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NEXOS LOCALES PROJECT

QUARTERLY REPORT #02

October – December 2014

CONTRACT No. AID-520-C-14-00002

January 15, 2015

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NEXOS LOCALES PROJECT

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ACRONYMS

ADS	Automated Directive System
APS	Annual Program Statement
AIDAR	Agency for International Development Acquisition Regulations
BMP	Best Management Practice
CFR	Code of Federal Regulations
CO	Contracting Officer
CBO	Community-Based Organization
COR	Contracting Officer's Representative (COR)
COP	Chief of Party
DAI	Development Alternatives, Inc.
DCOP	Deputy Chief of Party
DEC	Development Experience Clearinghouse
E.O	Executive Order
EOI	Expressions of Interest
ETD	Environmental Threshold Decision
FAR	Federal Acquisition Regulations
FOG	Fixed Obligation Grant
FtF	Feed the Future
GEC	Grant Evaluation Committee
GOG	Government of Guatemala
GIS	Geographical Information System
GM	Grants and Subcontracts Manager
GUC	Grants under Contract
HCA	Head of the Contracting Activity
IEE	Initial Environmental Examination
INAP	Instituto Nacional de Administración Pública
IP	Implementing Partner
IR	Intermediate Result
LED	Local Economic Development
LGU	Local Government Unit
NGO	Non-Governmental Organization
MDG	Millennium Development Goal
OCI	Organizational Conflict of Interest
OFAC	Office of Foreign Assets Control
OMB	Office of Management and Budget
OSR	Own Source Revenue
PFM	Public Financial Management
PVO	Private Volunteer Organization
QR2	Quarterly Report Two
QR3	Quarterly Report Three
RFA	Request for Assistance
RFP	Request for Proposals

RRFP	Rapid Response Fund Plan
SEC	Securities and Exchange Commission
SGP	Small Grant Program
SO	Strategic Objective
SOW	Scope of Work
TAMIS	Technical and Administrative Management Information System
USAID	United States Agency for International Development
USD	United States Dollar
USG	United States Government

EXECUTIVE SUMMARY

USAID's Nexos Locales Project (Contract No. AID-520-C-14-00002), formerly known as the Local Governance Project, is a three year program with two option years that began in June 2014. Implemented by DAI, the project is based in Quezaltenango, Guatemala with a regional office located in Huehuetenango. USAID's Nexos Locales Project (hereinafter Nexos Locales) has as its primary goal to strengthen municipalities in the Western Highlands of the country so they foster more responsive, inclusive, and effective socio-economic development while reducing local vulnerabilities such as food insecurity and natural disasters. In order to achieve this goal and the objectives of both USAID and other development partners, local governments must be able to better manage public resources and deliver services in an efficient and transparent manner. Strong and inclusive municipal governments are crucial for local development and are key to the sustainability of interventions supported by the United States Government (USG) in Guatemala.

Pursuant to the terms of the contract, each quarterly report will present progress against the project's six results:

- **Result #01** – Sound public financial systems in place in order to promote transparency and permit participation by citizens in decision-making.
- **Result #02** – Strengthen civil society participation in social accountability processes.
- **Result #03** – Increased quality of potable water in thirty (30) Feed-the-Future (FtF) municipalities.
- **Result #04** – Local Development Plans established and implemented in order to improve food security and economic development.
- **Result #05** – Municipal Plans established to reduce climate change vulnerability and technical assistance provided for implementation of plans.
- **Result #06** – Capacity increased for the National Association of Municipalities (ANAM) and/or the Guatemalan Association of Indigenous Mayors and Authorities (AGAAI) to support municipal development and replicate successful models nationwide, including municipal crime prevention plans

This quarterly report presents key information covering the second quarter (QR2) period between October to December 2014. It outlines Nexos Locales' key achievements in each of its six results, delineates significant operations and project milestones, describes key challenges with project implementation, and provides an update on financial information per funding source.

QR2 is divided into the following sections:

- Section I – Summary of Key Achievements (project wide)
- Section II – Obstacles Faced in the Quarter
- Section III – Quarterly Progress Results
- Section IV – Rapid Response & Grants Reporting
- Section V – Cross Cutting Considerations
- Section VI – Training Events
- Section VII – Meetings Held
- Section VIII – Project Management

- Section IX – Financial Information
- Section X – Personnel
- Section XI – Success Stories

I. SUMMARY OF KEY ACHIEVEMENTS

Highlights for the quarter are listed below:

Technical Activities Performed

- Completed draft Pre-Diagnostic Report
- Established weekly technical reporting requirements with the COR
- Completed first round identification of potential subcontractors and independent consultants (through SOL-LGP-001) to form the partnership pool.
- Completed mapping of regional actors
- Developed portfolio of potential grants in anticipation of Grants Manual approval
- Completed inventory and analysis of models used by the previous LGP project. During the next quarter, the project will expand on this analysis to identify key lessons-learned and follow-up action items that align with Nexos Locales objectives.

Quarterly Results

- Signed MOUs with 26 of the 30 municipalities in which Nexos Locales provides coverage to plan and agree on Nexos Locales technical assistance (see success story for more details).
- Signed institutional MOUs with AGAAI, ANAM, INAP and SEGEPLAN to plan and agree on Nexos Locales technical assistance (see success story for more details).
- Prepared and submitted Rapid Response Plan for USAID review and approval.
- Received USAID approval for the Start-up Workplan covering period June – September 2014.
- Received USAID approval for the Year I Workplan covering period October 2014- August 2015.
- Received USAID approval for Branding and Marking Plan.
- Successfully launched the USAID Nexos Locales Project with high visibility in Quetzaltenango.

Project Management

- Received USAID approval for the procurement of two new project vehicles (4x4)
- Received USAID Key Personnel approval for Deputy Chief of Party, Vince Broady
- Completed all-staff “Boot Camp” training on USAID and DAI systems, policies and regulations
- Received IT equipment and installation of server in Quetzaltenango Office
- Received official DAI registration in Guatemala
- Fielded six STTA for various technical and operational scopes of work

II. OBSTACLES FACED

In the previous quarter Nexos Locales informed USAID of a series of personnel and operations challenges, most notably the resignation of the DCOP, the withdrawal of the proposed Finance and Administration Manager (FAM) candidate, and legal constraints placed on DAI's ability to enter into goods and/or services contracts due to the lack of official registration in Guatemala. DAI is happy to report that these three obstacles have been overcome with the selection and approval of Mr. Vince Broady as the long-term (LTTA) DCOP replacement, the selection and approval of a highly competent and experienced CCN FAM candidate, and, as of December 9, 2014, DAI's official registration in Guatemala.

Although Nexos Locales overcame these obstacles during QR2, a number of other personnel and recruitment challenges continue, namely:

- Cluster Manager(s): After careful evaluation of staffing requirements and existing technical needs, the project terminated the staff occupying the Cluster Manager positions for San Marcos and Quetzaltenango. Due to the highly specialized technical nature of Nexos Locales' six result areas, specifically in the areas of local economic development, climate change, water, and public financial management, the project in coordination with USAID, is pursuing a restructured organigram that better meets the programmatic needs of the project. COP Balsells will pursue an aggressive recruitment strategy during the third quarter (QR3) to fill the newly proposed positions. A proposed new organigram is attached in section X.
- Monitoring & Evaluation Specialist: As similarly described above, the project terminated the full-time M&E Specialist in QR2 in order to better meet the needs of the project. Project leadership is currently reviewing up to three (3) qualified candidates with significant USAID M&E experience to immediately fill this position.
- Domestic Travel: Due to the travel demands placed on Nexos Locales' "anchor leadership" role for USAID's Western Highlands Integrated Program (WHIP), the Chief of Party and other key members of the technical and/or communication team require frequent participation in the capital for meetings, conferences, and/or technical discussions. These round trip travel times can sometimes take up to 8 hours. As such, Nexos Locales is exploring the possibility with USAID to open a satellite office in Guatemala City where project staff has the option of programming work schedules between offices in order to increase labor efficiencies while reducing cost. The office will also enable a physical presence for Nexos Locales staff as and whenever work is required to be carried out in the capital.

III. QUARTERLY PROGRESS RESULTS

RESULT 1: SOUND PUBLIC FINANCIAL SYSTEMS IN PLACE IN ORDER TO PROMOTE TRANSPARENCY AND PERMIT PARTICIPATION BY CITIZENS IN DECISION MAKING

Background: NEXOS LOCALES will provide technical assistance, training, and equipment to strengthen municipal governments' public financial management (PFM) and procurement systems, which will encompass the systems and mechanisms through which municipalities mobilize revenues (e.g., taxes, fees, royalties, etc.) and subsequently plan, budget, execute and monitor the expenditure of those revenues. NEXOS LOCALES will support the implementation of municipal code reforms, regulations, and policies that contribute to improving capacity and accountability.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 2nd QUARTER

Key accomplishments during the first quarter include:

- Development of SOW for Public Financial Management Diagnostics
- MOU Signing with SEGEPLAN – Nexos Locales and SEGEPLAN entered into a duly signed Memorandum of Understanding to establish parameters of cooperation and technical assistance
- MOU Signing with INAP – Nexos Locales and INAP entered into a duly signed Memorandum of Understanding to establish parameters of cooperation and technical assistance
- MOU Signings with 26 out of the 30 Municipalities of the Nexos Locales Contract

ACTIVITIES/ WORK PROGRESS

Below are brief descriptions of specific activities implemented during the second quarter for Result 1.

Activity 1.1 Assess capacity of target municipalities, particularly in the areas of revenue generation, purchasing and procurement, administration and planning, and compliance with the Public Access to Information Law.

PFM Scope of Work - As part of its two pronged approach methodology, Nexos Locales has developed a draft scope of work for the public financial management diagnostic, which will be competitively bid to prequalified subcontractors (see Section V – partnership pool). The scope of work will be used as part of the Request for Proposal whereby subcontractors will be evaluated based on a trade-off process. These criteria will enable DAI to select not just the best priced bidder but as well as the highest ranked technical proposal to ensure project standards and quality are upheld to the highest degree possible. Nexos Locales expects to release the RFP in April 2015 (QR3) with an award selection and subcontract signed in May 2015. The diagnostic is part of the project's two pronged approach, which will serve as the driving document for identifying technical assistance, and formulating unique local economic development plans for each the thirty municipalities.

Pre-Diagnostic Report - The Regional Engagement Teams, under the technical leadership of the Chief of Party, completed a draft pre-diagnostic report covering all thirty municipalities of the Nexos Locales contract. The objective of the report is to identify service provisions of each municipality, their current operating conditions, public administration capacity, representation and participation of civil society, and to highlight specific areas of opportunity that fall within the scope of the Nexos Locales project. Result#01 will assess the capacity of each of the municipalities, deliver technical assistance, strengthen the role of COMUDES to engage citizens in government decision making, build the capacity of the mancomunidades to develop and implement regional strategies; the latter being an important activity geared towards the 2015 elections.

A first assessment has been concluded in QR2 per cluster, delineating the particularities of each municipality as it relates to Result #01. This assessment is a very important point of entry for future municipal diagnostics. Two significant variables related to municipal finance in the Western Highlands has been highlighted to capture the percentage between constitutional transfer of public funds and own source revenue (OSR) generation, and their different municipal revenue streams, such as the estate tax.

According to the official data, the majority of municipalities covered by the Nexos Locales project depend heavily on constitutional funds transfers over own source revenue generation. Key points to take away from the findings include:

- **RCI Huehuetenango:** in 2014 Huehuetenango's ten municipalities generated on average only 18% of own source revenues. Alternatively, constitutional funds transfers represented 9.49 times that amount.
- **RCI SUB – Quiché:** during 2014, the eight municipalities of Quiché, covered by the project, generate 25% own-source-revenue, meanwhile the rest comes from constitutional funds transfer. Additionally, the dependency from the constitutional transfer can be illustrated, by saying that this mechanism means 5.6 times the amount generated from their own resources.
- **RC2 San Marcos,** on the other hand, in 2014, San Marcos as a region generated on average a total of 38.43% of its own resource revenue streams, which means it depends approximately 62% on constitutional funds transfer. It is important to note that this figure can be biased by an atypical amount of own source revenue generation in San Miguel Ixtahuacán of that same year.
- **RC3 Quetzaltenango, Totonicapán & Southern Quiché:** The municipalities of Quetzaltenango are less sensitive to constitutional funds transfer. For example, in 2014, San Juan Ostuncalco generated 62.07% of its own resources, while constitutional funds transfers only represented 1.61 times their total revenue. This is best explained by the urbanization process occurring within the metropolitan area of Quetzaltenango, which has benefitted San Juan Ostuncalco.
- On the other hand, in the case of Totonicapán, both municipalities within the Nexos Locales coverage generated on average 9% of their own resource. This means that constitutional transfer of funds represent 15.15 times that amount. This figure represents the highest percentage variance amongst the 30 municipalities, as evidenced in the tables above.

In general, it is possible to conclude that most of the municipalities depend heavily on constitutional funds transfer. The dependency variance on constitutional funds transfers and OSR generation mainly has to do with three variables: 1) urbanization processes, 2) the advance in terms of the State Tax (IUSI in Spanish), and 3) other considerations unique to each municipality.

