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COOPERATIVE AGREEMENT ON HUMAN SETTLEMENTS AND NATURAL RESOURCE SYSTEMS ANALYSIS

AN ASSESSMENT OF URBAN AND URBAN-RELATED ACTIVITIES OF THE LATIN AMERICAN/CARIBBEAN BUREAU OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

17

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July 1984

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A. Origins and Purpose of Report

This report, requested by Latin American/Caribbean (LAC)/DR in collaboration with the Rural Development Division of the Science and Technology Bureau, is in response to the need for an assessment and overview of LAC's urban and urban-related activities. As a result of discussions between LAC/DR and Rural Development Division of the Science and Technology Bureau, and the anticipated increase in urban-related programs and projects, as outlined in the 1983 LAC Regional Strategy Statement, Clark University and the Institute for Development Anthropology were contracted through their cooperative agreement with AID to prepare a paper reviewing the implications of recent changes in AID policies on urban areas and urban-rural linkages with agriculture and rural development.

The terms of reference called for a report to review past experience of USAID's urban-related projects in Latin America, to document recent shifts in policy directions, and to recommend actions to be taken to improve LAC/DR's capacity to provide effective guidance and support to country Missions in the identification, preparation, and implementation of urban projects, regional projects, or other programs with an implicit urban orientation.

B. Sources of Information

In preparing this report, the writer drew on papers, reports, and other documents, readily available in Washington, and interviewed USAID officers and other knowledgeable people. Among the sources consulted were Congressional Presentations, Annual Budget Submissions, Project Evaluation Summaries, Country Development Strategy Statements, and other policy documents. (See Appendix A for a list of references and Appendix B for a list of the people interviewed.)

C. AID's Past Experience with Urban-Related Projects in Latin America

In defining the term "urban-related projects," the author was guided by the original discussions which led to the commissioning of this report, and the purposes for which it is intended. As is pointed out in the Urban Development Policy Paper (UDPP), "urban"--and for that matter "rural"--are basically spatial rather than sectoral concepts. Thus the term is taken to include both those projects which are specific to urban areas, as well as others which have implicit urban connotations within a broader scope, particularly regional or area-wide activities and those concerned with urban-rural linkages.

A brief perusal of project evaluations, and interviews with those involved in their implementation, points to a number of conclusions to be drawn from AID's experience with urban-related activities. (See Appendix C for a partial listing of past and current projects.)

1. **Urban Development Policies and Programs.** These include both nation-wide urban policies and programs, most notably the Urban Regional Sector loans to Colombia in the late 1960s and early 1970s, and city-wide projects such as the one in Managua in the mid 1970s. Both tend to involve a large number of complex components, and rely heavily on local institutions. Their success or failure hinges primarily on how effective these institutions are, or can be made to become, in planning, management, and implementation.

2. **Private Sector and Employment Generation Projects.** The major efforts in these areas, of course, have been since the advent of the Reagan administration, and these are reviewed in more detail below (see section F.2). Earlier experience suggests that loan programs take time to get underway,

disbursements are slow, the employment multiplier is limited, and much depends on the climate of business confidence in the economy.

3. **Housing Policies and Programs.** The main actor here is, of course, AID HIG program, which has a long history, and is amply documented elsewhere. It is probably one of AID's most successful programs to date, although if we were to pick out a single problem that appears to constantly recur, it is the difficulty of ensuring that shelter units really are affordable by the lower income families for whom they are intended.

4. **Urban Upgrading and Infrastructure Projects.** Much of this activity falls under the umbrella of the HIG program, although there have been other programs, often related to the reconstruction of infrastructure destroyed by earthquakes, as for example in Nicaragua and Peru. Experience suggests that while it is not so hard to get things built, it is much harder to ensure adequate maintenance. More recently, projects intended to be self-financing have been designed, but in more than one case, this requirement paralyzed the project entirely (Costa Rica 515-0130 PES 1981).

