2013, USAID also approved the contract to hire Dina Maritza Aguilar Calvillo as a secretary/receptionist. She reported for work on December 2, 2013.

5.5 KEY ISSUES

The total amount reported under Increasing Gender Equity in the Key Issues table includes the following amounts:

- Percentage of the activities that involve training for men and women, and
- Funds spent on activities specifically for women.

The total amount reported for Local Institutional Capacity Development is based on the following:

- Percentage of activities that involve training for men and women (COCODES-COMUDES), and
- Specific activities such as consultants, printed material, regional roundtables, events including municipal authorities and events with ANAM authorities.

5.6 BUDGET REALLOCATIONS

B. FEED THE FUTURE INITIATIVE

5.7. SMALL GRANTS PROGRAM

There are no small grants program activities to report this quarter.

5.8. FINANCIAL REPORT

5.9 RAPID RESPONSE FUND (RRF)

There are no rapid response activities to report this quarter.

5.10 PROJECT MANAGEMENT

There are no project management activities to report this quarter.

5.11 KEY ISSUES

The total amount reported under Increasing Gender Equity in the Key Issues table includes the following amounts:

- Percentage of the activities that involve training for men and women;
- Funds spent on activities specifically for women.

The total amount reported for Local Institutional Capacity Development is based on the following:

- Percentage of activities that involve training for men and women (COCODES-COMUDES).
- Specific activities such as consultants, printed material, regional roundtables, events including municipal authorities and events with ANAM authorities.

5.12 BUDGET REALLOCATIONS

6.0 ACTIVITY PLAN FOR NEXT QUARTER: JAN.-MARCH 2014

Goal	Date	Task	Responsible
<p>GOAL 1: MUNICIPALITIES WITH TRANSPARENT PROCUREMENT PROCESSES, PROCEDURES AND SYSTEMS IN PLACE AND OPERATING EFFECTIVELY. (LLR 2.1.1)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 1. Provide technical assistance to the Municipal Council to increase their own-source revenue. 2. Promote the updating of the SIAF user and taxpayer's registry in the municipalities served by the IUSI project. 3. Promote registration of new users of municipal services and taxpayers. 4. Provide technical assistance to prepare collection policies in those municipalities where such activity is viable. 5. Design and implement a Geographic Information System, in the municipalities served by the Project. 6. Provide technical assistance on how to use the GIS. 7. Provide technical and financial assistance to the Municipal Councils to strengthen internal administrative control. (Internal work guide, organization and operations manual, travel expense regulations, etc.) 8. Provide financial and technical assistance to DAFIM to prepare the 2013 municipal book closing for submission to different government agencies and portals. 9. Provide technical and financial assistance to DAFIM to fulfill their administration, collection, information, control, transparency and budgetary execution functions. 	<p>Juan Carlos Rojas and Héctor Solís</p>

<p>GOAL 2: LOCAL ECONOMIC DEVELOPMENT (LED) PLANS DESIGNED AND IMPLEMENTATION INITIATED (LLR 2.1.2)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 10. Strengthen OMM, DMP and Local Economic Development Unit (UDEL) municipal offices to improve their administrative capacities for sustainability of the dairy corridor. 11. Provide financial and technical assistance to municipalities for the design and revision of Territorial Economic Development Agendas (<i>Agendas de Desarrollo Economico Territorial - ADET</i>), promoting the inclusion of DEL/SAN in their work plans. 12. Provide technical and financial assistance to strengthen the OMM and the DMP for the follow up of Local Government Plans (<i>Planes de Gobierno Local -PGL</i>). 	<p>Sylvia Dávila and Michelle Paz</p>
<p>GOAL 3: POLICIES AND PRACTICES ADOPTED THAT IMPROVE THE ENABLING ENVIRONMENT FOR LOCAL BUSINESS (LLR 2.1.3)</p>		<ol style="list-style-type: none"> 1. Provide technical and financial assistance to strengthen key competitiveness factors including market intelligence and business services at a territorial level. 2. Provide financial and technical assistance to municipalities to strengthen public-private partnerships with local economic agents as the foundation to promote LED plans. 3. Provide technical and financial assistance to strengthen the technical capacities of local and regional production chains. 4. Provide technical and financial assistance to position the DEL/SAN approach and strengthen it through design systematizations and public-private partnership development. 	<p>Sylvia Dávila and Michelle Paz</p>
<p>GOAL 4: AT LEAST ONE CRITICAL BASIC SERVICE IMPROVED IN EACH SELECTED MUNICIPALITY/ MANCOMUNIDAD (LLR 2.1.4)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 1. Strengthen the Urban and Rural Water and Sanitation Networks (RAS) to consolidate the management of the installed water chlorination systems. 2. Train the municipal water agencies (OMAS, DEAGUAS) in appropriate water chlorination at an urban and rural level. 3. Assist the Municipal Councils, OMAS and DAEAGUAS in the development of policies, manuals and procedures to strengthen water governance. 4. Exchange experiences with the Municipal Councils and RAS in coordination with ANAM, regarding successful cases of municipal water and sanitation service management. 5. Assist Councils and municipal officials in revising, updating and approving public service regulations and in complying with their legal obligations 	<p>Mynor Morataya and Lisa Santos</p>

