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A BRIEF REVIEW OF THE COSTA RICA
NUTRITION LOAN (515-T-026)

by

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RECOMMENDATIONS:

1. The Nutrition Loan should be extended through December, 1981 and up to six months longer, if necessary to complete disbursement. The extension should allow for the flexibility called for in the Loan Executive Director's plan for reprogramming project funds.
2. USAID should continue its current monitoring level until loan termination.
3. Present commitments for funding the renal acidosis study, including related equipment, should be honored, but with clear understanding that no more funds will be forthcoming.
4. CITA and INISA components should be funded in accordance with present plans.
5. The Potable Water component should be reprogrammed, as proposed by the Loan Executive Director's office, with maximum feasible delegation of administrative responsibility to the Peace Corps.
6. Education and training activities under the Loan should be combined into a single component linked to Participación Popular En Salud and funded according to plans submitted.
7. Activities under the Education and Training (Participación Popular) component should be linked more directly to areas identified as being at highest nutritional risk.
8. The Nutrition Information System (SIN) should be merged into the Division of Information and Program Analysis (Special Studies) of Asignaciones Familiares, as soon as possible.
9. SIN should give priority in serving Asignaciones Familiares (DESAF) and operating agencies, to information needs associated with food

and nutrition planning and should give increased emphasis to prompt analysis of current data.

10. USAID should encourage and support the National Secretariat for Food and Nutrition Policies, and should take all feasible steps to assure that the Secretariat's executive secretary will continue as a GOOCR paid position after Loan termination.

11. USAID should continue to encourage DESAF efforts to develop concrete goals related to eradication of malnutrition in Costa Rica and to plan feeding programs and other multisector nutrition activities in relation to these goals.

12. The Executive Director and USAID should encourage formal internal evaluation of components, especially for education and training activities financed under the Loan.

13. The Executive Director's Office should work with the Nutrition Secretariat and Asignaciones Familiares to establish a mechanism for regular peer group review of applied research projects.

This Report summarizes and explains recommendations derived from a four-day visit to evaluate progress of USAID/CR Loan No. 515-T-026 (Nutrition Improvement) since a visit by the same evaluators one year ago. The current visit also involved reviewing advisability of further extension of the Loan, to permit disbursement of about \$1,100,00 remaining, and exploring likely institutionalization of Loan-related activities following conclusion of Loan disbursements.

This Report dispenses with a detailed description of activities proposed for the extended Loan period because these are described so

well in the reprogramming document submitted by the Executive Director's Office in August. Our Report also accepts the emphasis of flexibility in the proposed reprogramming, including use of component F (Administration) to support other components as required. As the Loan ends, disbursement in relation to precisely programmed amounts becomes more difficult and flexibility also eases transfer of funding responsibilities to Costa Rican agencies or termination of activities being dropped.

The impressive reprogramming document offers tangible evidence of improved programming and administration achieved during the Loan period. Present Mission monitoring contributes substantially to progress in these areas and, though perhaps heavy in relation to amounts involved, maintenance at the current level is essential throughout any extension. The difficulties of orderly transfer to Costa Rican control make substantial Mission participation critical for increasing likely achievement of the Loan's institutional goals.

Response to Earlier Recommendations

The GOCR took important steps toward implementing recommendations of the previous evaluation reports, during the past year. Asignaciones Familiares (DESAF) established a ten-person Information and Analysis Office that, despite a misleading title, comes close to fulfilling the important nutrition planning role that had previously been neglected. In January 1981, Asignaciones Familiares plans to assume the remaining three salaries now being paid with loan funds. Thus, future loan funds for support of this unit will be minimal and loan component F will

provide financial support to the planning unit as necessary.

A recently established Secretariat for Food and Nutrition Policies, under the Ministry of Health, responds to the need for a multi-sectoral coordination and advisory group. Though initially limited to agencies most directly concerned with health and nutrition, the Secretariat can eventually expand to include the Ministry of Agriculture and other sectors whose activities influence nutrition status. The Director of DESAF already uses the Secretariat effectively and, once a new Vice-Minister of Health is named, it should become an even more important element of the National nutrition planning system.

The dominant role of Asignaciones Familiares in nutrition-related matters, and the substantial resources available to it, support development of a distinctive nutrition planning framework in Costa Rica. DESAF plans to merge the Nutrition Information System (SIN) into the Information and Analysis Office, strengthening nutrition planning capability. It already uses INISA and CITA, nutrition and food technology research institutions supported by the Loan, for staff support. DESAF has built, with Loan support, a de facto nutrition planning structure that compares favorably with most in the world. Although it is too early to assess functioning of the structure, promising prospects exist for institutionalizing activities initiated under the Loan. Previous evaluations expressed concern about development of nutrition planning through the Loan and the foregoing steps do much to alleviate that concern. If DESAF succeeds in improving nutrition impact of current programs by effective nutrition

planning, integration of other agencies with the system should follow easily, since Asignaciones Familiares influences them significantly. DESAF needs to achieve a better balance between feeding programs and other activities, but this should follow naturally as the Agency looks more closely at nutrition goals. Eventual integration of national food planning should become an explicit concern in Asignaciones Familiares and the Nutrition Secretariat.

