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UNITED STATES GOVERNMENT

# memorandum

DATE:

December 7, 1981  
*Michael M. Curtis*

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Michael M. Curtis, Executive Officer, USAID/Bolivia

CA-M-258/81

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Contract No.

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511-0471-S-00-1007

Robert B. Brunn

Project N°

Project Title

511-0471

Rural Development Planning  
Departmental Development  
Corporations

MAB:MCS

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511-0471

FINAL REPORT: PROJECT-Technical Assistance for the Regional Planning System of CORDEPAZ  
( covers the period July-November 1981)

Narrative Summary of Objectives	Objectively Verifiable Indicators of success	Project achievement and commentary
<b>GOAL</b>		
Accelerate the regional development of the Department of La Paz.	Shortly CORDEPAZ will hold an internal seminar at the level of its Technical Committee to clarify the objectives and the role of the Corporation in the development of the Department, as well as establish the corresponding success indicators.	In general terms, the Regional Development Corporation of La Paz, CORDEPAZ, pursues three objectives simultaneously). <ol style="list-style-type: none"><li>1. Increase the number of direct beneficiaries of development incentives and support from CORDEPAZ (the strategy of the Technical and Credit in-kind Project, PACT).</li><li>2. Creation of a number to be determined; development poles or zones in which the small farmer productive sector is strengthened through technical and credit assistance as well as support in community potable water systems and feeder roads. (The strategy proposed in the draft 1982 Operations Plan).</li><li>3. The integral development of the north of the Department.</li></ol>
<b>PURPOSE</b>		
Improve the institutional capacity of CORDEPAZ with respect to:	Indicators suggested by AID long-term advisor.	
1. The preparation of plans	The 1982 Operation Plan and those of successive years, present clearly the Corporation's objectives, demonstrating how each project fits into the regional development plan.	The draft 1982 Operations Plan delineates the possible contribution of the 1982 proposed projects to regional development as per the second strategy outlined above. The recommendation has been made, and tentatively accepted that the Technical Advisory Committee be given the time and opportunity to review the Plan so that, within the time limits proposed by the MPC, the project designs can be modified in accordance with whatever Corporation GOA is adopted. The Plan's

objectives and projects' internal logic is summarized using logframe.

A preliminary departmental needs-problems analysis - has been done; this will be amplified for some priority subregions as a further step toward the elaboration of a regional development plan in 1982. This effort should be one of the areas of future technical assistance.

Considering that no project was the object of a complete and detailed evaluation that would have permitted a well-based (re) formulation of its objectives and products for 1982, the planning effort was based on a close coordination/dialogue with project managers and supervisors.

Besides just soliciting their material and human requirements to continue their "projects" their collaboration was enlisted to establish the best project plan and organization that would have a significant impact on the small farmer productive sector. Although not as well founded as should be expected, each project design is clear. And after the programmed annual project evaluation and after taking better advantage of third party and own data gathering activities, the scientific basis should exist in late 1982 for the design of successful and large scale projects

The 1982 Operations Plan, and those of successive years, contain implementation plans and disbursement schedules to permit easier follow-up and support.

Internally, the 1982 Operations Plan, and those of successive years, are complemented by --- other documents which delineate possible problems and alternative solutions as well as specific material and other support requirements project by project.

The draft 1982 Operations Plan uses logframe with its OVTs, especially with reference to the time of product completion. Additionally, it delineates a quarterly disbursement schedule. Both of these are significant improvements over the 1981 Operations Plan

Historically, the yearly Operations Plan have had little practical utility because they lacked not just clear impact objectives and, at least in 1981 a disbursement schedule, but also due to their deterministic and summary nature, that only those proposed pro-

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ducts were permitted and the "how" to achieve them was obvious. As a consequence programming modifications were contemplated only when a change became urgent. Further, project follow-up and supervision is very difficult when based on only the yearly Operations Plan. And, in 1981 at least, in spite of its existence the merits of the requirements implicitly approved were repeatedly evaluated in several offices all claiming responsibility for this. Finally, due to the structural lines of authority, lateral communication is difficult and needed support, as for example, designs and costs for planned construction, are not communicated or completed in a timely fashion.

Therefore, complementary, implementation documents are needed to make the yearly Operations Plan operational specifically by facilitating a more efficient management follow-up and supervision as well as eliminating the need to reconstruct the annual planning to understand and implement the summaries presented to the Planning Ministry; examples are: work plans, contingency plans, and requirements - detailed by month or quarter of expected disbursement. This should be one of the focuses of future USAID technical assistance.