TABLE 1.1 RELATION BETWEEN POPULATION SIZE, GEOGRAPHICAL TERRITORY, CONSTITUTIONAL SUPPORT, SUPPORT PER CAPITA AND GDP

	Population (in thousands of persons)	Aporte constitucional-en Q- corrientes	Aporte per cápita en Q. corrientes	Extensión territorial km2	IDH
Santo Tomás Chichicastenango	156,860	12,700,071.33	80.96	400	0.485
Santa Cruz Barillas	154,518	13,797,573.47	89.29	1,112	0.562
Momostenango	137,037	12,741,580.40	92.98	305	0.485
Chiantla	98,889	10,523,393.30	106.42	518	0.572
Santa María Nebaj	91,905	9,998,284.85	108.79	608	0.439
Uspantan	72,123	10,260,013.01	142.26	865	0.504
Cuilco	61,347	8,152,489.14	132.89	453	0.562
Tajumulco	60,014	7,827,884.07	130.43	450	0.541
Chajul	57,787	6,877,025.00	119.01	598	0.393
San Pablo	56,403	7,118,601.56	126.21	124	0.584
San Juan Ostuncalco	54,805	7,549,538.08	137.75	109	0.568
Zacualpa	52,191	6,772,107.83	129.76	336	0.494
Sacapulas	49,516	8,126,448.69	164.12	213	0.542
Jacaltenango	46,303	6,467,568.40	139.68	206	0.641
La Democracia	45,835	6,817,255.82	148.73	136	0.605
La Libertad	39,876	5,891,484.02	147.75	217	0.574

Nuevo Progreso	39,075	5,657,128.05	144.78	140	0.596
Cunen	38,539	6,185,187.16	160.49	226	0.512
San Miguel Ixtahuacan	37,992	7,466,022.56	196.52	184	0.398
Todos Santos Cuchumatanes	36,796	6,411,404.10	174.24	300	0.342
San Sebastian Huehuetenango	30,639	5,108,535.92	166.73	108	0.508
San Juan Cotzal	29,457	5,967,617.70	202.59	182	0.427
Santa Lucia La Reforma	24,191	4,869,603.80	201.29	136	0.427
Concepción Huista	19,280	4,548,161.06	235.90	104	0.541
San Antonio Huista	19,143	4,523,900.66	236.32	65	0.631
Concepción Chiquirichapa	18,654	5,733,296.72	307.36	48	0.519
San José El Rodeo	17,579	4,595,455.51	261.42	81	0.600
Sibinal	16,883	5,135,985.16	304.21	176	0.512
San Rafael Pie de la Cuesta	16,238	5,179,016.93	318.94	60	0.630
San Lorenzo	12,421	4,754,291.20	382.76	25	0.561

Source: INE, 2002; SEGEPLAN 2014, IDH 2012.

TABLE 1.2 RELATION BETWEEN CONSTITUTIONAL FUNDS TRANSFERS AND MUNICIPAL OWN SOURCE REVENUE GENERATION PER MUNICIPALITY (YEARS: 2012 – 2014) - AMOUNTS SHOWN REPRESENT GUATEMALAN QUETZALES

Departamentos/ Municipios	Aporte Constitucional (a)	Ingresos Propios (b)	Aporte Constitucional (a)	Ingresos Propios (b)	Aporte Constitucional (a)	Ingresos Propios (b)
	2012		2013		2014	
Huehuetenango						
Chiantla	9,470,088.48	4,179,482.03	10,304,556.55	5,648,750.00	10,523,393.30	5,645,335.00
Jacaltenango	5,708,468.66	1,806,743.48	6,168,478.69	997,566.00	6,467,568.40	1,108,080.50
San Sebastián Huehuetenango	4,947,055.28	188,255.62	5,248,464.37	170,000.00	5,108,535.92	179,200.00
Todos Santos Cuchumatán	6,290,402.16	884,666.74	6,591,804.88	873,500.00	6,411,404.10	896,500.00
Santa Cruz Barillas	12,623,439.86	1,893,184.40	13,726,725.89	2,055,501.42	13,797,573.47	2,895,497.53
Cuilco	7,784,406.33	391,726.42	8,472,573.39	629,755.00	8,152,489.14	665,364.00
Concepción Huista	4,346,621.09	418,645.66	4,713,677.08	370,000.00	4,548,161.06	370,000.00
San Antonio Huista	4,447,945.99	471,218.40	4,904,950.13	1,026,700.00	4,523,900.66	1,007,200.00
La Libertad	5,534,371.87	383,069.54	5,925,685.64	386,140.73	5,891,484.02	423,106.54
La Democracia	6,605,194.10	2,415,926.98	7,189,145.66	2,077,000.00	6,817,255.82	1,769,600.00
Promedio	6,775,799.38	1,303,291.93	7,324,606.23	1,423,491.32	7,224,176.59	1,495,988.36
San Marcos						
Tajumulco	7,629,400.75	520,614.88	8,476,026.43	480,000.00	7,827,884.07	409,915.00

San Pablo	6,488,986.71	1,194,032.87	7,005,510.42	560,630.00	7,118,601.56	636,761.00
Nuevo Progreso	5,235,218.08	617,817.07	5,568,264.87	641,763.00	5,657,128.05	593,230.71
San Miguel Ixtahuacan	15,765,828.85	2,456,014.05	24,897,175.95	18,046,105.00	7,466,022.56	16,583,059.58
San José el Rodeo	4,208,545.15	570,128.24	4,836,187.39	545,575.00	4,595,455.51	599,000.00
Sibinal	5,018,413.24	1,065,398.63	5,420,703.80	572,205.00	5,135,985.16	573,205.00
San Rafael Pie de la Cuesta	4,726,553.50	1,169,570.09	5,081,503.80	1,156,180.00	5,179,016.93	1,218,675.00
San Lorenzo	5,786,553.45	802,359.73	4,763,069.00	526,830.00	4,754,291.20	615,519.00
Promedios	6,857,437.47	1,049,491.95	8,256,055.21	2,816,161.00	5,966,798.13	2,653,670.66
Quiché						
Nebaj	9,598,125.89	1,683,487.47	9,998,248.04	1,642,345.00	9,998,284.85	1,765,480.00
Uspantan	10,418,018.22	3,643,976.48	9,699,570.70	5,589,000.00	10,260,013.01	5,852,900.00
Chajul	6,287,444.48	1,328,692.25	6,937,057.45	907,556.96	6,877,025.00	941,569.38
Sacapulas	7,525,527.30	1,837,475.52	8,017,418.42	1,248,520.00	8,126,448.69	1,385,370.00
Cunen	5,548,266.46	952,477.81	5,912,465.15	700,925.00	6,185,187.16	917,645.00
San Juan Cotzal	6,410,320.80	1,503,313.07	6,449,273.81	650,000.00	5,967,617.70	2,702,875.00
Zacualpa	6,163,506.29	725,658.27	6,617,729.62	1,043,247.47	6,772,107.83	569,200.00
Santo Tomás Chichicastenango	11,748,888.98	4,485,622.35	12,760,303.08	3,714,066.65	12,700,071.33	3,809,637.00
Promedios	7,962,512.30	2,020,087.90	8,299,008.28	1,936,957.64	8,360,844.45	2,243,084.55
Totonicapán						

Momostenango	11,675,805.41	1,735,574.19	12,679,323.17	2,520,262.74	12,741,580.40	1,738,600.00
Santa Lucia La Reforma	4,487,293.01	282,964.25	4,780,922.37	279,664.50	4,869,603.80	212,000.00
Promedios	8,081,549.21	1,009,269.22	8,730,122.77	1,399,963.62	8,805,592.10	975,300.00
Quetzaltenango						
San Juan Ostuncalco	7,209,849.11	4,282,735.19	7,658,928.40	5,411,861.28	7,549,538.08	4,686,000.00
Concepción Chiquirichapa	5,241,148.30	1,632,425.56	5,771,044.11	1,709,135.42	5,733,296.72	1,474,035.00
Promedios	6,225,498.71	2,957,580.38	6,714,986.26	3,560,498.35	6,641,417.40	3,080,017.50

TABLE 1.3 RELATION BETWEEN CONSTITUTIONAL FUNDS TRANSFERS AND OWN SOURCE REVENUES PER MUNICIPALITY (2012 – 2014) - AMOUNTS SHOWN ARE IN GUATEMALAN QUETZALES

Departamentos/Municipios	2012		2013		2014	
	% (b/a)	No. de veces (a/b)	% (b/a)	No. de veces (a/b)	% (b/a)	No. de veces (a/b)
Huehuetenango						
Chiantla	44%	2.27	55%	1.82	54%	1.86
Jacaltenango	32%	3.16	16%	6.18	17%	5.84
San Sebastián Huehuetenango	4%	26.28	3%	30.87	4%	28.51
Todos Santos Cuchumatán	14%	7.11	13%	7.55	14%	7.15
Santa Cruz Barillas	15%	6.67	15%	6.68	21%	4.77
Cuilco	5%	19.87	7%	13.45	8%	12.25
Concepción Huista	10%	10.38	8%	12.74	8%	12.29
San Antonio Huista	11%	9.44	21%	4.78	22%	4.49
La Libertad	7%	14.45	7%	15.35	7%	13.92
La Democracia	37%	2.73	29%	3.46	26%	3.85
Promedios	18%	10.24	17%	10.29	18%	9.49
San Marcos						
Tajumulco	6.82%	14.65	5.66%	17.66	5.24%	19.10
San Pablo	18.40%	5.43	8.00%	12.50	8.95%	11.18
Nuevo Progreso	11.80%	8.47	11.53%	8.68	10.49%	9.54
San Miguel Ixtahuacan	15.58%	6.42	72.48%	1.38	222.11%	0.45
San José el Rodeo	13.55%	7.38	11.28%	8.86	13.03%	7.67
Sibinal	21.23%	4.71	10.56%	9.47	11.16%	8.96
San Rafael Pie de la Cuesta	24.74%	4.04	22.75%	4.40	23.53%	4.25
San Lorenzo	13.87%	7.21	11.06%	9.04	12.95%	7.72
Promedios	15.75%	7.29	19.17%	9.00	38.43%	8.61
Quiché						

Nebaj	18%	5.70	16%	6.09	18%	5.66
Uspantan	35%	2.86	58%	1.74	57%	1.75
Chajul	21%	4.73	13%	7.64	14%	7.30
Sacapulas	24%	4.10	16%	6.42	17%	5.87
Cunen	17%	5.83	12%	8.44	15%	6.74
San Juan cotzal	23%	4.26	10%	9.92	45%	2.21
Zacualpa	12%	8.49	16%	6.34	8%	11.90
Santo Tomás	38%	2.62	29%	3.44	30%	3.33
Chichicastenango						
Promedios	24%	4.82	21%	6.25	25%	5.60
Totoncapán						
Momostenango	14.86%	6.73	19.88%	5.03	13.65%	7.33
Santa Lucia La Reforma	6.31%	15.86	5.85%	17.10	4.35%	22.97
Promedios	10.59%	11.29	12.86%	11.06	9.00%	15.15
Quetzaltenango						
San Juan Ostuncalco	59.40%	1.68	70.66%	1.42	62.07%	1.61
Concepción Chiquirichapa	31.15%	3.21	29.62%	3.38	25.71%	3.89
Promedios	45.27%	2.45	50.14%	2.40	43.89%	2.75

MoU Signings with 26 out of 30 Municipalities – Following months of outreach and relationship building with mayors, civil society organizations, institutions of the Government of Guatemala, and USAID implementing partners, Nexos Locales closed the quarter with the signing of 26 Memorandums of Understanding (MoU) (see Success Story on page 59 and table on page 20 for more details). Additionally, meetings and visits have been taking place to identify specific needs and technical assistance in each of the municipalities. Several concept notes are in the design stages for responding to technical assistance requests coming from the mayors as a result of this intervention.

It is important to provide background on the four remaining MoUs to be signed. For Chichicastenango, the MoU signing has been programmed for the third quarter. Unfortunately, the mayor could not attend the MoU signing ceremony in Quetzaltenango due to prior commitments on that date. In regards to Zacualpa, the mayor has resigned and will not be running for reelection in 2015. He has recommended that Nexos Locales sign with the councilor, who will take his place. Finally, for conditions of political and social instability, Nexos Locales was not able to sign MOUs with the mayors of Barillas and Cunen; instead, the project will work with civil society organizations and WHIP partners in order to leverage additional support in coming to terms on mutually benefitting agreements for the signing of these outstanding MoUs.

MoU Signings with Institutional Actors and Partners - In relation to GIS data tracking Nexos Locales plans to sign a MOU with SEGEPLAN. The MOU will establish the parameters of cooperation for sharing, collecting, and processing data for the diagnostic process, based on GIS mapping, in order to ensure proper linkages with the long term plan BAKTUN 32. The MOU will also facilitate the strengthening of capacities in human resources, particularly where technical assistance in the Western Highlands region is needed most.

In further support of GIS mapping, Nexos Locales is planning to sign a MOU with DEVTECH, which is currently conducting baseline studies on household information and GIS mapping as part of USAID's WHIP strategy. According to the workplan the coordination and harmonization of practices between Nexos Locales and DEVTECH will be critical in developing future technical assistance plans.

SIAF-SAG - In relation to the regional training workshops on PFM Standard Operating Procedures, solid advances have already been made. The Project presented to DAFIM the first draft of a course design on Financial Operating Procedures for municipalities. DAFIM proposed updating the course design to include advances in their Budgeting for Results procedures and new guidelines issued by the *Controleria General de Cuentas*. DAFIM will seek project support to deliver this training course in collaboration with INAP, which also participated in the course design



The good relationship that Nexos Locales has been able to establish with the Ministry of Finance and SEGEPLAN have facilitated the sharing of information related to SIAF-SAG. The SIAF-SAG is the official accounting system used by the public sector and the municipalities in Guatemala. The project is currently in the process of pursuing an MOU with the Ministry of Finance (MINFIN). According to the interviews of both mayors and civil society members, improved citizen participation in the municipal councils requires good knowledge and practice with SIAF-SAG procedures, mainly to adequately analyze accounting information for use towards participative planning and participative budgeting.