The most recent evaluation recommended termination of the mass media component and expressed reservations about other aspects of education and training funded under the Loan. Current plans for combining education and training into a single component, with mass media used only to support Participación Popular, reflect sound critical assessment of past activities and conclusions consistent with earlier recommendations.

Loan Extension

The Nutrition Loan should be extended for as long as is reasonably required to complete disbursements. If this means continuing into 1987, there should be no concern or alarm. Loan disbursements now proceed in orderly fashion and in a manner consistent with the absorptive capacity of participating agencies. Temporary delays in particular disbursements are inevitable, but pardonable, since personnel changes and procurement problems cannot be avoided. Nevertheless, after much hard work, the Mission and GOCR have evolved systems that work well, money is being used effectively, and visible progress toward the Loan's institutional goal exists. The longer the Loan Administrator's office functions, and

it terminates with the Loan, the more likely it is that post-Loan activities will incorporate effectively the Loan experience.

The Components

CITA and INISA illustrate dramatically the impact of the Nutrition Loan. Both research institutions have strengthened visibly during the Loan period and their directors express little concern about finding other funding when the Loan ends. DESAF calls on the two groups for information and special investigations, they relate reasonably well with the sometimes too independent SIN, and perform useful services for other agencies and organizations in Costa Rica. CITA has, for example, assisted CARE in the USAID-funded soy project and they are currently discussing a convenio for continued support, after several years of working out a relationship. INISA's Puriscal longitudinal studies involve close collaboration with the Ministry of Health and have already influenced national concern for, and attention to, infant diarrhea problems and promotion of breast feeding.

These accomplishments appear even more impressive to those who recall that, early in the Loan period, both directors spoke critically of AID performance and themselves performed poorly in meeting Loan administration requirements. They now work effectively with AID and enjoy good relations with Mission staff. Their organizations present prompt and satisfactory planning documents, handle finances well, and complete projects as planned, though INISA personnel management reportedly could stand further improvement. These accomplishments will undoubtedly contribute to future organizational performance and survival. Although

both institutions reflect the idiosyncrasies of their directors, whose agendas and methods do not always accord with those of AID, there has been an impressive accommodation by all concerned, to their mutual benefit and also for the advancement of nutrition planning and activity in Costa Rica.

Both CITA and INISA could benefit from sympathetic outside review of study proposals and progress. It was clear, for example from a CITA presentation of a study on alternative foods for infants, during the visit, that outside review would sharpen hypotheses and help avoid repeating the errors of others.

Applied nutrition research in Costa Rica has reached a level of sophistication where both it and the international applied research community could benefit from greater contact and interchange of experiences. The new Nutrition Secretariat may be able to play a valuable role in setting up a mechanism to provide for regular peer group reviews of applied research. This role might, also, include identifying and making initial contact with members of the international research community when appropriate.

The SIN component presents some major problems, but these should be alleviated by the proposed merger into Asignaciones Familiares. The Information System has developed less as a staff office for meeting information needs of agencies influencing nutrition than as the builder of an ambitious system based on preconceptions about those needs. Although impressive work has been done on analysis of school feeding

data and useful related control systems, for example, other studies review obsolete data (e.g., 1971 mortality, 1973 internal migration) and have little policy value.

SIN also exhibits an unfortunate tendency to accumulate more data than can be analyzed in a timely fashion. This is a common failing among nutrition-related information groups, but should be discouraged. For nutrition planning, a few months delay in processing or analysis turns useful policy information into nothing more than an historical record. Monitoring the impact of inflation on malnutrition in Costa Rica, for example, requires rapid feedback to be useful.

SIN independence, manifested by bringing in INCAP help without sharing it or letting the Executive Director know and by negotiating for work unrelated to the Loan, for example, reflects early insecurity arising from lack of a defined position in the nutrition planning structure. Despite this impression that the SIN Director has been trying to build an independent and self-sufficient enterprise, he has also followed previous evaluation recommendations about the need to link more closely with other agencies. SIN's impressive monthly bulletins present a humble and accommodating posture that has also been reflected, according to several people interviewed (e.g., CITA and INISA directors), in improved SIN relations with nutrition-related agencies. The DESAF decision to absorb SIN, including payment of staff salaries, will produce the problems that accompany any merger, but it also shows that the Information System group has proved its value. The merger should help

SIN give higher priority to immediately useful policy analysis and will also reduce the manifestations of insecurity that have weakened past performance.

Integration with Asignaciones Familiares should also alleviate SIN's data entry and computer problems, as will delivery of the computer for which specifications are now being drawn. SIN's overemphasis on hardware has reduced possible immediate contributions to policy analysis and reflects an overambitious vision of a useful and affordable information system for Costa Rica. Nevertheless, DESAF seems committed to a similar vision and prepared to provide the resources to support it. USAID's limited funding, particularly for computer purchase, is an acceptable risk in this context. The information system, though overelaborate and a little rich, will undoubtedly provide helpful information to the big and complex DESAF programs. DESAF is already discussing a convenio with OFIPLAN that will further integrate the national information system and enable SIN to offer an ever broader range of services.