<p>GOAL 5: USAID PARTICIPATORY PLANNING AND INVESTMENT METHODOLOGY FULLY IMPLEMENTED IN ALL SELECTED MUNICIPALITIES/M ANCOMUNIDADES THROUGH THE STRENGTHENING OF THE DEVELOPMENT COUNCILS (L.L.R 2.3.1)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 1. Provide technical assistance to the Municipal Councils, COMUDEs and commissions to strengthen participatory investment and planning. 2. Hold socialization meetings with Municipal Councils and COMUDEs to submit plans, budgets, regulations, agendas or guides developed as a result of the Project's technical assistance or coordination with partners or allies. 3. Conduct experience exchange tours in coordination with ANAM, with the Municipal Councils and COMUDEs in order to promote participatory management, administration, prioritization and implementation of municipal resources. 4. Follow up implemented Sentinel Sites in coordination with SESAN and other local partners. 5. Provide financial and technical assistance to target groups regarding health and nutrition. 6. Provide financial and technical assistance to COMUSANs to promote SAN implementation, follow-up and evaluation at a municipal level. 7. Develop the Project's communication strategy 8. Strengthen municipal officials' networks (DMP, DAFIM and OMM) on planning systems, citizen participation, development councils and the municipalities' role in SAN. 	<p>René Pérez and Michelle Paz</p>
<p>GOAL 6: MUNICIPALITIES WITH TRANSPARENT PROCUREMENT PROCESSES, PROCEDURES, AND SYSTEMS IN PLACE AND OPERATING EFFECTIVELY (LLR 2.1.1)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 1. Conduct a diagnostic of municipal finance technical assistance needs in selected municipalities. 2. Provide technical and financial assistance to DAFIMs to complete the municipal 2013 financial accounting statements to be submitted to different government agencies and portals. 3. Provide technical and financial assistance to DAFIMs to perform their administration, fundraising, information, control, transparency and budget implementation operations. 	<p>Juan Carlos Rojas</p>
<p>7 GOAL: ALL SELECTED MUNICIPALITIES SUSTAINABLY INCREASE OWN-SOURCE REVENUES (LLR 2.1.2)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 1. Provide technical assistance to the Municipal Council to increase their own-source revenue. 2. Design and implement a Geographic Information System in the municipalities served by the Project. 3. Provide technical assistance on how to use the GIS. 4. Provide financial and technical assistance in partnership with ANAM to update, publish and promote the application of the municipal own-source revenue collection guide. 	<p>Juan Carlos Rojas, Héctor Solís and Lisa Santos</p>