5. **Multisectoral Urban Community Development Programs.** These kinds of programs embrace some combination of shelter, infrastructure, health, training, and job creation components, targeted at a particular urban community, but they all share the characteristic of requiring the participation of many different actors. Evaluation summaries frequently refer to rivalries and the lack of coordination among local agencies, with the result that projects advance well in some directions, but lag far behind in others.

6. **Institutional Development Programs.** These are aimed at strengthening the capability of local institutions, but of particular interest in the

present context are those directed at improving municipal administration and fiscal reforms. AID's main experience with these kinds of programs dates back to the 1960s. The chief stumbling block was reportedly political resistance to strengthening local government on the grounds that it weakened central powers. Less ambitious, though more successful, were the programs for training local government administrators, particularly those in Brazil through the Brazilian Institute for Municipal Administration (IBAM).

7. **Regional and Area-Based Development Programs.** Under this rubric is included the whole gamut of integrated rural development projects, several rural infrastructure programs covering an entire area, and many of S&T/RD's recent projects for rural and regional planning. Integrated approaches have had bad press due to the difficulties of coordinating the many actors who need to be involved, and the high turnover of local management personnel that disrupts implementation. More promising have been some of S&T/RD's regional planning projects where the emphasis has been on reorienting existing programs within a spatial framework of urban-rural linkages. (See for example the Urban Functions in Rural Development project in Bolivia and Ecuador).

D. Recent Policy Shifts under the Reagan Administration

With the advent of the Reagan administration, and AID's adoption of new policy directives--stressing policy dialogue, technology transfer, institutional development, and employment generation through support of the private sector--there has been a marked shift in the pattern of mission activities. This clearly is illustrated by a comparison of Annual Budget Submissions for LAC countries for FY 1981 (prepared in 1979 in the third year of the Carter Administration), and FY 1986 (prepared this year).

As may be seen from Table 1, showing actual and planned obligations for urban-related projects, LAC obligations overall have risen substantially during the period in question, from $225 million in 1979 to $832 million in 1984. This reflects the new initiatives by the Reagan Administration in the Caribbean and Central America, which have entailed making available Economic Support Funds. Obligations destined for urban and urban-related activities have grown during this five year period from $62 million to $171 million, although as a share of the total they have fallen from 24 percent to 20 percent, and a projected 17 percent in 1985. This is due mainly to the substantial additional sums earmarked for economic recovery efforts and central credit loans.

Within the total obligation for urban-related activities, the two most dramatic shifts are the almost sixfold increase in funds for private enterprise, and the decline in area-based development programs, which are projected to virtually disappear by 1986. Interestingly, despite the current embargo on the use of DA funds for infrastructure, this category emerges as the second largest, aimed mainly at supporting production.

The main point to be made here is that the emphasis on the promotion of private enterprise and small businesses has resulted in a significant increase of investments in cities and towns, and consequently, a de facto shift of emphasis in new projects from rural to urban areas.

Though not evident from this table, there has also been a marked increase in AID efforts directed to price-adjustments and the correction of macro- economic problems. This also has important ramifications for the growth and distribution of urban and rural activities.

TABLE 1

PROJECT OBLIGATIONS FOR URBAN RELATED ACTIVITIES
1979, 1984, 1985 AND 1986

	Category	1979	1984	1985	1986
I.	Urban Development Policies and Programs	0.0	16.7	0.0	0.0
II.	Private Enterprise and Job Creation	17.8	105.0	182.4	197.1
III.	Housing Policies and Programs	8.1	1.0	7.3	11.9
IV.	Infrastructure	0.0	19.5	5.4	25.5
V.	Multisectoral Community Development Programs	0.1	0.4	0.7	0.7
VI.	Institutional Development	0.1	0.8	1.3	6.2
VII.	Area Development Programs	36.1	28.0	10.6	4.4
	TOTAL URBAN-RELATED ACTIVITIES	**62.1**	**171.4**	**207.7**	**245.8**
	TOTAL LAC OBLIGATIONS	**254.9**	**832.2**	**1242.9**	**NA**
	TOTAL AS PERCENT OF LAC OBLIGATIONS	**24%**	**20%**	**17%**	**—**

E. Current Thinking and New Trends

Of particular interest to LAC/DR and others at AID/Washington are the implications of current thinking among policy makers in Washington and country missions relative to the field for future activities and the steps required to guide and support those activities. A quick reading of the current LAC Regional Strategy Statement, the newly prepared Urban Development Policy Paper, and available Country Development Strategy Statements, prompts some preliminary observations.