For the moment, the 1982 plan delineates requirements quarterly not only to justify the amounts - subsequently budgeted, but also to permit rapid - evaluation of the merits of each disbursement request during the implementation phase. And the - needed support from other offices or institutions are recorded, with dates, as important assumptions. Finally, the logframes prepared can serve as a basis for identifying key events and the design of a corresponding information and progress format specific to each project.

2. Improvement in project design and management

Every project is based on an analysis of alternatives that tends to identify the best "project" possible, considering accumulated experience and relevant theoretical formulations.

However it is still necessary to analyze with project managers the probable difficulties they might encounter and develop contingency plans. This is contemplated when the rest of the Project Management System is implemented.

The suggested project evaluation did not occur due to internal jurisdiction differences and to other demands on the personnel of the Planning Office. Consequently it was suggested that the focus of the current projects be reoriented more toward making a significant impact on the small farmer target group via a more concerted effort at extension/technical assistance instead of the direct production of agricultural products and the construction of own productive infrastructure by CORDEPAZ.

The logframe of each project, when completed adequately will permit better follow-up/evaluation of the project to be implemented in 1982 and in future years via the PMS. Techniques.

An timely evaluation of current projects has been planned for 1982 to provide the basis for whatever reformulation of the budget may be necessary in 1982 as well as for the 1983 Operations Plan.

For the moment, only the projects that aim toward external financing are elaborated in sufficient detail that allow an evaluation of its design and of the selection of the alternative to be implemented. In view of the fact that the limiting factor in 1983 will be probably the lack of funds, greater advantage of external financing, especially donations, should be contemplated. Consequently as a bi-product of this more conscientious study and design effort, more proposed projects should be more viable and successful. Note: due to various organizational problems, some already referred to, CORDEPAZ will have a real budget of own funds for 1982 projects approximately 50% higher than usual.

Project management should be characterized by:

- A prior analysis of probable difficulties
- A principal concern with execution vis-a-vis the impact objectives, instead of the timely acquisition of requirements (minimizing at least the number of days the project manager and or his staff have to be in La Paz.
- A clear agreement of responsibility and sphere of control among the different management levels.
- A timely supervision by program managers and others, which permits the identification of problems and alternative solutions before they reach a crisis status.
- A timely review and decision by higher management levels of modifications suggested by the different offices that provide project follow-up and supervision.

Currently, project management in CORDEPAZ is characterized by a struggle for the timely, and occasionally the not so timely, provision of the requirements implicitly approved in the year's Operations Plan. CORDEPAZ probably is notorious for the low percentage of budgeted and received funds actually spent.

This discourages a serious impact planning effort, as the presumption tends to be that the impact will be minimal. To a great extent, progress can be made in these indicator area using the other management tools of the PMS as follows:

- Continue the coordination between the Planning and Projects Office and the field project implementation units, or improve the coordination with the Project Control Office (Control de Gestión).
- Improve the administrative systems, especially with reference to the timely provision of approved requirements.
- Clarify responsibility by management and support level.
- Fortify the system of project follow-up and supervision.

Currently the administrative system and follow-up in CORDEPAZ is not satisfactory with reference to any of these criteria (indicators)

Possibly, with the return to La Paz of the Project Control Office (sent for 4 months to San Buenaventura to manage that project) project follow-up will improve. Given that only one of their staff has had PMS training, their overall technical and logistical capabilities are an unknown, but the 1981 experience suggests that this office/activity needs to be strengthened both technically and logistically.

### 3. Improve administrative systems

The provision of project and general operating requirements should be timely.

Internal project evaluation should be based, not on the level of budgetary execution, but rather on the achievement of impact objectives (purpose and goal).

The information system should provide the needed information in a timely fashion to the person who will make the respective decision.

The difficulties of internal coordination and lateral communication could be resolved to a great extent by periodic coordination meetings, a clear assignment of responsibilities, which are significant and challenging, and the joint establishment of serious work plans (that would also provide a basis for the general operations budget).

As the request of the Corporation's President a work plan has been presented to up-date in November/December the administrative procedures, the internal personnel manual of duties and rights, and a manual of brief job descriptions, as well as permit an evaluation of the Corporation's hierarchy of offices and positions. This activity will probably be executed by an outside advisory firm.

It is important to note, however, that the establishment of an improved organizational structure does not guarantee its effective implementation without a corresponding plan to improve the process of project follow-up/support/evaluation.

#### SUMMARY

The Regional development Corporation for the Department of La Paz, CORDEPAZ has the capability to design projects with clear objectives based on a studied analysis of alternatives. The need for a planning effort that does not terminate with a yearly Operations Plan is recognized. And the Corporation is beginning to up-date its administrative procedure for the provision of materials; possibly it will also clarify managerial and supervisory responsibilities and improve the information system. Furthermore, it is expected that CORDEPAZ will define more clearly its development strategy via the elaboration of a medium term regional development plan in 1982.