		5. Provide technical and financial assistance to the Municipal Councils to strengthen internal administrative control. (Internal work guide, organization and operations manual, travel expense regulations, etc.)	
GOAL 8: MUNICIPALITIES PRACTICE RESPONSIBLE INDEBTEDNESS (LLR 2.1.3)	January - March	1. Municipal Councils trained to meet their legal requirements governing municipal debt.	Juan Carlos Rojas
GOAL 9: AT LEAST ONE CRITICAL BASIC SERVICE IMPROVED IN EACH SELECTED MUNICIPALITY/ MANCOMUNIDAD (LLR 2.1.4)	January - March	1. Perform a diagnostic of public services in the municipalities in order to select the service to be improved. 2. Provide technical assistance to the Councils and officials to improve priority public services, creating or strengthening municipal public service agencies (OSPM, DSPM, etc.). 3. Assist Municipal Councils and officials in revising, updating and approving public service regulations.	Mynor Morataya and Lisa Santos
GOAL 10: MUNICIPALITIES IMPROVE THE ENABLING ENVIRONMENT FOR LOCAL ECONOMIC DEVELOPMENT (LLR. 2.1.5)	January - March	1. Provide technical and financial assistance together with USAID implementing partners to promote DEL/SAN approach 2. Carry out a diagnosis to identify economic drivers in the region.	Sylvia Dávila and Michelle Paz
GOAL 11: MUNICIPAL ASSOCIATIONS EFFECTIVELY REPRESENT THEIR CONSTITUENCIES (LLR 2.2.1)	January - March	1. Strengthen the management and consultation bodies of municipal associations (Assemblies and Board of Directors) 2. Support the advocacy carried out by ANAM and AGAAI before Congress and the Executive Branch for compliance with their development agenda	Fernando Espina and Lisa Santos
GOAL 12: ANAM IS FINANCIALLY CAPABLE TO CARRY OUT ITS MISSION (LLR 2.2.2)	January - March	1. Improve ANAM's financial sustainability to provide training and advisory sustaining services.	Fernando Espina and Lisa Santos
GOAL 13: ANAM PROVIDES IMPROVED SERVICES TO ITS MEMBERS (LLR 2.2.3)	January - March	1. Support ANAM to provide sustainable services and training to municipalities.	Fernando Espina and Lisa Santos

<p>GOAL 14: USAID PARTICIPATORY PLANNING AND INVESTMENT METHODOLOGY FULLY IMPLEMENTED IN ALL SELECTED MUNICIPALITIES/MANCOMUNIDADES THROUGH THE STRENGTHENING OF THE DEVELOPMENT COUNCILS (LLR. 2.3.1)</p>	<p>January - March</p>	<ol style="list-style-type: none"> 1. Provide technical assistance to the Municipal Councils, COMUDES and commissions to strengthen participatory investment and planning. 2. Hold socialization meetings with Municipal Councils and COMUDE to submit plans, budgets, regulations, agendas, or guides developed as a result of the Project's technical assistance or coordination with partners or allies. 3. Implementation of the Sentinel Sites methodology with support from SESAN and other implementing partners. 4. Provide financial and technical assistance for the training and development of Local Food and Nutritional Security Promoters (PROLOSAN). 5. Provide financial and technical assistance to the COMUSANs to promote SAN implementation, monitoring and evaluation at a municipal level, in coordination with implementation partners and allies. 6. Create or strengthen municipal officials' network (DMP, DAFIM and OMM) guidelines on planning, citizen participation, development councils and the role of the municipality in SAN. 	<p>René Pérez and Michelle Paz</p>
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7.0 ANNEXES/OTHER REPORTS

In compliance with Contract No.EPP-I-00-04-00035-00 Section F.5 H “Other Reports,” the Project must submit the following Annexes and/or Other Reports for the reporting period from October through December, 2013.

Annex	Name	Prepared by
1	Cooperation Agreements signed between LGP and municipal governments in Quiché	Sylvia Dávila
2	Addenda to Cooperation Agreements signed between LGP and municipal governments in San Marcos and Quetzaltenango	Sylvia Dávila
3	Matrix on compliance with establishment, actions and duties of the COMUSANs in LGP-target municipalities in San Marcos, Quetzaltenango and Quiché	René Pérez
4	Ministerial Agreement postponing the date on which the Manual on Municipal Budget Classifications goes into effect	Fernando Espina