The LAC statement stresses a three-pronged approach in support of economic stabilization, structural reforms, and overcoming key constraints, all aimed at increasing the attractiveness of exporting, raising the rate of employment generation, and energizing the private sector. Other aims include improving income tax systems, and extending basic services to poorer groups.

Although Annex F is titled "Urban," it deals primarily with the industrial sector, and efforts to promote the growth of private enterprise. Proposed program categories are aimed at stimulating trade, employment, and the investment climate, and to a lesser extent assisting low-income shelter programs. There is virtually no mention of any proposals for urban policies or programs per se, except for a passing reference to a focus on "urban development planning," and "improvements in basic physical infrastructure," which are not elaborated any further (p. 37).

A sampling of the CDS statements reflects a major concern in many countries with structural adjustments in the national economy to reorient efforts from import substitution to export industries, and thereby strengthen private sector businesses and manufacturing, and expand employment opportunities (Peru and Jamaica envisage efforts to promote institutional development, but again,

there is little explicit consideration of urban policies as such. The exception is Jamaica's proposal for a major urban development program as an alternative to Kingston.

The Urban Development Policy Paper reiterates many of these concerns and objectives, but in addition includes a number of explicit urban policy issues. It recognizes that AID "already has a very large if somewhat unbalanced urban portfolio," and argues that the reexamination of urban development policy should not limit itself to activities that could only take place in urban areas, but should concern itself with "urban links to the rest of the national economy and to rural areas through the national settlement system" (p. 1). Among other points, the paper urges that AID should consider programs and policies that support "country economic development policies which lead to the appropriate allocation of resources between urban and rural areas." In addition it advocates the strengthening of urban institutions to accommodate the needs of the private sector and the urban poor, and to promote greater efficiency in the planning and provision of services.

F. Implications of Current Directions for LAC/DR and Missions

In re-examining the implications of current thinking and policy directions for LAC/DR and country Missions, we need to ask specifically how these relate to the process of preparing development strategy statements, identifying projects (PIDs), evaluating them, elaborating proposals (PPs), and supervising their implementation.

In the course of interviewing AID personnel, it was commonly observed that while much effort is devoted to sectoral strategies and projects, the interrelationships between one sector and another, between one project and another,

are often overlooked, or receive only cursory attention. One method for tackling this problem is to adopt an urban or regional focus as a framework for exploring the linkages between sectors, and allocating resources among them. While sectoral planning may be thought of as the vertical dimensions of development activities, an urban or regional perspective can provide the horizontal or spatial dimensions of a mission's portfolio.

What this means, and what is involved, can be shown by examining four major aspects of current policy directions: macro-economic factors and structural reforms; support for the private sector; institution building; and agriculture and rural development.

1. **Stabilization and Structural Reform.** USAID efforts aimed at stabilization and macro-economic structural reforms have significant ramifications for the growth and distribution of agricultural and manufacturing activities. As an example, overvalued exchange rates and import tariffs have generally tended to benefit industry and the cities at the expense of rural areas. Correcting price distortions should benefit agriculture through cheaper inputs and better prices for exports, though there will inevitably be adverse consequences for more inefficient firms producing behind protective tariff barriers for the domestic market.

To assist missions in elaborating a coherent development strategy, and to put together a mutually reinforcing portfolio of projects, LAC/DR needs to be able to offer guidance in examining the potential ramifications of proposed macro-economic policy interventions for urban-rural terms of trade, the rate of urbanization, its spatial incidence, and the relative performance of different regions and cities.

Missions need to be able to address the question not only of which sectors should be of priority concern, but also which areas of the country. This means not just a simple allocation between rural and urban areas, but among specific regions and cities. Clearly AID cannot cover the whole country, so the question becomes: where can limited resources be deployed in order to exert the maximum leverage in achieving priority objectives?