TABLE 1.4 SUMMARY OF MOU SIGNINGS

Municipality/Institution	No.	Signature Date	Name of Mayor or Legal Representative	Contact of Individual or Institution
AGAAI	1	03/12/2015	Elmer Neftalí Ordoñez. (Presidente en Funciones).	Carlos Guarquez Cel.53812482
ANAM	2	12/01/2015	Isaías Martínez Morales (P)	Gerson López. Cel. 40618521
RC2 XELA/TOTO/S.QUICHE				
San Juan Ost	3	17/12/2015	Arturo Alonzo Escobar (A)	Omar Sunum Cel. 59946691
Concepción Chiquirichapa	4	17/12/2015	Mariano Sánchez Cabrera (A)	El Alcalde. Cel 46217085
Momostenango	5	17/12/2015	Santiago Federido Pellico (A)	Augusto Escobar. Gerente Municipal Cel 50008972
Santa Lucia La Reforma	6	17/12/2015	Francisco Chibalan (A)	El Alcalde Cel. 40128738
Santo Tomas Chichicastenango	7	-----	Pendiente	Abisai De La Cruz Cel. 52062529
Sacualpa	8	-----	Habrá cambio de Alcalde. Pendiente de Firma.	Alcalde Actual Ernesto Palachij. Cel. 58208140
RCI SUB QUICHE				
Nebaj	9	18/12/2014	Pedro Raymundo Cobo (A)	Secretario Municipal Tomas De Paz Cel. 50000806
Cunen	10	-----	Pendiente.	
San Juan Cotzal	11	18/12/2014	Baltazar Cruz Torres (A)	Alcalde Cel. 50520180
Sacapulas	12		Juan Jose Tiu Vicente (A)	Gerente Municipal Angel Quinia. Cel. 30076492
Chajul	13	18/12/2014	Pedro Caba Caba. (A)	Alcalde: 57684659
Uspantan	14	18/12/2014	Victor Hugo Figueroa Pérez (A)	Juan David Santiago Cabrera, Concejal Iro. Cel. 40525904
RCI HUEHUETENANGO				
Chiantla	15	16/12/2014	Elvis Gilberto Tello Alvarado (A)	Profa. Irma Rodríguez Asistente del Alcalde 4353 8172
Jacaltenango	16	16/12/2014	José Mario Silvestre Camposeco (A)	Cel. 3019 7998
San Sebastian H	17	16/12/2014	Cupertino Rafael Hernández Méndez (A)	Cel. 5705 5654
Todos Santos Cu	18	16/12/2014	Alfredo Florencio Gómez Pablo (A)	Cel. 5062 2235
Cuilco	19	16/12/2014	Delmar Bosbeli Gálvez De León (A)	Cel. 5524 9726
Concepción Huista	20	16/12/2014	Víctor Rafael Jacinto Escobar (A)	Cel. 4502 9859
San Antonio Huista	21	16/12/2014	Manglio Edilmar Camposeco Castillo (A)	Cel. 45368491
La Libertad	22	16/12/2014	Carlos Rubilio Rivas Rivas (A)	Cel. 57816200
La Democracia	23	16/12/2014	Mauro Cobón Martínez (A)	
Santa Cruz Barillas	24	-----	-----	-----

RC3 SAN MARCOS

Nuevo Progreso	25	15/12/2015	Herlindo Ubaldino Hernández Tello (A)	49434641
San José el Rodeo	26	15/12/2015	Juan Francisco Aguilar Díaz (A)	57594580
San Lorenzo	27	15/12/2015	Maximiliano Marroquín Feliciano (A)	53219952
San Miguel Ix	28	15/12/2015	Ovidio Joel Domingo Bamaca (A)	45223992
San Pablo	29	15/12/2015	Jorge Mario Maldonado Barrios (A)	53370768
San Rafael Pie de la Cuesta	30	15/12/2015	Gleglorio Elitzar Mazariegos Calderón (A)	57626634
Sibinal	31	15/12/2015	Lázaro Leocadio Ortiz Robledo (A)	51733090
Tajumulco	32	15/12/2015	Oswaldo Nery Chilel Chilel (A)	53230052
INAP	33	09/12/2015	Douglas Agustín Vásquez Vides. Gerente General.	Gerente Regional. Sergio Gómez. Cel. 55627833.
SEGEPLAN	34	Pendiente	Ekaterina Parrilla, Secretaria de Planificación y Programación de la Presidencia	Arq. Hugo Gómez. 40204570
AGEXPORT	35	Pendiente	Iván Buitrón. Gerente de la División de Desarrollo	Cel.59663655
Nutrisalud y MINIFIN	36	Pendiente	Tripartito	
DEVTECH	37	Pendiente	Juan Carlos Méndez. Chief of Party.	Carlos Alberto Duarte Tel. 2369 4317

COMUDE Assessments - The activity related to COMUDES and their functioning capacity has already started, and a special assessment is in process in order to design technical assistance plans which are going to be implemented. Nexos Locales will report out more on this activity in the QR3 report.

MANCOMUNIDADES - Nexos Locales engaged with the following mancomunidades to identify the potential of MOU signatures: Metrópoli De los Altos, Huista, Asociación de Desarrollo Integral de Municipalidades del Altiplano Marquense –ADIMAM-, Mancomunidad del Área Mam –MANQ- Mancomunidad K’ak Noj, Mancuerna, Mancomunidad de Municipios del Sur Occidente de Huehuetenango –MAMSOHUE-, and Mancomunidad de Municipios de la Frontera Norte. After discussions with USAID, the project has been approved to work with more than the three mancomunidades called for in the workplan. This will enable the project to exceed its targets while providing a wider reach and more holistic approach for delivering benefits to the communities and departments in the Western Highlands.

Activity 1.2 Deliver technical assistance that meets the specific needs of the target municipalities.

While technical assistance to the municipalities is being programmed to commence in the third quarter (April – June 2015), Nexos Locales has already forged strong working relations with SEGEPLAN and INAP through the signing of formal MOUs that identify joint efforts of collaboration and technical assistance strategies. These will inform the technical assistance plans rolled out by the project.

Activity 1.3 Strengthen the role of COMUDES to engage citizens in government decision making.

The signing of the MOUs and the active engagement with WHIP partners has enabled Nexos Locales to engage and strengthen relationships built during the first quarter, particularly with the main municipal offices and leaders. There have been specific meetings with the COMUDES, such as San Juan Ostuncalco, which holds a monthly meeting every last Sunday of the month.

Another good example of engagement with COMUDES is Nebaj. A special meeting was held between Nexos Locales and COMUDE leaders where the following topics were covered: citizen participation, municipal finance, access to water services, climate change and crime prevention. Also an official presentation of the program took place at Cotzal, Chichicastenango, Zacualpa and Chajul.



Junta directiva de ADIMAM durante reunión ordinaria de asamblea general (10 de diciembre 2014)

The project has been able to successfully gather information regarding when and where each COMUDE meeting takes place within the municipality. The next Quarter will focus on systematizing the processes for our active participation at each of the COMUDE meetings working in the WHIP area.

Activity 1.4 Build the capacity of the mancomunidades to develop and implement regional strategies.

During the second quarter, Nexos Locales focused primarily on outreach to the various mancomunidades. The Quiche area is perhaps the strongest challenge in relation to mancomunidades. It is the only cluster where this type of organization does not function. ERIPAZ worked previously in the Ixil area, and despite efforts of the international community, ERIPAZ has finished working. There have been some first talks and ideas generated as a result of Nexos Locales' leadership for shaping a mancomunidad to include Uspantán, Cunen, Sacapulas and Nebaj. In Nebaj, the project has received recommendations for an Ixil mancomunidad to consist of Nebaj, Cotzal and Chajul. The main hurdle at the moment remains the political differences between the majority of mayors coming from the official party and the mayor of Nebaj.

The project has a special interest in strengthening the Mancomunidad Mam –MANQ- in which the WHIP municipalities of San Juan Ostuncalco and Concepcion Chiquirichapa are important players who have expressed particular interest in managing the environment, responding to climate change and developing local economic development plans.

The remaining clusters of San Marcos and Huehuetenango demonstrate institutional willingness and function within the WHIP mancomunidades. For example in San Marcos there have been meetings between NEXOS LOCALES and ADIMAM –Asociacion de Desarrollo Integral de Municipalidades del Altiplano Marquense – which comprises 14 municipalities. Tajumulco, Sibinal, San Miguel Ixtahuacán and San Lorenzo are an important part of ADIMAM.

A brief diagnosis of ADIMAM has been made which concludes they make up one of the most important mancomunidad organizations of the WHIP Area. A special presentation of NEXOS LOCALES is scheduled in the next meeting of ADIMAM in January 2015 (QR3). It is important to mention that ADIMAM is strongly working with AECID (Spanish Cooperation) in watershed management and improvement of water service provision.

By contrast, Huehuetenango is made up of three mancomunidades with concrete demands in order to work with NEXOS LOCALES. They include: MAMSOHUE, Frontera Norte and Huista. A brief diagnosis of the three was completed by the NEXOS LOCALES regional office in Huehuetenango. The signing of MOUs and technical assistance meetings with each respective mancomunidad is scheduled for QR3. A special meeting with Mancomunidad Huista is scheduled for February 3rd and will include the participation of NEXOS LOCALES staff and the USAID COR.

Together with Tajumulco, Tacaná, Ixchiguán and Sibinal, the Huista region (Jacaltenango, San Antonio Huista, Concepción Huista, La Democracia), is considered the most complex area to work in due the strong presence of drug trafficking, smuggling, and a complex array of illicit and informal activities.

NEXT STEPS

During the third quarter NEXOS LOCALES's principal activities for this Result will include:

- Recruit and mobilize an international public financial management expert (STTA) to take part in the evaluation committee for technical proposal review, select subcontract firm, and oversee and provide technical leadership in the implementation of the thirty diagnostics, particularly in the areas of income generation, procurement, administration and planning, and compliance with the Access to Public Information Law.
- Pursuant to the revamped organigram, recruit and contract a long-term (LTTA) public financial management expert to oversee PFM activities and serve as part of a team of technical specialists in support of the regional engagement units.

RESULT 2: STRENGTHEN CIVIL SOCIETY PARTICIPATION IN SOCIAL ACCOUNTABILITY PROCESSES

Background: NEXOS LOCALES will work with CSOs, community organizations (including, but not limited to, Community Development Councils - COCODEs), and citizens to strengthen their capability to engage actively and independently in municipal social accountability and citizen participation mechanisms. NEXOS LOCALES will include a specific focus on facilitating the effective participation of vulnerable and underrepresented groups (women, youth, the very poor, and other people with disabilities), who face unique obstacles limiting their involvement in participatory processes. NEXOS LOCALES will focus on civil society participation in the COMUDE, but will also promote other innovative social accountability mechanisms (including the Public Access to Information Law).

NEXOS LOCALES will follow a two-pronged approach to strengthening civil society participation in social accountability processes, including participatory planning and budgeting (described under Result 1), community scorecards, and grievance redress mechanisms. First, NEXOS LOCALES will implement activities that raise civil society awareness of their rights and responsibilities vis-à-vis good governance (Activities 2.1, 2.2, and, to a certain degree, 2.4). Second, once citizen groups better understand their responsibilities and rights, NEXOS LOCALES will help them take action by building their capacity to influence decision making and hold government accountable (Activities 2.3, 2.4, and 2.5). NEXOS LOCALES will strengthen the ability of CSOs to advocate their needs to public servants in the months leading up to elections, when officials are most willing to listen and act.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 2nd QUARTER

Key accomplishments during the second quarter include:

- **Grants/Program Activities Pipeline Development:** The Nexos Locales team continued discussions initiated from the first quarter to identify potential projects to be funded under the grants under contract program. Nexos Locales is currently in advanced discussions with the Centro de Paz Bárbara Ford for organizing the First Youth Congress in the Western Highlands. The main objective of the Congress is the engagement of CSO organizations working with youth in order to shape and identify an inventory and portfolio of potential projects that could be financed by the project. Once the grants manual is approved, Nexos Locales will be strategically outfitted and prepared to swiftly administer grants that support youth activities. The Youth Congress is still in early stages of design.

ACTIVITIES/ WORK PROGRESS

Below are brief descriptions of specific activities implemented during the second quarter for Result 2.

Activity 2.1 Conduct an entry point map.

Entry point mapping, an exercise to determine the institutional structures and mechanisms that civil society actors can use to engage government on matters related to service provision, was completed for the Nexos Locales project during QR2. As stated in the Year I work plan, the entry point map for this year will be a cursory form of the more in depth and comprehensive exercise that maps legally mandated entry points for civil society. The cursory form undertaken this quarter maps key government, civil society, and WHIP partner actors as a reference for project activity planning and coordination. This significant exercise will achieve a clearer understanding of how government and civil society interact and encourage dialogue in the Western Highlands. As can be seen in the first diagnostic already finished, a starting point toward a future and detailed entry point map has been presented through the institutional analysis included for each cluster.

Activity 2.2: Train citizens so they can analyze local authority budgets and public spending:

MOUs - The MOU signed between Nexos Locales and the Ministry of Finance, DAAFIM, was an important achievement during the Quarter. DAAFIM, the entity within the Ministry responsible for improving municipal revenues, has developed academic programs through FLACSO (Facultad Latinoamericana de Ciencias Sociales), in which the project wishes to build leverage with. Additionally, a MOU with INAP (National Institute of Public Administration) was signed during the quarter. With the help of LED consultant Juan José Narciso from Nexos Locales, the design stages for the course on Budget Training Analysis commenced in December. The design will also include Budget Analysis Training for CSOs leaders.

Budget Training – As already mentioned, but relevant to Activity 2.2, three important MOU signings—SEGEPLAN, Ministry Finance and INAP—will play key roles during QR3 in terms of information sharing, technical assistance, and cooperation in achieving shared results and interests. Mr. Narciso has been working with the COP and the main representatives of SEGEPLAN, Finance Ministry (DAAFIM), and INAP, in the design of the workshops to be organized in the training of leaders from COMUDES, COCODES and CSO in budgets and public spending. All the entities and their main representatives described above have showed great interest in working with Nexos Locales in support for execution of Activity 2.2.

Activity 2.3 Build the capacity of CSOs to engage municipalities through COMUDES.