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The actual project follow-up supervision efforts have several deficiencies; future technical assistance should be concentrated in the area, emphasizing good - project management techniques such as:

- Contingency planning
- A joint project implementation plan, clarifying - in greater detail the relationships between material requirements, needed support, and the achievement of the expected results.
- The periodic up-dating of project requirements - (type and dates).
- The identification and resolution of bottlenecks.
- The strengthening of lateral and upwards communications and inter-institutional coordination.

In conclusion, CORDEPAZ needs help in project management, and until projects are updated or new ones are prepared, it can't absorb rapidly any funds USAID - makes available for project implementation. Additionally PMS training needs to be up-dated and broadened.

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PRODUCTS OF THE USAID ADVISOR assigned to CORDEPAZ (July-November 1981)

NOTE: Some of the advice or improvements detailed have occurred either simultaneously or jointly to CORDEPAZ personnel; the fact that they are mentioned here does not mean that their contribution is not recognized.

1. Technical Assistance in the improvement of plan preparation.

- Logframe is now being used in operation: planning clarifying project impact objectives.
- The operations planning for 1982 has changed from a simple budgeting of continuing activities as in 1981 to joint planning of viable and significant small farmer impact, and afterwards the definition of activities to be executed, and finally, the necessary requirements (type, amount, and dates).
- In view of the lack of a timely on-going project evaluation, the difficulties to provide efficient follow-up to a significant number of dispersed but small-scale projects, and the world-wide experience of minimal impact from such projects, a minimum package approach is being implemented. Specifically, lines of intervention in the small farmer productive sector are being closely coordinated, preferably in fewer projects, and are being complemented by rural road and community drinking water system infrastructure, in clearly delineated but concentrated zones of operation, generally those where the Corporation is actually working.
- Planning is now a joint activity of planning and operations personnel, rather than a sequential review of operations' requests.
- Before the President of the Corporation was changed, a timetable for the elaboration of the Operations Plan was presented.
- It was recommended that representatives of the Administrative (Executive) Office participate not only in the budgeting process but also in the objective setting and activity delimitation process, so that they would understand better the "why" of requirements to be budgeted.
- Brief orientation/review sessions were given on logframe to representatives of the Administrative Office, Project Control Office, Program Managers, and Project managers as well as the Planning and Projects Office.
- Intensive technical assistance was provided to the planning team on clarification of objectives, the delimitation of the respective OVI's, and zero-based budgeting for the 1982 Operations Plan.
- Training material has been prepared for a broader training seminar on PMS to take place in December.
- It has been recommended that data collection efforts realized by third parties, such as the Agriculture Ministry, be broadened, to provide a more precise image of the nature and extent of the problems in the specific zones in which CORDEPAZ will be working in 1982.

2.

- A summary schema for delineating a biennial, or medium term development strategy has been presented.
- A document outlining the conceptual framework of the Urban Functions in Regional Development component has been presented.

2. Technical Assistance in Project design and Management

- Logframes for all projects for probable implementation in 1982 have been elaborated and in several cases interest at the operations level has been strengthened in the use of the other management techniques in the PMS.
- In June and July project evaluation instruments (30 pages in documents and guidelines) were prepared based on PMS.
- Recommendations were made, and models prepared to use logframe for periodic progress reporting and requests for materials.
- The recommendation has been made that more advantage be taken of external financing, and that "shelved" projects be analyzed to determine their potential, relative value, and the possibility of external financing.
- The recommendation has been made that the other PMS management techniques be implemented.
- For the DRI-Aroma project, a PMS-Executive Seminar was offered, with emphasis on evaluation and monitoring techniques, that could have led to a greater degree of interinstitutional support, but due to internal workload, it was postponed until December/January. Additionally, since the investigation component was making little progress, a scheme for the first investigative phase (statistical profile) was presented and is now being amplified on. Finally, in view of the fact that the planning team charged with coordinating action components and investigation felt that a serious bottleneck was cooperative financing by other government institutions, international financing has been recommended (e.g. PI-480)
- An all purpose logframe for an Industrial Estate has been presented to help orient, and select, components of the proposed project.
- For four "shelved" projects, logframes have been prepared to facilitate their comprehension and evaluation; technical assistance in the evaluation and redesign of one has been provided.
- A document describing alternative project programming techniques has been prepared.

3. Technical Assistance in the improvement of Administrative Systems.

- An evaluation of the felt structure of responsibilities within the Corporation was begun, but due to the imminent change of the Corporation President, it received little support.
- On request of the President, a work plan to up-date administrative procedures, the internal personnel manual of rights and obligations and a manual of job descriptions has been presented.