By sketching out the regional dimensions of a nation's economic and social trajectories, Mission planners will be better able to evaluate the ramifications of country development strategies. By pinpointing critical regions and cities--through an analysis of economic potential, past and projected growth rates, measures of cost/efficiency, and other indicators--they can assess alternative locations for place-specific programs and investments.

S&T/RD has already carried out prototype models for studies of this kind in Honduras, Guatemala and Panama, and most recently PRE/H, in collaboration with PADCO consultants, have evolved a methodology entitled Urban Development Assessments, which has been applied in Nepal and Senegal. Other applications are underway, and LAC/DR should consider how to build on this experience and to disseminate the ideas to other country Missions.

2. Private Sector Support and Employment Generation. Proposals put forward in the LAC statement for the support of private enterprise and small business, and the creation of employment opportunities, include streamlining rules and regulations, fostering linkages with US firms, improving access to credit, and promoting exports. Efforts of the last three years have focused on policy changes, such as abolishing export taxes and exchange controls and eliminating bureaucratic procedures, as well as loans to banks and commercial

institutions targeted specifically for export firms, and to a lesser extent, direct assistance to small businesses.

Generally, results have been mixed. Policy changes have proven difficult to accomplish due to political resistance. The level of lending has been below expectations, impeded by tight lending conditions and the high failure rate among small firms. Business failures are attributed among other things to the difficulty of obtaining inputs, the lack of entrepreneurial expertise, and the absence of middlemen or trading companies experienced in export markets and procedures. The related objective of generating employment opportunities effectively has taken a back seat in view of the difficulties of identifying viable export-oriented activities. Although no figures are available, it is highly probable that the multiplier effects in terms of employment generation have been substantially lower than expectations.

Although some project proposals have specified that assistance should be targeted to firms in secondary cities, evidence from similar projects in earlier years suggests that the majority of beneficiary firms are likely to be located in or near the principal city, simply because they have more immediate access to the relevant people and institutions providing support. Often, producers in other cities are also seriously handicapped by poor communications with the nation's capital, inferior infrastructure, and the absence of local suppliers of complementary goods and services.

All of this points to a number of urgent urban-related issues that LAC/DR and Missions need to address if efforts to promote private enterprise and the creation of new job opportunities are to be more effective.

In thinking through the detailed implications of such programs, it would be instructive to start with an analysis of the input-output linkages of

targeted firms to identify actual or potential bottlenecks hobbling production. From a sectoral point of view, what do these firms need in the way of material inputs, infrastructure, labor, capital, and other supporting services? And from a spatial perspective, where are these firms located; what is presently available to them in those locations; where are their suppliers located; and where is the destination of their outputs?

From analyses of this nature, Missions can identify missing pieces in the picture, and generate suggestions for a new and ongoing projects. These might include proposals for targeting efforts in selected cities where export firms are clustered, the design of complementary project packages to be financed and implemented by AID and/or other agencies and institutions, or actions for improving the capacity of local institutions responsible for the delivery of key services (see below).

3. **Institution Building.** The emphasis on the private sector in AID policy reinforces the need for complementary policy initiatives geared to strengthening institutions, especially at the level of local government and municipalities, a point which is reiterated by the UDPP. There are three ways in which this might be approached:

(a) Through the devolution, decentralization, or delegation of authority from central government agencies to regional or municipal counterparts. This entails questions of inter-governmental responsibilities for decision-making, budgeting, program implementation and management.

(b) Through fiscal reforms aimed at expanding the municipal tax base to provide cities with a modicum of fiscal independence. This would entail an examination of revenue sharing mechanisms, potential sources of local revenue from property taxes (requiring cadastral surveys?), sales taxes and the like.

(c) Through self-financing mechanisms for the expansion and proper maintenance of services and infrastructure. An additional element here is the replacement, where necessary, of nation-wide uniform

utility tariffs with pricing structures that reflect the marginal economic cost of provision in different parts of the country. These measures would be in close accord with larger Agency objectives of eliminating price distortions and increasing market efficiency.