CSO Engagement – Prior to the signing of MOUs first steps were held to engage CSOs. Thanks to the alliances with WHIP partners and the launching of stronger efforts with the Petit Committee from WHIP, Nexos Locales was able to leverage existing relationships between civil society and USAID implementing partners and open the door for generating partnerships with the Nexos Locales project. This process demonstrates the effectiveness of the Mission’s innovative approach to collaboration amongst USAID implementing partners in Guatemala, particularly in the Western Highlands, by consolidating USAID efforts in messaging and technical strategy. Additionally, thanks to the mapping exercise of CSOs completed during the first quarter, several bilateral and multilateral meetings were held at the Nexos Locales headquarter’s office to discuss capacity building activities for engaging municipalities through the COMUDES.

Regional Workshops - The regional workshops to train CSOs in basic advocacy techniques will be an important part of engaging entities such as CEIPA, ANAM, AGAII, Centro de Paz Barbara Ford, Muni K’at, CEDFOG, FLACSO, IIDEMAYA, CALMECAC, Fundación Mirna Mack, ASOCUCH, AMUTED, AMOYEB, and FUPEDÉS. The design of the workshops will start in February and will be important vehicles for advocacy during the election season.

Portfolio of Activities - COMUDES and COCODES represent an entry point in order to engage municipalities and CSOs. Nexos Locales is currently reviewing and designing concept notes which are part of the Rapid Response and Grants activities, with the objective of selecting a portfolio of potential projects that address key cross cutting themes of: youth, gender and indigenous population. Annex I comprises an initial draft portfolio of projects. For example, one of the first and most important to engage CSOs is the First Western Highlands Youth Congress, designed in alliance with the Centro de Paz Barbara Ford. This Congress is a clear entry point in order to work several cross cutting themes, such as Youth and Gender. As can be seen in the Annex, the portfolio of activities is strongly linked to the engagement with civil society through grants in order to build capacity.

Activity 2.4 Support CSOs to implement social accountability mechanisms.

Electoral Transition Plans – During Q3, the project will reach out to and engage with organizations working directly in the electoral space, such as Accion Ciudadana, National Democratic Institute (NDI), International Republican Institute (IRI) and the International Foundation for Electoral Systems (IFES), all of whom have a long history of implementing USAID-funded programs in the area of political participation in electoral processes. A specific meeting is being programmed for the third week of January with Maximo Zaldivar, COP of one of the IFES projects in Guatemala, in order to evaluate possible alliances and assessment for this activity. The project also plans on identifying an international STTA consultant during Q3 in developing election transition plans with ANAM and/or CSOs.

AGAAI & ANAM – Building off the executed MOUs with AGAAI and ANAM, which comprise part of Result 6, a special meeting is programmed for January 19th with the main technical authorities of AGAAI and ANAM to define the role and strategy ANAM will play during the electoral transition.

Activity 2.5 Provide technical assistance to the COCODEs through grants to CSOs

Desktop Survey of existing COCODES - A mapping exercise is being developed by Cluster Managers in order to identify COCODES per municipality, their level of organization and readiness for receiving training. This process will also assist Nexos Locales' in identifying and selecting potential grant applications from CSOs already working with COCODES.

The project has also begun formulating grant ideas and activities for CSO projects. This activity will be further developed in the third quarter (April – June 2015).

NEXT STEPS

During the third quarter NEXOS LOCALES's principal activities for this Result will include:

- Field an STTA to finalize the entry point map, in order to identify the institutional entry points at the micro level, which can facilitate a better engagement with the mayors and the system of development councils.
- The selection of the municipalities and COCODES, the final design of the course on Budget Analysis have to be completed, a grant issued for the course implementation, and the course implemented during the 3rd. Quarter. Per Activity 2.2.1. of the Work Plan, the project will select an average of 5 COCODES, along with municipalities, to participate in budget analysis training.
- The design of the regional workshops and the strategy and methodology to train CSOs and COCODES in budget analysis.
- Engaging local consultants on LED, public finance, watershed management, environment and risks, in order to identify potential CSO grant projects and assess training needs per municipality.
- Continuing formal and informal engagements with CSOs focused on better governance and advocacy.

RESULT 3: INCREASED QUALITY OF POTABLE WATER IN 30 FEED THE FUTURE (FTF) MUNICIPALITIES

Background: The health, economic, and social consequences of water deficits in both quantity and quality for all users and for the environment are enormous and linked to many U.S. foreign assistance priorities in tangible and substantive ways. NEXOS LOCALES, in line with the FtF and GHI initiatives, will support municipalities to increase the quality of potable water in the 30 prioritized municipalities. Through these

actions, it is anticipated that NEXOS LOCALES will contribute to achievement of nutrition and health indicators. Additionally, there is a close relationship between water resources management and good governance practices. The sustainability of water resources depends on good governance. Interventions that strengthen the capacity of water authorities and related institutions have positive repercussions, including building the specific capacity of local governments to deliver potable water.

NEXOS LOCALES's approach to achieving this result focuses on increasing access to clean water, particularly for the most disadvantaged populations, by strengthening service providers' capacity. The project will consider the bigger picture—by applying a disaster risk reduction (DRR) lens to integrated water resources management at the watershed level. Activities under this result will help municipalities assess risks, devise plans, and take actions that improve service coverage and reduce hydrological risks. By improving municipal provision of water services, citizens' confidence in their municipalities will increase, as will citizens' socioeconomic well-being.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 2nd QUARTER

Key accomplishments during the second quarter include:

- Preliminary Study/Mapping of Water Sector – Nexos Locales, in collaboration with USAID WHIP Partners, undertook a preliminary study/mapping of water sector stakeholders.
- Scope of Work Diagnostics – As part of its two pronged approach the project has developed the scope of work to undertake the diagnostics in all thirty municipalities for reviewing capacity and plans for addressing climate change and water access and quality. The diagnostics will identify gaps and weaknesses in each municipality that will feed into the design of technical assistance plans to address areas of intervention. The project expects to release an RFP for the procurement of technical services in April 2015.
- Strategic Planning – Initial meetings to outline strategic business and investments plans in all 30 municipalities was held during QR2 in order to facilitate the generation of grant ideas and rapid response fund activities. Cluster Managers will further develop activities during the third quarter.
- Watershed Management and Protection Plans: This activity has been planned for the third quarter to be led by the recruitment and selection of DAI's new Water & Climate Change Expert.

ACTIVITIES/ WORK PROGRESS

Below are brief descriptions of specific activities implemented during the first quarter for Result 3.

Activity 3.1 Map water sector stakeholders.

An in-depth and detailed water sector mapping will be completed in QR3 by the technical specialist for water and climate change.

Activity 3.2 Provide technical assistance to municipalities to improve water service delivery.

Understanding and working with variability is key to successful management of water resources, even at the municipal level. A single municipality can have three or more very distinct microclimates separated by altitude, geographic isolation, and watershed flow that dramatically alter water usage patterns. During QR2 Nexos Locales undertook a preliminary assessment and evaluation of the water situation in the area of WHIP. Nexos Locales feels an accurate, balanced, and well-informed diagnostic is key to

developing targeted technical assistance plans that deliver sustainable and effective results. This strategy falls in line with DAI's two-pronged technical approach methodology mentioned in Section 5 of the year one workplan. Thanks to successful alliances with The Nature Conservancy (TNC) and DEVTECH Nexos Locales was able to gain a greater understanding of the urgency in providing technical assistance to the municipalities. Key points of these learning experiences and findings are presented below:

- As a result of Nexos Locales' technical discussions with WHIP partners and key findings of the preliminary assessment, the project has learned that water distribution in the Altiplano is varied and uneven. In general, it can be stated that the further one is located from a dense demographic population center, the less likely it is that the population will have adequate access to formal water services that are reliable, of good quality, and affordable. This is especially true in areas where groundwater resources are very scarce, and surface water is variable seasonally, such as seen in the Cuchumatanes, parts of San Marcos, and Momostenango. Data that can help to characterize the water distribution systems at the municipal level include some factors that have been well-categorized, and others that have not.
- There is indication in some of the municipalities that pricing has made municipal water services inaccessible to the majority, if not all of its citizens, and that water quality and supply can still be inconsistent. Therefore, the willingness to pay for water services is often low.
- The percentage of citizens with access to tubal water systems averages around 75% across the Altiplano. What these data do not indicate when aggregated is the disparity between rural and urban/ suburban consumers; nor whether or not the water actually reaches a dwelling (or if there is a need for a family to walk to a communal water source, such as in the Cuchumatanes), or if the water is chlorinated or otherwise treated- or if the source itself meets the requirements for reasonable quality and does not require treatment.



Girl in Paquix, Chiantla, collecting water from a community chorro, or water faucet, for home use, on a school day
Source: Rachael Shenyo, DAI Consultant for Environmental Strategy & Compliance

- The latter is especially true where plumbing and sewer services are inadequate or non-existent. In some communities, especially rural parts far from population centers, very little control of human waste exists; in others there is reliance on septic systems, latrines, cisterns for capture of pluvial waters, and wells of various types. These systems may actually be a viable solution for many of the water and sanitation needs provided they can be proven adequate in quality and quantity of water and protection of water supplies from contamination. In general, there is very poor management of runoff, gray waters, and black waters.
- There is great indication that land use, water stagnation and control of wastewaters and runoff will be critical in management for climate change, as well. Only a few of the municipalities have any of this type of this water quality analysis available.
- Many communities within the municipalities rely on water delivery through fragile suspended, buried, or superficial PVC tubes that are gravity fed or powered by electric motor. These systems are extremely vulnerable to rupture, leaks, and interruption of services due to factors such as earthquakes, high winds (suspended lines), landslides, accidental cutting with agricultural tools, construction damage, forest fires, and normal wear and tear. Most communities have very limited resources for dealing with the necessary maintenance and repair of these systems.



Zunil, Guatemala water tube system, suspended tubes over a canyon vulnerable to wind, earthquakes, flooding, landslides and breakage/ leakage (Source: *Alticultura* 2012).

Activity 3.3 Assist municipalities with the development of watershed management and protection plans and train them on plan implementation.

DAI's prediagnostic report completed in QR2, as well as technical meetings with WHIP Partners, continue to advance the project's strategy and implementation of Result #03. With the hiring of a long term Water and Climate Change Expert Nexos Locales will accelerate technical assistance plans informed by its two pronged approach. The hiring of a long term Climate Change and Water expert is



Samala River in Quetzaltenango, considered one of the most polluted bodies of water in Central America, and backup source of drinking water and primary irrigation source for thousands of people. Pollutants include: garbage, petroleum, sewage, agricultural runoff, soil erosion, dead animals, and industrial toxins. (Source: technical staff's own photo, 2013)

NEXT STEPS

During the third quarter NEXOS LOCALES's principal activities for this Result will include:

- Pursuant to the revamped organigram, recruit and contract a long-term climate change and water expert to oversee water and climate change.
- Complete mapping of stakeholders per municipality, water service providers and hydro resource administrators.
- Select consulting firm for hydro sector mapping, studies about municipal water systems and the development of watershed management and protection plans.
- Complete coordinated and collaborative in-house and selected firm review of existing information, between technical staff and the consulting firm, for identifying assessment needs and entry points for action
- Begin awareness training, review of transition plans for environmental offices, and procure technical services for carrying out the scope of work expected for the diagnostics and plans.
- Identify gaps in existing information to be addressed in action plans for diagnostic and identify sites with good existing information to move forward with technical assistance plans.
- Identify critical pieces of the watershed plans that can reasonably be addressed by a municipality; in themes of land access/ ownership; contamination threats; protection; quality and type of forest cover; registration with existing development and biodiversity plans; and projected demand/ supply models that account for population growth, industrialization, irrigation needs, and climate change.

RESULT 4: LOCAL DEVELOPMENT PLANS ESTABLISHED AND IMPLEMENTED IN ORDER TO IMPROVE FOOD SECURITY AND ECONOMIC DEVELOPMENT

Background: When municipal governments cooperate with communities to address local challenges and provide services that lead to increased income and improved health outcomes, the population is more likely to view their municipal governments as legitimate and responsive. To this end, NEXOS LOCALES will support targeted municipalities' development planning efforts to respond to communities' food security and economic development needs in support to USAID/Guatemala Feed the Future Agriculture

(DO2, IR 2.1). In addition, NEXOS LOCALES will promote municipal leadership in facilitating and coordinating social investments with community stakeholders. Because women are often in charge of nutrition for their families, the Municipal Women's Office will play a critical role in promoting women's participation in decision making in food security and nutrition. Activities under this result will be funded by the Global Health earmark.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 2nd QUARTER

Key accomplishments during the first quarter include:

- Undertook rapid assessment of LED activities in the WHIP region to inform technical plans scheduled to commence in the third quarter following the results of the diagnostics for Results, #01, #03, #04, and #05.
- Received USAID technical and rate approval for a local economic development (LED) expert to assist the project in developing scopes of work, oversee technical activities related to Result #04, and to serve as part of the evaluation committee in reviewing technical proposals received in response to RFPs and request for applications (RFAs).

ACTIVITIES/ WORK PROGRESS

Below are brief descriptions of specific activities implemented during the second quarter for Result 4.

Rapid Assessment of Previous Donor Assistance to the 30 OMMs – The previous LGP project covered 49 percent of the municipalities currently supported by Nexos Locales. Through the departmental committees of WHIP, and collecting direct information from USAID, this activity is being undertaken and will be completed in the 3rd Quarter. The rapid assessment will inform Cluster Managers on the formulation of Rapid Response and Grants activities for the third quarter.

Coordination for Food Security Situation Rooms - Although no major developments occurred during the quarter for this activity, several meetings at WHIP and with SESAN have provided very useful information in order to implement this activity in the coming quarters. The Cluster Managers have an initial brief of the situation of this process for each cluster and municipality.