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- Specific project requirements by type and quarter have been detailed with the expectation that it will facilitate the processing of the request for materials once the 1982 Operations Plan is approved and put into effect.
- Several management improvements in the Planning and Projects Office have been recommended: periodic formal coordination and exchange of information/experience, the elaboration of a work plan for project preparation, the use of the interim directorship as an incentive for the timely completion of assigned work, the general encouragement of initiative among subordinates, and the physical integration of the two antagonistic sections.
- In the event that the minimum package approach in selected zones is adopted, as a follow-up measure, it has been recommended that at least bimonthly in the zones themselves, meetings of project managers, corresponding program managers, Planning and Projects personnel, and Project Control personnel be held to ensure project field coordination and analyze project management problems and intra and inter-institutional support requirements, as well as up-date the contingency planning.
- To provide more effective follow-up to the 1982 Operations Plan, it has been recommended that project supervisors require of project managers monthly work plans which would include details of the requirements for the following month. This would give the Administrative (Executive) Office 30 days to provide the required inputs. The monthly work plan would thus be based on the availability of the requirements requested in a timely fashion one month previously. For very costly inputs, requiring bidding or other complicated acquisition procedures, the Administrative Office, with the project disbursement schedule specifying project requirements, should provide them in a timely fashion, but based on acquisition experience and requests made at the beginning of the year, initiating the process whenever it seems convenient. This would clearly make it their exclusive and appropriate responsibility to make available project requirements in a timely manner, thus hopefully avoiding later complaints of project inability to spend.
- In view of the fact that oftentimes the delays in input provision are due to the feeling of the Controller's representative that the requests are unwarranted, it has been recommended that he be included earlier in the administrative approval/requisition process. For example, a meeting at the beginning of the month with his/her participation could analyze the monthly requests for materials (referred to above). If the Controller's representative were to have an observation, the clarifying information could be requested during the acquisition process, rather than afterwards when the Corporation risks losing the price and/or timely acquisition.
- It has been recommended that whenever convenient, the project managers, or their staff, directly determine the prices and whereabouts of inputs needed.



CORPORACION REGIONAL DE DESARROLLO DE LA PAZ

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INPUTS: Of CORDEPAZ Contribution to the Project (July-Nov 1981)

1. Salary of personnel (see detail attached)	\$b.	419.930
2. CORDEPAZ operating costs		13.000
Vehicle (donation)	\$b.	6.000
Office material	\$b.	7.000
3. Studies-Training material	\$b.	3.200
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	\$b.	436.130
	US \$.	17.447



# CORPORACION REGIONAL DE DESARROLLO DE LA PAZ

## COUNTERPART (CORDEPAZ) PERSONNEL INPUT

No.	NAME	POSITION	MONTHS WORKED ON PROJECT -- RELATED -- ACTIVS	TOTAL SALARY P/MONTH	TOTAL VALUED INPUT
1.	Lic. Pastor Yanguas	Dir. Plan.	4	\$b. 20.000	\$b. 80.000
2.	Lic. David Haquín	Econ, Proj	0,25	14.000	3.500
3.	Sr. Prudencio Calle	Assist, Proj	0,25	10.000	2.500
4.	Ing. Edgar Bilibao	Ing, Proj	1,5	14.000	21.000
5.	Ing. Juan Mendoza	Ing, Proj	0,25	16.000	4.000
6.	Ing. Serafín Raba	Ing, Plan	0,25	18.000	4.500
7.	Lic. Jaime Burgos	Soc, Plan	2	14.000	28.000
8.	Lic. Alberto Quevedo	Econ, Plan	1,5	16.000	24.000
9.	Arq. Martín Gutié- rez	Planning, Spec	1,5	16.000	24.000
10.	Sr. René Ballón	Assit, Plan	0,5	8.000	4.000
11.	Lic. Luis Zarata	Stat, Plan	0,5	14.000	7.000
12.	Ms. Guadalupe de Morales	Secretary	6	5.000	30.000
13.	Other secretaries		2	5.000	10.000
14.	Ing. José Morató	Dir, Agrop.	0,5	20.000	10.000
15.	Ing. Ernesto Peñar- da	Mgr, PACT	0,5	16.000	8.000
16.	Mr. Pedro Suarez	Assit, PACT	0,5	10.000	5.000
17.	Ing. Rafael Oviedo	Dir, Lush	0,5	14.000	7.000
18.	Ing. Percy Baptista	Dir, Agr.	0,25	18.000	4.500
19.	Other proj. mgrs		3	16.000	48.000
20.	Arq. Mario Fernandez	Tech Mgr.	0,25	22.000	5.500
21.	Lic. Blanca de Vera	Admin Mgr.	0,5	22.000	11.000
				Sub-total	341.500
				Company share of Soc. Sec.	78.430
				TOTAL	419.930

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