4. **Agriculture and Rural Development.** In looking at urban activities we should not overlook AID's continuing concern with agriculture and rural development. The LAC strategy statement observes that overall rural development has been weak" (1983: p. 31), and that this has contributed to the lack of nonfarm employment opportunities in rural areas. In part, this may be due to mixed results of integrated approaches to rural development, requiring complex inter-agency coordination, which has proven so hard to achieve.

The reduction of price distortions generally should benefit agriculture, and yield positive results in raising rural incomes, thereby stimulating the demand for locally provided goods and services in the small and intermediate towns serving rural hinterlands. However, we should not make the mistake of assuming that price corrections alone will be sufficient. It is important to take a broader view of agriculture and rural development in the context of rural-urban linkages, and, as with export manufacturing, to identify bottlenecks impeding production.

This implies again that mission planners need to adopt a regional framework in evolving a coherent strategy for agriculture and rural development that takes account of the potential for complementarities among sectoral projects, and their location in space. The interrelationship of proposals for rural roads, storage facilities, marketing networks, credit programs, the distribution of agricultural supplies, and similar projects is important in avoiding piecemeal actions that, by themselves, are unsuccessful and ineffective.

This requires thinking about the spatial dimensions of rural development, not to isolate rural sector actions, but to treat them in the context of a mutually supportive rural-urban continuum. S&T/RD has experimented with a number of approaches to area-based planning, notably in Bolivia and currently in Ecuador, and LAC/DR should evaluate these models with a view to adapting them for replication elsewhere.

G. Recommended Actions.

Many of the people and offices at AID/W concerned with urban-related activities in Latin America are evidently not fully aware of each other's activities. Therefore, the following recommendations are being offered:

1. **As an obvious and preliminary step, that LAC/DR set up a liaison committee with members of S&T/RD and the Office of Housing and Urban Programs (PRE/H), and other appropriate AID/W offices to improve internal communications in Washington.** The committee's task would be to facilitate an ongoing discussion of the issues, and to explore ways in which AID might best address urban-related problems, and evolve more effective solutions and responses. It also could help to identify and marshall relevant resources currently available within the agency.

A frequent refrain heard in the course of preparing this report was that the activities and services of AID/W offices either were or should be "demand driven," answering to the needs and interests expressed by field missions. However, some people commented that current demand for "urban" expertise as inputs into mission planning and projects was limited, evidently because it is not widely understood what this involves, or how such inputs might contribute to solving the more immediate problems confronting mission planners.

2. **A vigorous effort be made to advance the ideas and concepts embodied in the UDPP, and to disseminate among LAC Missions the methods and models developed by S&T/RD and PRE/H.** This can best be achieved, not by presenting them as something new, or as an additional set of concerns that need to be addressed, but by demonstrating to mission planners how they can be utilized to provide fresh insights into current issues and concerns, to evolve alternative approaches to problem-solving, and to enhance the design of existing policies and programs.

3. **LAC/DR take steps to facilitate a two-way dialogue between AID/W and LAC missions on urban-related issues.** There are many ways in which this might be done. As a starting point, this might simply entail contributing a regular column to an in-house journal, circulating occasional briefing papers among key AID offices and personnel, or starting a newsletter devoted specifically to urban-related issues. These channels could be used to make known the availability of pertinent documents, urban specialists, and other resources, and to circulate progress and evaluation reports on urban-related programs and projects sponsored by AID in the LAC and other regions of the world.

4. **LAC/DR organize more intensive discussions on specific problems as priority topics begin to crystallize through this dialogue.** These might take the form of short seminars, along the lines of the recent workshop on land tenure held by S&T in Annapolis, or visits to missions by small teams of urban specialists to explore with field staff potential applications to their ongoing activities. PRE/H is currently doing this through their series of Urban Development Assessments, and similar approaches could be evolved for sub-national studies drawing on S&T/RD/s experience with regional planning.