Assessment of Municipal LED Needs - The pre diagnostic report presents the situation of this activity for each cluster and municipality. In sum the project can conclude that the implementation of LED plans is an urgent necessity for the municipalities. Some of them, such as Momostenango, can be used as models to replicate for local economic development.

Identification of Public Policies Adverse to Agricultural Production - Nexos Locales is currently in the process of developing a scope of work for a short term expert to identify public policies adverse to agricultural production.

Facilitation of Sessions with Small Scale Producers- The project has completed outreach with ADAM (Asociación para el Desarrollo Microempresarial) in order to engage and identify potential activities with small scale producers. Three technical meetings have been held with the project USAID-AGEXPORT. An MOU has been drafted and will be ready for signature in QR3.

Activity 4.1: Build the capacity of the Municipal Women's Office to support the design and implementation of municipal plans to address food security and nutrition.

SEPREM – In the four clusters several meetings and alliances have been held with SEPREM delegates, aiming to formulate technical cooperation and assistance plans related to food security and local economic development. A brief diagnostic of the situation of the OMM (Municipal Women Offices) has already been completed, determining its level of organization, administration, and service needs.

WHIP Coordination – Strong participation with WHIP partners, particularly with NUTRISALUD, has enabled Nexos Locales to define the necessary interaction between Results #01 & #04, linking participatory budgeting and transparency with food security and LED activities, while also taking into account the cross cutting theme of gender equity and empowerment.

As a result of the above, the grants and regional engagement Teams have generated several ideas for grant and rapid response activities designed to strengthen the OMM, and developing municipal plans in addressing food security and nutrition. Nexos Locales is currently in the process of designing a course on local economic development with an emphasis on gender empowerment in order to jumpstart this activity in the field.

Activity 4.2 Coordinate with municipalities to establish and operate food security situation rooms.

The Regional Engagement Teams have begun to undertake an assessment of the food security situation rooms in each of their respective municipalities. For example, in Quetzaltenango the Outreach Specialist has completed a first engagement and plan to involve the initiatives from SESAN, MFEWS and USAID FTF initiatives towards strengthening food security rooms, as their capacities vary across municipality. A special agenda on FTF and Food for Peace is being posted at the WHIP departmental meetings in order to encourage diversification and investments (grants and rapid response funds) amongst the projects.

Activity 4.3: Help municipalities develop LED plans.

With the approval of DAI's short term Local Economic Development Expert, Juan Jose Narciso, Nexos Locales has begun designing the base for LED efforts mentioned in the year one workplan, beginning with an analysis made by the cluster managers on the situation of LED plans in the WHIP area and their corresponding municipal plans to implement them. Findings from the regional engagement team efforts have described a situation of LED activity that is worrying. There is a lack of knowledge in economics and social economic development as a whole.

The solution to put LED discussions on the table is linked to the MOU signed with SEGEPLAN, aiming to strengthen the LED agenda. NEXOS LOCALES is already an important part of this discussion. The basis of contracting the next LED studies, according to the conditions of Result IV was sent to the USAID COR, and is subject to approval.

Activity 4.4: Coordinate with other USAID implementing partners to support access to basic municipal services for small-scale producers and their associations.

In relation to the links between LED and Food security, several alliances and meetings are taking place. One of the most important is the MOU between AGEXPORT-USAID and NEXOS LOCALES. Several meetings were held to the MOU design and sharing of information.

Another important alliance that took place is with ADAM (Asociación para el Desarrollo Agrícola y Microempresarial) and NEXOS LOCALES. Some initiatives coming from the current alliance between ADAM and Save The Children USAID are being considered as models for replication with Nexos Locales. These models focus on linking small scale producers players in the value chain. Another

initiative suggested by ADAM is related to food storage through Silos (storage recipients), and the training of women in the process.

NEXT STEPS

During the third quarter NEXOS LOCALES's principal activities for this Result will include:

- Pursuant to the revamped organigram, recruit and contract a long-term local economic development expert to lead LED activities and serve as part of a highly motivated team of technical specialists in support of the regional engagement units.
- Support activities of the Steering Committee of the National Policy for Inclusive Development and Territorial Competitiveness, in order to engage with the organizations involved, including but not limited to: AGAAI, Universidad Rafael Landivar, Helvetas, Cementos Progreso, Grupos Gestores, Universidad de San Carlos, Confederación de Cooperativas de Guatemala, Ministerio de Economía, PRONACOM.
- Finalize agreement with ADAM to implement the above mentioned Consortium of development organizations, and undertaking the tasks of result 4.
- Finalize agreement with SEGEPLAN, including the participation of Francisco Leal within the local experts of the project, guiding the result 4 and engaging the main institutions and organizations linked to the regional policy containing LED concerns, and joining the efforts of the relationship of LED to women empowerment and food security.
- Selecting the CSO to implement FNS through the OMMs
- Selecting CSOs to implement food security rooms
- Coordinating with SESAN and other FtF USAID initiatives (MFEWS)
- Selecting implementing partner to develop LED plans
- Facilitating planning sessions with small scale coffee, vegetable and handicraft producers
- Prioritize municipal services to increase productivity
- Conduct study to identify public policies that negatively affect agricultural production
- Evaluating FNS actions taken by OMM to date through SEPREM-Helvetas
- Identify the development strategy that will be adopted, used and can be integrated with climate change adaptation. Include methods for researching, promotion, innovation, incentives, and reducing barriers to market access for best practices as part of the strategy for LED plans centered in agriculture. Include considerations for water usage, current rates of crop loss and their causes, diversification, valuation of goods that are sustainably produced, standards for evaluation of practices, and reduction of existing barriers to market access.

RESULT 5: MUNICIPAL PLANS ESTABLISHED TO REDUCE CLIMATE CHANGE VULNERABILITY AND TECHNICAL ASSISTANCE PROVIDED FOR IMPLEMENTATION OF PLANS.

Background: NEXOS LOCALES will employ an awareness-capacity-action framework to reduce climate change vulnerability. At the municipal level, NEXOS LOCALES will: 1) build municipalities' knowledge of climate stressors and of adaptation measures (*awareness*); 2) improve municipalities' ability to select and prioritize adaptation measures, mobilize resources—OSR, donor, national, or otherwise—to implement adaptation measures, and manage disaster risk (*capacity*); and 3) help municipalities develop and implement adaptation plans—whether standalone or integrated into municipal development plans (*action*). At the community level, NEXOS LOCALES will: 1) improve citizen knowledge of climate stressors (*awareness*); and 2) increase community groups' ability to contribute in a collaborative fashion to municipal planning processes on the topic of climate change (*capacity*). Because there is a direct and

significant link between this result and Result 4, Result 5 activities will support, either directly or indirectly, the achievement of Result 4.

NEXOS LOCALES Cluster Managers will oversee implementation of the following activities within their respective municipalities, with technical guidance and support from short-term DRR and climate change experts, and they will team with local partners to implement activities. NEXOS LOCALES will coordinate closely with Rainforest Alliance staff at the municipal level to ensure that the activities of NEXOS LOCALES and Rainforest Alliance's Climate, Nature, and Communities Program are mutually reinforcing rather than working at cross-purposes. Activities under this result will be funded by the Global Climate Change Adaptation earmark.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 2nd QUARTER

Key accomplishments during the second quarter include:

- Scope of Work Diagnostics – As part of its two pronged approach DAI has developed the scope of work to undertake the diagnostics in all thirty municipalities to study the current state of affairs of climate change and water access in quality. The diagnostics will identify gaps and weaknesses in each municipality in order for Nexos Locales to design targeted technical assistance plans and address areas of weakness. The project expects to release an RFP for the procurement of technical services in January 2015.

ACTIVITIES/ WORK PROGRESS

Below are brief descriptions of specific activities implemented during the second quarter for Result 5.

Activity 5.1: Improve municipalities' awareness of climate stressors and of adaptation measures

Evaluation of knowledge levels of climate stressors and adaptation measures: A first diagnostic of the situation is included in the prediagnostic. Considerable data is currently under analysis, with particular emphasis on the "Análisis de la Vulnerabilidad ante el Cambio Climático en el Altiplano Occidental de Guatemala" completed by the project. Meetings were held with members of the project. Results are presented in Annex 3 from the prediagnostic.

Activity 5.2: Build the capacity of municipalities to assess vulnerabilities to climate change, prioritize climate adaptation measures, mobilize resources, and respond to emergencies

This activity is planned for the third quarter.

Activity 5.3: Assist municipalities with developing adaptation plans and implementing joint watershed management plans aimed at reducing vulnerability to hydro-meteorological events.

The project's short term consultant for environmental strategy was invited to participate in the first-pass review and evaluation of TNC's vulnerability assessment report, and provide feedback both on the report and to participate in a regional workshop for the creation of a regional climate change adaptation plan for the entire Western Highlands region under the direction of CONAP. The feedback from this planning session and its follow-up were incorporated strongly into the final version of the Work Plan and its annexes, in an act to create synergies with work that is being done across other sectors and with other WHIP alliances in the creation and evaluation of policies, laws, programs, and projects aligned with climate change adaptation, watershed management, and management of land-use, markets, and social programs that affect climate change vulnerability at the municipal level.

The climate change and water expert also presented the vision of the climate change program to TNC and the southwest regional climate change network on the theme of adaptation and precision of terms, differentiating strongly between adaptation, mitigation, and disaster response for climate change, and proposing a strategy for rapid community evaluation, assessment and prioritization of risks that aligns with both the grant and project matrix and TNC and CONRED's system of risk identification. The adaptation portion of the Nexos Locales vision is focused on short and long-term reduction of impact and incidence of adverse events, using existing climate knowledge to tailor best practices, and reduction of social vulnerability factors that exacerbate and cause climate change impact; while disaster response is focused on strengthening the municipalities' ability to predict, identify, prevent, and respond to specific disasters caused by climate change factors. The mitigation portions mentioned in the USAID M&E plan are correctly defined as strategies to reduce greenhouse gas emissions via efficiency, land use, and alternative energy; and are included peripherally in the plan as augmentations for consideration in the cost-benefit analysis, mostly in watershed management, where valuing the mitigation potential can provide a solid entrance into carbon cap and trade markets.

Activity 5.4 Build citizen knowledge of climate stressors so they are better able to participate in the municipal planning.

The TNC climate change vulnerability report was reviewed by the climate change technical staff of the project for analysis of gaps and application to the Nexos Locales project. Basic climate change training was provided to the entire DAI staff for incorporating the concepts and definitions correctly into all phases of planning and program development.

NEXT STEPS

During the third quarter NEXOS LOCALES's principal activities for this Result will include:

- Pursuant to the revamped organigram, recruit and contract a long-term climate change and water expert to oversee water and climate change activities and serve as part of a highly motivated team of technical specialists in support of the regional engagement units.
- Finalize/identify a project to be conducted by CEIPA aimed at training youth from vulnerable areas of WHIP, in the topics mentioned above. The DCOP is currently conducting a series of meetings with project technical and grant teams to develop a strategy for the grants component of the project. This will ensure that grants given under the program a) integrate as much as possible contributions to multiple results, b) combine the efforts of civil society to advance aggregation of interests and voice, and c) fund sustainable activities.
- Identify and select a consulting firm or civil society organization to develop awareness and education programs concerning the effects of climate change.
- Identify and select an organization to develop a social communication program about climate change.
- In December, DAI's short term climate change and water expert, Rachael Shenyo, assisted in a two day workshop with TNC on the development of community adaptation pilot programs in several of the sites - this information will be carefully aligned with continuing adaptation plans and goals for the Nexos Locales project to ensure harmonization across WHIP partners.
- Adopt precise definitions of climate change terms to ensure technical consistency and strategy.
- Outreach with the director of the youth community leadership program, SERES, to investigate ways for creating a youth climate change ambassador program for each of the 30 communities in time for the election cycle- for direct work on youth, indigenous and gender goals, election

goals, and goals related to watershed management, sustainable development and permaculture, and climate change adaptation plans and community training- all areas where youth participating in SERES' programs receive technical knowledge to back up their leadership and facilitator training that they get.

RESULT 6: CAPACITY INCREASED FOR THE NATIONAL ASSOCIATION OF MUNICIPALITIES (ANAM) AND/OR THE GUATEMALAN ASSOCIATION OF INDIGENOUS MAYORS AND AUTHORITIES (AGAAI) TO SUPPORT MUNICIPAL DEVELOPMENT AND REPLICATE SUCCESSFUL MODELS NATIONWIDE, INCLUDING MUNICIPAL CRIME PREVENTION PLANS

Background: Providing technical assistance to ANAM and/or AGAAI is a key intervention to ensure sustainability of municipal interventions and to build upon USAID's investments. A strong municipal association will be well positioned to continue supporting targeted municipalities and replicate successful models beyond the life of the project. NEXOS LOCALES's approach to Result 6 involves 1) implementing interventions that address each association's unique needs and development status, and 2) building upon the technical and financial assistance that the associations have received to date from a range of international donors, including USAID under the prior Local Governance Project.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 2nd QUARTER

Key accomplishments during the second quarter include:

- **Information Gathering:** Systematization of the main information, manual, guides and products of the past project on assessment to ANAM.
- **MoU Signing with AGAAI:** Nexos Locales and AGAAI formally signed a Memorandum of Understanding to identify joint efforts, areas of collaboration, principles of cooperation, and technical assistance strategies.
- **MoU Signing with ANAM:** Nexos Locales and formally signed a Memorandum of Understanding in to identify joint efforts, areas of collaboration, principles of cooperation, and technical assistance strategies
- **Technical Exchange:** Technical meeting with AGAAI to discuss potential projects.

ACTIVITIES/ WORK PROGRESS

Below are brief descriptions of specific activities implemented during the first quarter for Result 6.

Activity 6.1: Deliver technical assistance and training to ANAM and AGAAI to improve their service provision and ability to advocate on the topics of crime prevention, food security, health, DRR, and climate change vulnerability reduction.