Technical assistants working with SIN have suggested that staff members could benefit greatly from short term intensive training in analysis and interpretation of nutrition data. Consideration might be given to using some of the flexibly programmed administrative funds to achieve this end. INCAP should be able to play a role in this type of training.

Although the Renal Acidosis Study and the Potable Water component presented for continued funding can be criticized severely in relation

to the goals of the Nutrition Loan, their current state discourages immediate withdrawal of support. Renal acidosis, a genetic phenomenon, bears little relation to national nutritional priorities or to institutional goals of the Loan. Origins of the Loan's involvement remain cloudy, but proposed continued funding is under \$20,000, commitments have been made, and the money will provide an item of sophisticated equipment, for identifying trace elements that may eventually help the San Juan de Dios Hospital. While the Study Director should be informed that no further funds will be made available, those presently programmed should not be withheld, since doing so may present political problems and nullify political value of earlier investment. The study can be conducted without new AID support.

Recognizing that the Ministry of Health cannot complete the Potable Water component effectively, the Loan administrators have arranged for the Peace Corps to collaborate. Installation of Pumps now being stored, and local pumps presently being manufactured, can thereby be assured and some useful output salvaged from current wreckage, which includes four damaged vehicles of eight delivered last year. Since relation of remaining activities to the Loan will be minimal, the Mission should encourage Peace Corps to assume administrative responsibility for the pumps.

The proposed Education and Training component enables the Nutrition Loan to support Participación Popular En Salud, an important initiative of the Ministry of Health. Though this is a broad effort to encourage community responsibility for health and other problems, it falls well

within the logical province of the Nutrition Loan. The Executive Director should exact more attention to nutritional aspects of Participación Popular in exchange for funding education and training. This could include, for example, insisting that the Program direct more attention to areas identified as being at highest nutritional risk. It might also involve more emphasis on identification of, and response to, nutrition problems in training, since the multidisciplinary nature of these problems can easily lead to their neglect as each sector seeks attention in the broad community development approach of Participación Popular. The Executive Director should also encourage evaluation of training outcomes for activities funded by the Loan. There is little hard evidence that these activities leave significant impact or that such impact could not be achieved at lower cost. It is clear that the training activities alone can, at best, have only transitory effects and this means that they should be accompanied by plans for follow-up and integration with other services and systems. Combining the three former activities into a single component will also speed the Loan disbursement by reducing administrative delays in the Ministry of Health.

The Renal Acidosis Study, the water pump component, and the training component bear little relation to the institution-building aspects that unify other elements of the Loan. These three marginal activities could have been omitted without reducing development of nutrition planning in Costa Rica, nor, as implemented, can they be viewed as contributing substantially to improved nutrition. There is little impact to evaluate and the unsatisfactory course of activities, especially in the water component,

has already been recorded. The training of MOH personnel and community nutrition committees in the management of CENs, nutrition-health education and home or community gardens may yet have an influence on MOH program operations and on nutritional status. Their impact should be evaluated. If evaluation had been more systematic during the progress of these activities, we would be able now to judge the impact possibilities and make more positive decisions on their continuation. Subject to these qualifications, current plans make sense as a way of salvaging something from past errors.

Participación Popular offers some promise for galvanizing the health system into more effective action and the Loan-financed training support can be justified on this basis. The Ministry and DESAF share interest in the Program and this may improve multi-sectoral collaboration and expand nutrition planning horizons within Asignaciones Familiares. However, this Report distinguishes the impressive achievements in institutionalization of nutrition planning from outcomes of the rest of the activities financed under the Loan.

Conclusion

Evaluation of the nutrition loan offers positive evidence that AID can help build institutions. It also emphasizes the dependence of ultimate nutritional impact on personal dynamics and political commitment. A few staff changes, some escalation of disagreements, or a change in Costa Rican politics can easily destroy the structure built with Loan support or make its continuation of little consequence. The potential

for eradicating malnutrition in Costa Rica now exists. Whether it will be realized depends on factors beyond AID control.

The current absence of critical problems in Loan administration and performance suggests that time, training, and experiment can turn an apparently hopeless situation. During the Loan's first two years, proposals to end it received serious attention with considerable justification. In retrospect, those proposals appear to have been over-reaction, perhaps from lack of confidence and experience. For the various organizations sharing in the Loan, including the new SIN, mastering the AID system required far more time than AID contemplated. For the lender, the Loan involved more accommodation to limited absorptive capacity, development of mutual respect, and provision of sensitive help than anticipated. Supporting promising agencies and activities, while gradually cutting off those demonstrating too little promise, required difficult judgments and actions. AID and Costa Rican handling of the Water and Mass Media components, for example, shows that pruning can be done without serious damage to main growth. Gearing disbursements to the borrower's ability to use them effectively, despite pressures imposed by unrealistic initial schedules, helped salvage a Loan that might otherwise have been written off. The Loan experience offers lessons to AID about solving problems of loan administration and also shows that, though it takes longer than programmers expect, a national nutrition planning system can result from an AID loan.