5. **Thought be given to commissioning new research on selected urban-related topics, or cross-country evaluation studies appraising project experience.** Bearing in mind AID/s current policy priorities, four subjects spring to mind as particularly relevant: (a) support for small businesses and export-oriented manufacturing in secondary cities; (b) efforts to generate employment opportunities through manufacturing, services, or the informal sector; (c) approaches to institution building and strengthening the administration and management of cities; (d) self-financing mechanisms for the provision, expansion, and maintenance of infrastructure. These studies might be undertaken using the resources of PPC/E, or through the cooperative agreements between S&T or PRE and universities.

6. **A way be found to add initially at least one more person to the EST office to handle urban matters.** It is clear that LAC/DR will make little or no progress in any of these directions until the crucial problem of the need for additional personnel is solved. Currently, urban-related matters are handled in LAC/DR by the office of EST. Given their present responsibilities, there is no way they could undertake the additional workload outlined here without more staff. If a direct hire is not currently feasible, then other avenues should be explored, perhaps through a personal services contract, or other short term arrangement.

7. **LAC/DR review the agency's current capability for providing technical assistance and backstopping to LAC missions for urban-related policies and programs, and seek ways to supplement this where necessary.** Currently, there are some two dozen people in the field, either with RHUDOs or missions, who are responsible for housing and urban programs (see Appendix D). But eventually, LAC/DR should aim to assemble a pool of specialists providing a range of

expertise on urban-related matters, based either at AID/W, in the field, or on-call through contractors.

This pool should include some combination of the following people: a regional economist for the spatial ramifications of national economic policy changes; an industrial location expert for the input-output linkages of manufacturing firms; a public administration specialist for issues related to institution building and city management; an urban economist to look at fiscal reforms and municipal finance; an expert on the pricing of infrastructure and other urban services; and a regional planner or economic geographer for the urban-rural linkages associated with the development of agriculture and rural areas.

While some may view these recommendations as ambitious under present circumstances, one thing is indisputable. As an increasingly large proportion of Latin America's population comes to reside in cities and towns, the efficient administration and management of those cities will inevitably surface as a crucial prerequisite for sustained economic and social development, and AID will inexorably become more and more involved in urban-related activities. The agency would do well to anticipate the future and prepare itself as best it may.

APPENDIX A LIST OF REFERENCES

Annual Budget Statements FY 1986 for:

Belize, Bolivia, Dominican Republic, Ecuador, El Salvador, Haiti, Hondduras, Jamaica, Panama, Peru, Caribbean Regional, and ROCAP.

Chetwynd, Eric. Regional Analysis, Market Towns, and Rural Development Discussion Paper. Worcester: Clark University, December 1982.

Congressional Presentation Fiscal Year 1985, Annex III Latin America and Caribbean Vols. I and II.

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Parsons, Kit. "Strengthening LDC Institutions for Education in the Urban Professions." Prepared for the Office of Housing and Urban Development, September 1983.

Rural Development Planning Program for Guatemala. Department of Community and Regional Planning, Iowa State University, Ames Iowa.

"Urban Development Policy Paper." Memorandum for Executive Staff, April 9, 1984.

"US Government Programs Programs for the Caribbean Basin." LAC Bureau.

Velasco-Arboleda, Julian. "The Nicaraguan Urban-Regional Assessment: Summary of Findings and Recommendations." Managua, Nicarague, October 1977.

APPENDIX B INTERVIEWS, MEETINGS, AND ASSISTANCE

NAME	LOCATION	PHONE NO.
Interviews		
Alington, Jo	PADCO	296-0004
Broehl, Allan	LAC/DR/EST	632-7340
Carroll, Alan	PADCO	296-0004
Chetwynd, Eric	S&T/RD/RRDD	235-8860
Eaton, Bud	LAC/DR/PS	632-9162
Hussey, Pamela	PRE/H	632-9637
Van Huyck, Al	PADCO	296-0004
Vitale, Paul	PRE/H	632-0042
Weissman, Stephen	World Bank	477-4721
White, Paul	LAC/DR/EST	632-7430
Zuvekas, Clarence	LAC/DP	632-7926

Meetings

23 July 1984: Allan Broehl, Ruth Cherenson, Eric Chetwynd, Paul White.

25 July 1984: Alfred Bissett, Allan Broehl, Ruth Cherenson, Eric Chetwynd, Ben Severn, Paul White.

Assistance from:

Cherenson, Ruth	S&T/RD	235-8860
Erbe, David	LAC/DR/DPP	632-7937
Francis, Jack	LAC/DP/SD	632-3009
Nichols, Steve	S&T/RD	235-8860

APPENDIX C PARTIAL LISTING OF PAST AND PRESENT URBAN RELATED PROJECTS IN LATIN AMERICAN/CARIBBEAN REGION

I. Urban Development Policies and Programs

513-0000
Chile 1979 $12.2m
Technical Support
Scope: Provides TA (urban planners) to assist with model cities program in Concepcion, and marketing specialist.

Eval:

518-0092
Ecuador 1967-74 $1.8m
Civic Development - Urban Development
Grant and TA to promote urban development programs, including component for small businesses, pilot S&S project in Guayaquil, TA team to improve urban planning capability of Guayaquil municipality.

Eval: ISN-25353 Hewitt and Benjamin
Small business loan delayed, lack of private capital.
Ecuadorian Development Foundation set up new department for loans and TA.
Housing units beyond reach of target poor. National Planning Board involved in strengthening planning capability of small municipalities.

514-0150
Colombia 1968-79 $3.5m
Migration Study
Scope: Technical services contract with U. of Wisconsin to support study of rural to urban migration.

Eval:

514-0172
Colombia 1972-76 $32.9m
Urban Regional Sector II
Sector loan to implement urban development activities in smaller and medium sized cities. Projects to include roads, water, sewage, labor intensive industry, housing, training of public administrators.

Eval: ISN 25180 Dyckman 1976
DNP responsible for coordination, but since had no operational role, investments not well coordinated. Conflicting objectives in loans, small industries and labor intensive activities tended to be better represented in larger cities rather than medium sized cities.

519-0032
El Salvador 1958-74 $1.0m
Urban Planning
TA to develop information base for urban development program for Central Business District of San Salvador.

Eval:

532-0090
Jamaica 1984-87 $21.7m
Jamaica Urban Development
Integrated package of capital, management and technical assistance for secondary city. Reforms in urban management, policy and programs within Kingston Metro region and larger national level.

Eval:

524-0106
Nicaragua 1974-80 $1.3m
Program Development and Implementation
TA and training to improve capacity of Vice Ministry of Urban Planning and other agencies to plan projects for urban development and reconstruction of Managua.

Eval: ISN-22871 Dyckman 1975
Progress report shows TA yielded formulation of reconstruction strategy, work on restrictive emergency building code, staff expansion in Vice Ministry of Urban Planning, initial efforts to improve capacity of Managua municipal government.

524-0140
Nicaragua 1975-81 $6m
Managua Urban Reconstruction
Loan to finance reconstruction of Managua

Eval: ISN-26510 Daniels and Orr 1978
Interim report indicates infrastructure restored to 1971 levels; water administration program setup.

525-0119
Panama 1967-74 $1.2m
Urban Development
Grant for TA and training to support USAID loans for urban development and housing.

Eval: ISN-27210 Final report, Reyna, 1974
Project resulted in setting up of permanent non-profit institution to promote organization of urban and rural housing cooperatives.

II. Private Enterprise and Job Creation

III. Housing Policies and Programs

514-0058
Colombia 61-73 $1.7m
Urban Development (Housing)
Scope: Grant, TA, and training provided to improve planning personnel in preparation for urban/regional sector loan.

Eval:

522-0151
Honduras no date $0.1m
Shelter for Urban Poor
HIG loan and TA grant for National Housing Institute to improve its ability to produce housing for urban poor.

Eval:

527-0065
Peru 1962-81 $1.8m
Housing and Urban Development
TA grant to government and private sector agencies to improve planning and implementation of housing and urban development activities, directed to reconstruction of earthquake zone, cooperative housing, HIG loan, S&L industry.

Eval: ISN-25496 Olinger 1976
All programs were being implemented on schedule as planned. Ministry of Housing and Construction was slow to develop projects in flood zone.