- Technical assistance plan between AGAAI and Nexos Locales: A first technical assistance proposal from AGAAI was already sent to Nexos Locales. A grant is being designed in order to respond with some of the needs but an alignment with the results of the workplan is in process. The project is currently developing a TOR for a ST local government expert to: 1) Work with ANAM to revise

into a Program Description the proposal ANAM has submitted for assistance with its transition planning efforts in the lead-up to the elections and, 2) Review the institutional strengthening needs of both AGAAI and ANAM and develop with each institution a long-term plan of technical assistance needs from the project.

- A first meeting with ANAM is going to take place next week in order to proceed to a jointly process of technical cooperation and support of ANAM to the activities considered in the workplan.

NEXT STEPS

During the third quarter NEXOS LOCALES's principal activities for this Result will include:

- Formulate a long term plan of technical assistance to AGAAI
- Formulate a long term plan of technical assistance to ANAM

GENDER & YOUTH

During QR2 DAI submitted its Gender & Equity Plan to USAID for review and approval. In anticipation of receiving USAID feedback for said reporting deliverable, Nexos Locales has begun designing next step activities in support of the cross cutting areas for gender and youth. The project is currently pursuing plans to procure the services of a US-based consulting firm specialized in Youth and Gender to conduct an in-depth gender integration and youth assessment that will feed into the project's longer term goals of creating a more gender equitable and youth conscious approach in achieving contract objectives. The US-based firm will assist DAI in responding to USAID feedback on its Gender & Equity Plan. As per section four of the year one workplan, the consulting firm will also undertake the following:

Gender Considerations –

- Provide training of youth in leadership skills that analyze and comprehend diversity and the changing roles of men and women.
- Train project staff and partners on gender and equity considerations in programming
- Ensure that gender and equity considerations are incorporated into all assessment and mapping activities included in the Annual Workplan.
- Advise on ways to empower women to strengthen their social and political organization as well as to increase their participation in COMUDEs, COCODEs, and other relevant groups.
- Advise on ways to strengthen leadership capacities and knowledge on integrated development in OMMs, focused on security and development of women food and nutrition topics.
- Advise on ways to strengthen and raise awareness in males on gender equity and equality regarding social, political, and economic opportunities for women and men. We anticipated that there is the potential for reaching young men through sports organizations by sharing positive messages about having equitable and respectful relationships with women.

Youth Considerations –

- Conduct a youth assessment to help inform activity design and implementation, indicator development, and data collection and analysis.
- Develop a youth integration plan to ensure priority programming across the project.
- Advise on ways to engage youth in the design and implementation of intervention, and ensuring that youth and youth organizations, such Fundación de la Juventud and Paz Joven, are a force for

positive change by providing them with opportunities to increase their participation and influence in public and civil life and with the tools required to be effective leaders.

- Advise on M&E indicators that are designed to measure the project's progress toward achieving the outcomes specified in USAID's Youth in Development Policy.
- Participate in the planning and delivery of the 1st Youth Congress.
- Training LGP staff to understand and present strategies for programming to overcome youth limitations.

The US-based consulting firm is expected to commence work in Guatemala circa mid-February 2015.

IV. RAPID RESPONSE FUND & GRANTS

RAPID RESPONSE FUND PLAN (RRFP)

During QR2 Nexos Locales developed, and submitted to USAID for review, a Rapid Response Fund Plan (RRFP) with the aim of enabling a swift mechanism to: a) quickly and efficiently respond to local governance issues not identified in the workplan; b) address unforeseen events, such as natural and/or man-made disasters; c) move on windows of opportunity that advance objectives of the Nexos Locales contract; and, d) support requests made at the direction of USAID Guatemala. DAI will implement the Rapid Response mechanism in close collaboration with USAID's Contracting Officer's Representative (COR).

DAI has proposed that the RRFP provide immediate access to funds for unplanned or priority activities that fall within any of the below categories:

- Environment/Climate Change/Water
- Elections/Public Awareness Campaigns
- Conflict Mitigation
- Local Governance/Transparency/Accountability of Funds
- Humanitarian Assistance/Disaster Response
- Early Detection Systems and Organizational Risk Management/Prevention
- Indigenous Community Outreach and Response
- Youth Interventions and Response
- Gender and Lesbian, Gay, Bisexual, Trans-Sexual and Intersexual (LGBTI) Outreach and Response

The principles for which DAI proposes disbursement of funds under the Rapid Response mechanism will be based on the following:

- Competition be exercised to the maximum extent practicable, disbursement of funds be based on transparency and accountability of funds, and have clearly defined measurable outcomes.
- Procedures established to avoid conflicts of interest, preferential treatment, and perception of bias and favoritism in subcontract and/or grant decision-making processes.

- Eligible uses of RRF shall be focused on Nexos Locales priorities as will be identified in a participatory decision-making process with the engagement of CSOs, NGOs, local communities, and other non-profit organizations with common goals and objectives to Nexos Locales.
- Applications for RRF funds shall be evaluated and awarded on the basis of 1) their likelihood of producing the most visible and directly attributable results, 2) their potential impact, and 3) how sustainable those results are likely to be.
- Will contain significant cost share commitment in most, but not all, cases.
- Under exceptional circumstances, such as in response to emergency or crises situations, Nexos Locales may issue non-competed grants or subcontracts to an organization in order to respond to urgent and compelling needs, whereby providing for competition may delay or cause significant damage to the Project, USAID, or regions supported by the Nexos Locales project. Such instances will be thoroughly documented in project files.
- NEXOS LOCALES will search for the necessary mechanisms to coordinate with other WHIP projects in order to ensure that there is no duplication of investments.
- The application process will comply with USAID's procurement of goods and services and grant making requirements. If technical assistance is required, Nexos Locales will follow contract requirements for seeking rate approval and international travel authorization, as applicable.
- DAI and Nexos Locales will never issue any funds under the RRF to ineligible suppliers, organizations and individuals that have been formally excluded, blocked or disbarred from receiving U.S. Government (USG) funds. All RRF applicants will be expeditiously vetted through the SAM, OFAC and other ineligible lists to ensure compliance with U.S. laws and DAI policies.

The RRF was submitted in draft form to USAID on November 16.

GRANTS

Portfolio of Grants

DAI's Grants Manual, submitted in the first quarter, is pending approval. Despite this, however, the Nexos Locales Project has made valuable headway in identifying potential grant activities in order to pre-position the project to swiftly administer grants once approval for the Grants Manual is received. The Grants Manager, Astrid Yurrita, with support from the Deputy Chief of Party, Vince Broady, and Chief of Party, Edgar Balsells, has identified a portfolio of grant ideas and concept notes for implementation in the third quarter. The list of potential grant ideas for consideration by USAID Nexos Locales is listed on the next page (see table 5.1)

Partnership Pool (Technical Bullpen)

DAI completed a first round review and prequalification process for establishing the project's Partnership Pool (also known internally as the "Technical Bullpen"). In November 2014, DAI published solicitation #LGP-SOL-001 in the national newspaper *La Presna Libre* requesting expressions of interests (EOI) for grants, rapid response funds, and subcontract opportunities in line with Nexos Locales workplan objectives. In total, the project received sixty-four (64) EOIs. The Grants Team reviewed each EOI based on geographical coverage, technical area, years of experience, organizational responsibility, and financial management capability. Out of the 64 EOIs received, forty-three (43) were considered eligible as responsible recipients (short listed) for future requests for proposals (RFPs), request for applications (RFAs), and Rapid Response Fund activities. To ensure as wide a technical reach as possible, DAI also included 8 organizations/institutions already identified in DAI's technical proposal

into the pre-qualified partnership pool, as well as those organizations/institutions pre-selected through the mapping exercise and pre-diagnostic exercises. The partnership pool table is provided on page 43.

SHORT TERM TECHNICAL ASSISTANCE

The table below represents a summary of short-term technical assistance performed during the quarter.

USAID Request No.	Activity Title	Objective	Consultant Name	Period of Performance
No. LGP-02	Workplanning Consultant	Finalize YIWP and other Contract Deliverables	Constance L. Paraskeva	October 13-25, 2014
N/A	Acting Deputy Chief of Party	Provide management oversight over grants, operations, and technical components of the field team	M. Vince Broady	October 13 – December 31, 2014
No. LGP-05	Project Associate	Boot Camp Training & Project Launch	Adam Fivenson	Nov 10 - Nov 25, 2014
No. LGP-04	Project Activity Consultant	SOW Development and Cross cutting support to Grants, Clusters, and Project Management	Erick Aldana	November 1- December 31, 2014
No. LGP-04	Environmental Strategy Consultant	SOW Development and Strategic Planning in Support of Results #03 &05, and Environmental Compliance	Rachael Shenyo	November 1 - December 12, 2014
No. LGP-07	IT Specialist	IT start-up equipment installation and staff training on DAI systems and network	Colter Bell	December 1 - December 18, 2014
No. LGP-09	LED Expert	SOW Development, Strategy design, and training on Result #04 to Project Staff	Juan Jose Narciso	December 17, 2014 – February 3, 2015

Table 5.2: Partnership Pool (Technical Bullpen)

No.	Organization	Specialty	Location	Contact	Justification
1	Asociación Estudios de Cooperación Occidente -ECO-	Local Economic Development	San Marcos	Wilson Miranda 7767-9566, eco@asociacioneco.org.gt	Cuenta con más de 39 consultorías ejecutadas a diferentes OG y ONG
2	Fundación Kanil	Food Security & Nutrition	Quetzaltenango y Huehuetenango	Héctor Soberanis. 7761-8378, fundacionkanil@hotmail.com	Mayor experiencia en salud preventiva comunitaria
3	Asociación de Desarrollo Organizacional y Comunitario -ADOC-	Youth	Zacapa	5414 8700, -4290-0838, 7941-6108 adocguatemala@gmail.com, frinepaz@yahoo.com	Trabajo con Youth y niñez,
4	Asociación de Cooperación al Desarrollo Integral de Huehuetenango -ACODIHUE-	Local Economic Development	Huehuetenango	Mariano Suasnavar. 7934 4429/13/14/24 www.acodihue.com	Cuenta con basta experiencia tanto en investigaciones como trabajo en asocio
5	Centro de Estudios y Documentación de la Frontera Occidental de Guatemala - CEDFOG-	Citizen Participation	Huehuetenango	María Concepción Sáenz . 7762 7516 y 7769 0474 cendoc.cedfog@gmail.com www.cedfoghuehue.org	Su razón de ser es investigación social y política. Experiencia en metodologías de investigación social-política-coyuntural
6	Asociación Pro Water del Pueblo	Water	Quetzaltenango	Erick Toc Waterdelpueblo@yahoo.com toccotom@gmail.com www.Waterdelpueblo.org; Tel: 56691324/7926 8322	Amplia experiencia en la región de cobertura del Programa. Trabajo con organizaciones de base e interculturalidad.
7	Asociación de Desarrollo Agrícola y Microempresarial, -ADAM-	Local Economic Development	Quetzaltenango	Guillermo Cifuentes 77674672;77674792 info@adam.org.gt; www.adam. org.gt	Experiencia en la región, trabajo en asocio con organismos internacionales. DEL y construcción de capacidades empresariales en el área rural.
8	Asociación Juvenil de Desarrollo Sostenible, "Kaj Ulew"	Indigenous Community	Quetzaltenango	Mike Sacalxot kaj_ulewcantel@hotmail.com 5059-0713 y 5512-9371	Trabajo con Gender y jóvenes mayas. Experiencia en RRNN

9	Unión Internacional para la Conservación de la Naturaleza -UICN-	Water	Guatemala	Téa García-Huidobro www.iucn.org/mesoamerica mesoamerica@iucn.org 2283-8449 2283-8472	Sólida organización internacional com amplia experiencia en el tema del Water.
10	Convergencia Arte y Tecnología S.A.	Climate Change	Guatemala	Juan Ramírez, 4000-8024, jramireze@arte-tecnologia.net	Mayor experiencia en monitoreo del clima. (Individual)
11	Alternativa Agraria y Empresarial - AGROTECNIA-	Food Security & Nutrition	Quiché	León Son Bal, 7755-2110 y 3202-0788, agrotecnicaempresarial@gmail.com	Experiencia en la producción de café. Capacitaciones en CC y café
12	Consultora PRO.A.TEC. SRL (Italiana)	Water	Quetzaltenango, Guatemala e Italia	Alessandro Petrini; 2366-5048, 2363-4135; www.proatec.com, petrini@proatec.com	Experiencia en todas las fases del ciclo de proyectos de desarrollo. Cuencas. Resolución de conflictos. Poca experiencia en la región WHIP
13	The Nature Conservancy -TNC-	Climate Change	Quetzaltenango y Guatemala	Juan Carlos Godoy;	Ejecutora actual de USAID
14	TEJEDSA	Youth	Chiantla, Huehuetenango	Denys Tello; tanyroga@yahoo.es tdenysleonel@yahoo.com; 3005-5802 y 5425-3066	No llena el perfil solicitado, pero tiene alguna experiencia de trabajo con jóvenes
15	ICIGUA	Water	Quetzaltenango	Mario Flores; icigua@hotmail.com; 5703-1738 y 7761-3972	Estudios de prefactibilidad y preinversión en Water y saneamiento
16	Comunidades Asociadas por el Water del Río Naranjo -CADISNA-	Water	San Marcos	Thelma de León; 4147-8190, 5482-7872 y cadisna@gmail.com	Trabajaron con el PGL anterior
17	FUNDAP	Local Economic Development	Quetzaltenango	Jorge Gándara; central@fundap.com.gt;	Es de la región y tiene sólida experiencia en DEL, con organizaciones base.
18	Impacto Empresarial	Local Economic Development	Guatemala	Hugo Cabrera; 5318-4835; info@impactoempresarial.biz	Llena más el perfil para consultor individual, no adjunto experiencia específica.
19	Water, Ingeniería y Consultores	Water	Guatemala y San Marcos	Joram Gil; 5515-1697 y 5016-2485; Wateryenergiaconsultores@gmail.com	Consultor del PGL anterior;

20	FLACSO	Food Security & Nutrition	Guatemala, Quetzaltenango	Enrique Virgilio Reyes; 2414-7444; flacsoguate@flacso.edu.gt; www.flacso.edu.gt	Sólida experiencia en investigación, diagnósticos y conocedora de la realidad del país.
21	Muni-k'at	Municipal Finance	Quetzaltenango	Mynor Hernández; 7763-0053 y 7765-2660; munikat@munikat.com; www.munikat.com	Sólida experiencia en la región, con capacidad de asociar y liderar los mismos.
22	Fundación Solar	Water	Guatemala y Quetzaltenango	Manuel Basaterrechea; mbasterrechea@fundacionsolar.org.gt; www.fundacionsolar.org.gt; 2369-1181	Experta en Water y medio ambiente, con prestigio y reconocimiento en los temas de su expertis
23	CORDADEC	Food Security & Nutrition	Quetzaltenango y Quiché	Abilio López; 7763-5707 y 7767-6945	Se perfila más como implementador de Grants en SAN
24	VIDEINSA	Municipal Finance	Quetzaltenango	Esther Jurado Ferret; estherj61@hotmail.com; 7772-0158	Podría trabajar con una OSC más fuerte, porque si tiene experiencia.
25	ECODESSA	Climate Change	Quetzaltenango	José Efraín Monterroso; ecodessa.xela@gmail.com; 7763-6131 y 5904-8439	Tiene precalificaciones, más experiencia en ejecución de proyectos con organismos internacionales.
26	SIAF, S.A.	Municipal Finance	Mixco, Guatemala	José Domingo Conde; siafsWaterte@gmail.com; 4488-3864	Crearon e implementaron los SIAFITO, SIAF-MUNI, SICOINGL, SERVICIOSGL. Bastante experiencia en Municipal Finance
27	Instituto Chi Pixab'	Citizen Participation	Quetzaltenango	Aura Marina Chojlan; chipixab@yahoo.com.mx; 7765-3926	Experiencia académica en investigación
28	Plan de Acción Forestal Maya PAFMAYA / IIDEMAYA	Local Economic Development	Guatemala, Quiché, Huehuetenango y San Marcos	Jose Us Vicente; iideamaya@gmail.com y iideamaya@yahoo.com; 2434-6598 y 2439-2575	Experiencia de capacitaciones y participación ciudadana de jóvenes en el sistema de consejos de desarrollo.

29	EQSA	Local Economic Development	Quetzaltenango	Julio de la Roca; 7767-4575; juliodelaroca@gmail.com	Consultor del PGL anterior.
30	SINCRONIA y CENACIDE	Water	Guatemala y Quetzaltenango	Lorena Chacón; 2362-3566; 2331-9822; www.sincroniacom.org; sincronia@sincroniacom.org	La manifestación de interés es presentada en consorcio. Experiencia de trabajo con organismos internacionales
31	CALMECAC	Climate Change	Guatemala	Marta Ayala; 2288-7741; calmecacuate@yahoo.com	No especifica experiencia
32	IDIES-URL	Local Economic Development	Guatemala	Miguel von Hoegen; 2426-2591 y 2593; www.url.edu.gt/idies	Sólido prestigio y experiencia en investigación y capacitación
33	Ecoplanet	Water	San Marcos	Roel Tovar; roeltovar@ecoplanet-gt.com; 5577-1924 y 4477-5993	Desarrolló la consultoría de DX de los prestadores de servicio de Water, para el PGL anterior. Experiencia en San Marcos, especialmente.
34	Econsult: Empresa de Ingeniería Sanitaria y Ambiental	Water	Guatemala	César Barrientos; 2256-4116 y 5413-0723; cbeconsult@gmail.com	Valdría la pena como alternativa para conformar consorcio en el tema de Water
35	Centro de Estudios de Cooperación Internacional -CECI-	Local Economic Development	Guatemala	Silvia Cotton; 2362-4032 y 2362-4029; guatemala@ceci.ca	Tiene más perfil de ejecutor, que de investigador.
36	Red Nacional de Grupos Gestores	Local Economic Development	Quetzaltenango, Totonicapán y San Marcos	Alejandro Arango; 7765-8101 y 7765-5710; rednacional@gruposgestores.org.gt	Amplia experiencia en la región, institución de prestigio y reconocida a nivel nacional e internacional, en el tema DEL
37	Servicios para el Desarrollo -SER-MOA- Mesa Occidental del Water	Water	Quetzaltenango	Fabián Gonón; 5134-8047 y 7761-1079; serxela@cabledex.com	Amplia experiencia en la región, institución de prestigio, es una organización referentes en el tema del Water

38	Asociación de Desarrollo Integral de Municipalidades del Altiplano Marquense - ADIMAM-	Local Economic Development	San Marcos	Sergio González y Lidia Mérida; 7760-7792; adimam1sm@gmail.com	Mayor experiencia en el área de San Marcos. No incluye detalle de experiencia en trabajos similares.
39	Centro de Análisis, Formación e Incidencia del Pueblo Maya Mam "Kayb'alan"	Indigenous Community	Huehuetenango	Alonzo Láinez; 4019-8512, 7768-2616; centrokaybalan@gmail.com	Conocimiento y está integrado por población Maya-Mam. No evidencia la experiencia indicada
40	Fundación para el Ecodesarrollo - FUNDAECO-	Climate Change	Huehuetenango y Guatemala	Marco Cerezo; 2314-1900; fundaeco@fundaeco.org.gt y fundaecoinfo@fundaeco.org.gt	Amplia experiencia en ambiente y Climate Change, reconocida organización a nivel nacional e internacional.
41	Asociación Civil no Lucrativa Mesa Forestal y Ambiental de la Región VII -ACMEFAR - VII	Climate Change	Huehuetenango	José Luis Galicia; josegsanlocal@gmail.com y acmefar@hotmail.com	Aglutina a varias organizaciones en Huehuetenango y Quiché, vinculadas a ambiente y Climate Change
42	Centro Ecuménico de Integración Pastoral -CEIPA-	Youth	Quetzaltenango	Ricardo García; 7767-3695; contactanos@ceipa-ac.org	Experiencia reconocida de trabajo con niñez y Youth, impulsa la participación cívica con la conformación de concejos municipales de niñez.
43	Asociación Conrado de la Cruz	Citizen Participation	Guatemala	Julio Olayes; 5319-6792; conradochildren@yahoo.com	Trabajo en Citizen Participation y niñez.
44	Centro de Paz Barbara Ford	Youth	Quiché	Virginia Searing; 5526-5838	Trabajo comprobado con jóvenes, espacilmente.
45	Fundación Myrna Mack	Citizen Participation	Guatemala	fmmack@myrnamack.org.gt; 2414-0500 y 2414-0501	trabaja en la elaboración de estudios y propuestas orientadas a impulsar la lucha contra la impunidad, la construcción del Estado de Derecho en Guatemala y la consolidación de la paz y la democracia.

46	Fundación de Periodismo para el Desarrollo FUPEDES	Citizen Participation	Quetzaltenango	Estheiman Amaya/Anabella López 4218-4392; anabellader@hotmail.com	Conocedores de la región del altiplano occidental, con énfasis en Indigenous Community.
47	Asociación de Organizaciones de los Cuchumatanes -ASOCUCH-	Local Economic Development	Chiantla, Huehuetenango	Miguel Angel Figueroa Alva; 77645333; asocuch.chiantla@gmail.com	Dedicada a promover el desarrollo social en el área rural de Huehuetenango
48	Asociación de Entidades Microregionales Aliadas Para el Desarrollo Integral de Huehuetenango e Ixcán Quiché	Local Economic Development	Huehuetenango	Carlos Armando Alvarado Figueroa; aemadihiq@gmail.com; 77681507	Enfasis de experiencia en desarrollo con población rural indígena de la región.
49	Asociación Gender Tejedoras del Desarrollo -AMUTED-	Gender	Quetzaltenango	Julia Sum; info@amuted.org;	Desarrollo integral de las Gender
50	AMOYEB	Local Economic Development	Huehuetenango	José Antonio; 5380-5986; xhuxhepantun@gmail.com	Experiencia de trabajo en Barrillas, con comunidades rurales
51	Univesrsidad del Valle de Guatemala - Centro de Estudios Ambientales y de Biodiversidad CEAB	Climate Change	Guatemala	María Luisa Durando; 2369-0791 al 95 y 2364-0336 al 40	Experiencia en el tema y reconocida a nivel nacional e internacional, con prestigio.

V. TRAINING EVENTS

The project did not provide any formal training events during this quarter.

VI. MEETINGS HELD DURING QUARTER

See Annex II.

VII. PROJECT MANAGEMENT

PROJECT LAUNCH EVENT

On November 20, 2014, Nexos Locales was officially launched at its principal office in Quetzaltenango. Over 280 attendees from various local, national, and international institutions were in attendance, including key USAID officials and implementing partners. Speakers of the event included:

- Mayan Indigenous Princess, Fernanda Gomez Ramirez, who explained how the project would benefit indigenous communities;
- Mayor of Quetzaltenango, Dr. Jorge Rolando Barrientos Pellecer, who spoke about the importance of government decentralization, innovative initiatives for local governance, and ways in which USAID Nexos Locales and the municipality can work together;
- USAID Mission Director, William Brands, who explained the important role Nexos Locales plays in the Western Highlands in achieving the Mission's development objectives in Guatemala;
- Chief of Party, Edgar Balsells, who highlighted the project's six components and cross cutting themes of youth, gender, indigenous communities, and feed-the-future initiatives;
- Professor Francisco Martín Carrillo representing civil society, who spoke about the importance of holistic and integrated development strategies; and,
- Sani Daher, Regional Managing Director from DAI, who spoke about DAI's commitment to development in Guatemala.

The launch event served to draw high visible attention to the project and USAID in the region, and to jumpstart dialogue and relationship building amongst project staff and local stakeholders in support of USAID's WHIP strategy.

BOOT CAMP TRAINING

The project organized an intensive four day "Boot Camp Training" for its field staff between the dates November 11-14, 2014. The objective of the training was to orient field staff to both USAID and DAI policies, procedures and practices. Staff from both the Quetzaltenango and Huehuetenango offices participated in sessions covering a range of topics relevant to project implementation, including:

- Contracts
- Procurement
- Grants Administration
- Compliance
- Human Resources
- Inventory Management
- Operations & Travel
- Environmental Compliance
- Workplan & Technical Reporting
- Ethics and Code of Conduct
- Branding & Marking

- Communications and Professional Etiquette
- TAMIS and DAI's Corporate and Field Operations Manuals

Chief of Party Edgar Balsells offered a comprehensive review of the Year I Work Plan, leading staff from result to result and providing a coherent, strategic review of upcoming tasks and activities.

Deputy Chief of Party Vince Broady organized and facilitated the boot camp, in addition to presenting on procurement policy, DAI's Field Operations Manual, contracts, and financial management procedures. DAI fielded Home Office Project Associate Adam Fivenson to assist with Boot Camp preparations and to present on DAI's project management software TAMIS, inventory, branding and marking, and conducted the staff's ethics training.

To promote and strengthen field accountability and ownership of the training, a number of sessions were led by the project's national staff. This served a dual purpose: 1) ensure presenting staff were fully familiar with their responsibilities and 2) familiarize the team of roles and responsibilities of the key functional areas, including: Finance & Administration, Information Technology, Grants, and Communications.

In addition to normalizing company procedures and sensitizing staff to USAID regulations the Boot Camp also served as a team building exercise. Through ice breakers and team building exercises staff were able to familiarize with each other on a personal level and build trust amongst teams.

IT EQUIPMENT INSTALLATION

With the final delivery of IT equipment occurring in November DAI fielded home office IT Specialist, Colter Bell, in December for a two week STTA. Mr. Bell was mobilized to install IT equipment, including the project's main server in Quetzaltenango, and to train staff on company IT systems and network use. Mr. Bell worked alongside Rodrigo Motta Molina (LTTA-CCN) as a means of knowledge transfer and capacity building of the project's long-term IT Specialist. Mr. Bell is scheduled to return to Guatemala in February 2015 to complete the installation of the Huehuetenango office, which requires significant electrical and IT upgrades.

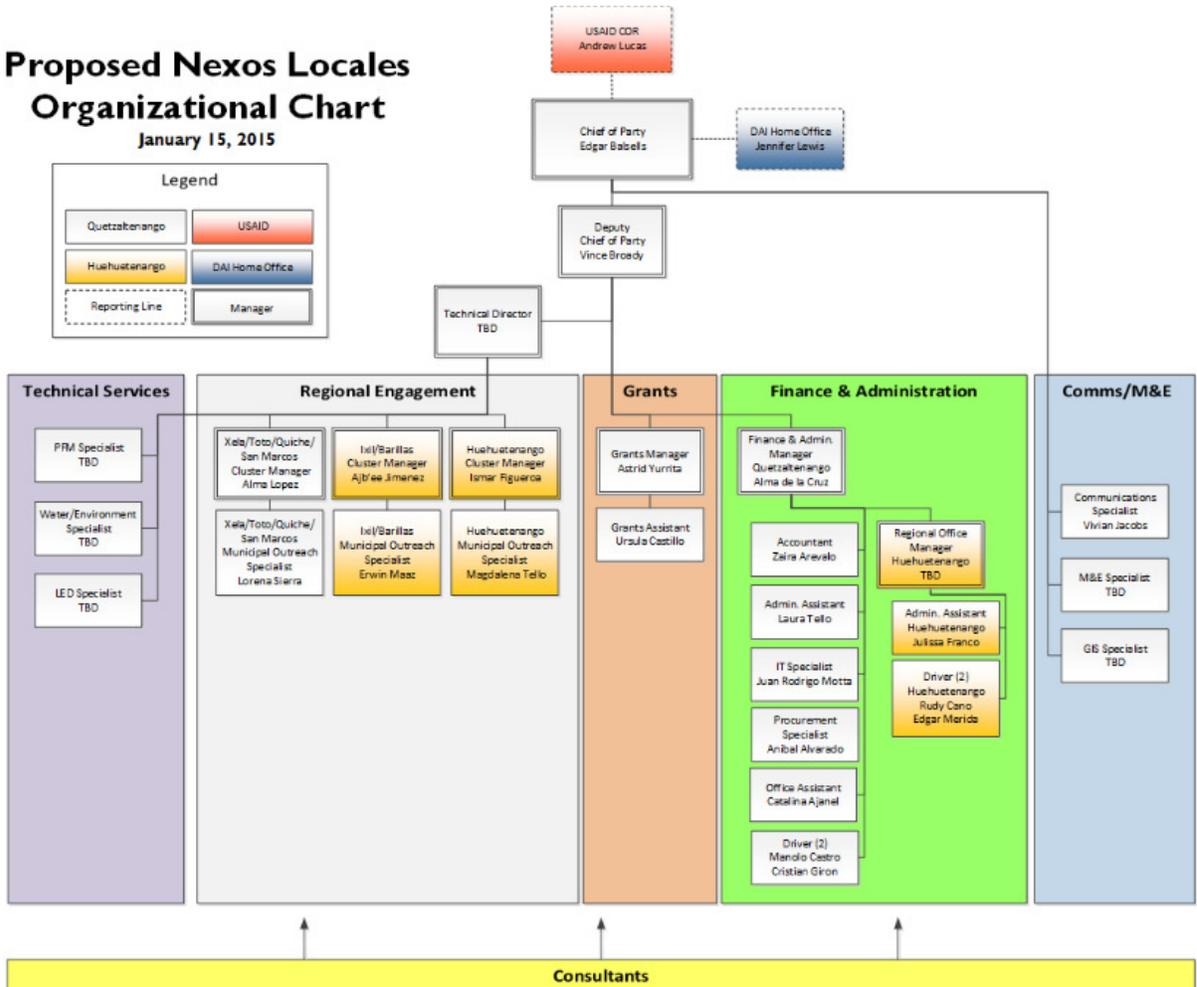
REGISTRATION

DAI was officially registered in Guatemala on December 9, 2014. This is a major milestone for the project as DAI is now able to enter into legally binding contracts with goods and service providers, including issuing grants and subcontracts. The registration enables DAI to terminate its corporate agreement with Guatemalan staffing agent, Job Solutions, based out of Guatemala City, and to enter into direct employee contracts with project staff. The employee contracts will comprise of important benefits such as health and life insurance, leave, and other incentives that are critical for staff retention.

IX. PERSONNEL

PROPOSED RESTRUCTURED ORGANIGRAM

**Proposed Nexos Locales
Organizational Chart**
January 15, 2015



X. SUCCESS STORIES

See next page.

SUCCESS STORY

Nexos Locales Signs Landmark Institutional MoUs

USAID's Nexos Locales Project Enters Into MoU Agreements with AGAAI & INAP



Top Photo: MoU signing with Directors of INAP and Nexos Locales.
Bottom Photo: MoU signing with Director of AGAAI and Chief of Party, Edgar Balsells.

Photo: Carlos Guarquez de AGAAI y Edgar Balsells de Nexos Locales

The USAID Nexos Locales project signed Memorandums of Understanding with key Guatemalan institutions in December 2014 with the Guatemalan Association of Indigenous Mayors (AGAAI) and the National Institute of Public Administration (INAP). The MoUs establish bilateral cooperation in addressing key social and development issues facing communities in the Western Highlands. This act demonstrates a significant commitment by both institutions to improve public service delivery, accountability of funds, strengthen representation, and ensure responsible and equitable social and economic development in the Western Highlands.

The Guatemalan Association of Mayors and Indigenous Authorities, AGAAI, composed of 111 mayors and indigenous authorities in 48 municipalities, has as part of its objectives, to strengthen municipal autonomy, promote citizen participation, gender equality and local development, and improved public management, will work closely with Nexos Locales in the area of institutional strengthening through technical assistance programs for furthering its objectives. AGAAI and Nexos Locales will partner through the identification and delivery of technical assistance and cooperation to meet the needs of constituents, and advocating on behalf of member municipalities.

The National Institute of Public Administration (INAP) is the body responsible for implementing an ongoing process of administrative development and modernization of public institutions and agencies, in order to strengthen the management capacity thereof, mainly through conducting research and specific studies, human resource training, and institutional capacity building. In this regard, the signing of the MoU with INAP is an important first step in the process of professionalizing public service delivery in the municipalities where Nexos Locales works. The MoU opens the door to establishing a line of joint action that would give continuity to the process of coordination and institutional strengthening conducted by USAID through the Nexos Locales project.

“With the strengthening provided by Nexos Locales I believe that indigenous institutions have the ability to influence the structure of the State for the benefit of the country and our communities.”

- Mr.. Carlos Guarquez,
Executive Director of
AGAAI.

SUCCESS STORY

Nexos Locales Signs MoUs with 26 Municipalities

USAID's Nexos Locales Signs MoU Agreements with 26 Municipalities in the Western Highlands as a strong show of commitment toward development in the country.



El Dr. Edgar Balsells, Director del Proyecto en el momento en el cual se realizaba la firma de uno de los MOU con el Alcalde de Santa María Nebal, Quiché, Pedro Raymundo Cobo.

“Nos sentimos muy satisfechos pero a la vez muy comprometidos porque es un desafío para nosotros; nos queda un año de administración pero en ese espacio de tiempo estamos convencidos que podremos desarrollar el apoyo que corresponde,”

- Santiago Federico Pelicó Rojas, Alcalde de Momostenango.

Telling Our Story

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During an intensive 4-day tour in December 2014 through the departments of Quetzaltenango (including Totonicapan), San Marcos, Huehuetenango and Quiché, the Nexos Locales Project signed Memorandums of Understanding (MoUs) with 5 departments and 26 municipalities in the Western Highlands of Guatemala. This important milestone facilitates joint efforts and cooperation between Nexos Locales and the 26 municipalities in fulfilling shared development outcomes particular to each municipality. The signing of the MoUs paved the way for addressing critically important social, economic and governance issues unique to each community, such as public financial management, service delivery, climate change, access to potable water, local economic development, civil society, youth, and gender.

By signing an MoU with Nexos Locales, Mayors have sent a strong message to their communities that they are committed to improving the lives of their constituents and creating positive change in the region. This message was reinforced in Huehuetenango where nine mayors, including civil society and government institutions, were gathered in the same room, a site rarely seen throughout the region. The MoUs are symbolic in that they provide Nexos Locales with the “key” to enter each municipality and work with civil society.

Of the 30 municipalities where Nexos Locales provides coverage, only four were not signed. They include:

- Cunen (RC I-Sub, Quiché)
- Santa Cruz Barillas (RC I – Huehuetenango)
- Chichicastenango (RC2 – Xela/Toto/S.Quiché) unavailable
- Zacualpa (RC2 – Xela/Toto/S.Quiché) wait till Feb

Nexos Locales will continue to conduct outreach and relationship building with each of these municipalities in an effort to complete and sign MoUs. The delay in obtaining signatures for each of these municipalities was not due to a lack of political will, but rather scheduling conflicts and/or security concerns (Santa Cruz Barillas).

SUCCESS STORY

Project Launch Draws over 280 Participants

USAID's Nexos Locales officially opens its doors on November 20, 2014 in a highly visible, successful launch event, drawing over 280 participants from local governments in the Western Highlands, Civil Society, Government of Guatemala, USAID, and indigenous leaders.



"This is a very special day for me ... we are inaugurating a program to push our resources more directly toward the municipalities of the Western Highlands"

*Mr. William Brands, USAID
Guatemala Mission Director*

Telling Our Story

U.S. Agency for International Development
Washington, DC 20523-1000
<http://stories.usaid.gov>

USAID's Nexos Locales Project was officially launched on November 20, 2014 at its headquarter office in Quetzaltenango, Guatemala. The launch event drew over 280 participants from civil society, local government, Guatemalan institutions, USAID implementing partners, and the USAID Mission. Members of the press were out in full force as the mayors of Quetzaltenango, San Marcos, Huehuetenango, Quiche, Totonicapan and Southern Quiche, were in attendance to show their commitment in strengthening municipal capacity and civil society to foster more responsive, inclusive, and effective socio-economic development while reducing local vulnerabilities such as food insecurity and natural disasters. In order to achieve this goal and the objectives of both USAID and other development partners, local governments must be able to better manage public resources and deliver services in an efficient and transparent manner. Strong and inclusive municipal governments are crucial for local development and are key to the sustainability of interventions supported by the United States Government (USG) in Guatemala. The interest shown by the public and USAID partners and key institutions of Guatemala in the Western Highlands was a true testament to the importance placed on local governance and their capacity to tackle some of the region's greatest needs.

Speakers at the launch event included

- Mayan Indigenous Princess, Fernanda Gomez Ramirez, who explained how the project would benefit indigenous communities;
- Mayor of Quetzaltenango, Dr. Jorge Rolando Barrientos Pellecer, who spoke about the importance of government decentralization and Nexos Locales support;
- USAID Mission Director, William Brands, who explained the important role Nexos Locales plays in the Western Highlands in achieving the Mission's development objectives;
- Chief of Party, Edgar Balsells, who highlighted the project's six components and cross cutting themes;
- Professor Francisco Martín Carrillo representing civil society, who spoke about the importance of development; and

ANNEX I – POTENTIAL GRANT ACTIVITIES

No.	Applicant	Activity Title	Description
1	Association of mayors and indigenous authorities (AGAAI)	Institutional strengthening of AGAAI	Grant will be used for strengthening public administration and technical capacity of AGAAI. Grant will be in kind to deliver technical assistance for updating organizational strategic planning, the design and development of administrative, procurement and financial handbooks, accounting software, payment of office rent, purchase of furniture and equipment and recruitment of technical specialists to guide services to users
2	CEIPA	Democratic election of the representatives of the youth to the CODEDE	Grant will be used to facilitate and implement the first democratic election of the representatives of the youth at the departmental level in Quetzaltenango which includes the identification of youth groups organized in 24 municipalities, spreading in the call to Assembly, media logistics briefings, activity of the Assembly for the election.
3	Center of Peace Barbara Ford	Youth Congress	Grant will facilitate the gathering of up to 325 youth from the Western Highlands to analyze from the perspective of youth, the current situation of the development, climate change, economic development, education and their implications for young people. Barbara requires the assistance of a 1) Event Coordinator; 2) Event Space; 3) Material Publication; 4) Promotional Material and Public Awareness Campaign. Location is TBD. Time it with IRIS Group; Involve them in design.

4	TBD/RFA	Communication strategy for social change	Subcontract will be to assist Nexos Locales in developing their communication strategy for social change and WHIP
5	TBD/RFA	Centre for documentation, communication and development assistance	Grant will facilitate the creation of a place where government institutions, CSOs, small producers etc, can have access to different services including technical assistance to develop projects that contribute development in the Western Highlands, includes payment of rent, furniture and equipment of a virtual classroom with technology, furniture and computer equipment for the documentation center, furniture for the Conference room, hiring staff and office supplies.
6	Municipality of Momostenango	Strengthening of the Office of Public Information	Grant will be used to facilitate the efficient and effective functioning of the Office Public Information in the municipality of Momostenango. The grant will deliver furniture and equipment required for this service provision in the municipality.
7	Municipality of Momostenango	Provision of equipment for the training of OMM	Grant will be used to facilitate the efficient and effective functioning of the OMM, including professionalizing conditions for training, provision of furniture and equipment (projector, sound equipment), etc.
8	Municipality of Momostenango	OMM Nutritional & Dietary Training	OMM will provide training to women on nutritious food and provision of food focused on vitamins and minerals. OMM is requesting assistance to hold the training and procure food rations for the training.
9	Municipality of Momostenango	Demonstration plots of adaptation and mitigation to climate change	Create demonstration plots to train people in agriculture that will mitigate the effects of climate change. It includes organic inputs and vegetative material for cultivation.

10	Municipality of Momostenango	Crop production under controlled environments	Aims to grow tomato under greenhouse conditions including the purchase of materials for the construction of the greenhouse, agricultural inputs and supplies for irrigation systems
11	Municipality of Momostenango	Strengthening of the Milpa system in communities affected by the drought.	Production of basic grains to support food and nutritional security affected by the drought, including purchase of bean seeds and lima beans.
12	Municipality of Momostenango	Develop a Committee of tourist promotion and self-management of sites of tourist interest of Momostenango.	Develop a committee and disclose tourist attractions through local youth and community tour guides they are requesting labels for marking tourist attractions and food and logistics for purchase 8 training workshops for young people
13	Municipality of Momostenango	Development and launch to the public of the local policy of the economic development of the municipality	It aims to generate participatory municipal guidelines around local economic development, seeking technical assistance from a consultant facilitator of policy formulation and payment of food and logistics for meetings of development and reproduction of political generated.
14	Municipality of Momostenango	Expo of competitiveness	Provisions of goods/equipment for the municipality to be able to organize a fair to offer local producers to offer their products, requesting purchase of furniture and equipment, awnings and lunch for participants
15	ADAM	Establishing grain banks to mitigate the effects of climate change on the production of staples of small organizations / as producers / rural as in the municipalities of Concepción and San Juan Ostuncalco Chiquirichapa Department of Quetzaltenango, and in the municipalities of Momostenango and santa Lucía La reform Department of Totonicapán.	Improve the availability of basic grains in times of scarcity for communities in the western highlands of Guatemala, through the creation of grain banks in which grains can be stored cheaply purchased during the period of greatest production to make them available to the population shortage times lower than the market price. they requesting Silos purchase (large capacity container for storing grain) construction of houses for silos, logistics for training workshops, materials for preparation of home gardens.