538-0004
West Indies - Eastern Caribbean 1972-82 $8.5m
Integrated Regional Development-Caribbean
Grant to create within Caribbean Development Bank the secondary mortgage market capability for low income housing program.

Eval:

IV. Infrastructure

522-0155
Honduras 1980-84 $0.2m
Urban Upgrading
HIG loan to improve capacity of municipal governments of Tegucigalpa and San Pedro Sula to manage programs for upgrading squatments through cost-recoverable investments.

Eval: ISN-34303 Boyer-Hernandez (1984)
TA for project monitoring, community needs assessment, municipal accounting practices. HIG program completed last of 3 disbursements installing $1.27m. Delays of 15-18 months due to late signing of HIG loan agreement, discontinuities in municipal administrations; in August 82 two projects completed benefiting 292 families. Four scheduled for completion by January 83.
In general project developed to point where it has high potential for success, key elements in place. Major problem is question of land tenure and property rights situation which is complex and muddied. Deficiencies in existing city water and sewer systems have not been remedied, probably curbing future growth of project.

512-0062
Brazil 61-74 $3.2m
Urban Water and Sewer Systems
Scope: Technical assistance and grants to construct/enhance urban water and sewer systems.

Eval: ISN-23027 1974

V. Multisectoral Community Development Programs

527-0137
Peru 1972-79 $15m
Urban Reconstruction
Reconstruction of squatter settlements ravaged by 1970 earthquake, through low-income housing, community facilities, home improvement and utility service loans.

Eval: ISN-26553 Final Report: 1979
Loan to housing bank; 13 self-help housing projects implemented and successful; construction of water, sewage, and electricity services. Inter-agency rivalry caused problems. Housing Bank improved its capability for development financial, ORDEZA better able to design and implement projects.

515-0130
Costa Rica 1978-83 $5.5m
Urban Employment and Community Improvement
Loan, HIG, and TA for employment training, shelter and infrastructive improvement, urban policy and planning. Also includes TA, training and credit for small industry.

Eval: ISN-478 Lomibardi (1981) ISN-479 Olinger May (1981)
Job training hampered by inadequate coordination, lack of private sector awareness. Small business and job creation proceeding slowly. S&S component lacks government interest. Infrastructure paralyzed due to requirement that 100 percent costs be recuperated.
PES July 12 1981

518-0022
Ecuador 1982-85 $0.3m
Integrated Shelter and Urban Development
A model integrated urban development program combining low cost housing, infrastructure, community organization, employment generation.

Eval:

518-0030
Ecuador no date $0.4m
Integrated Shelter and Urban Development
HIG loan and grant to housing bank for model integrated urban development for poor.

Eval:

527-0186
Peru 12980-84 $0.5m
CARE Urban Feeding Program
OPG grant to CARE for infrastructure, employment generation, food provision, to urban poor in slum areas of Lima.

Eval:

VI. Institutional Development

512-0122
Brazil 1965-80 $6.1m
Municipal and State Administration
Scope: Loan, grant, and technical assistance to improve municipal government administration, mainly through Brazilian Institute for Municipal Administration (IBAM).

Eval: ISN-21945 1972
Scholarships provided, training seminars held, reports and publications written and distributed.

512-0291
Brazil 1971-77 $25m
Urban Sanitation
Scope: Loans to National Housing Bank reloaned to States and municipalities for financing sanitation projects. Also TA and training to strengthen institutional capability.

Eval:

512-0302
Brazil 1962-74 $2.1m
Municipal and State Administration
Scope: Grant for construction, training, and consultants to improve Brazilian Institute for Municipal Administration (IBAM).

Eval: ISN-22016
Consultants provided, scholarship fund set up, seminars arranged.

VII. Area Development Programs

511-0499
Bolivia 1978-1983 $15.3m
Village Development
Loan to reach Bolivia's most isolated regions with mix of social and economic infrastructure for communities under 3000 inhabitants.

Eval: PES May 1980
NCDS (National Community Development Service) is too short of total projects projected for period to date. Far more social than economic infrastructure projects. Little evidence that NCDS promoted self-reliant and permanent community organizations. Behind schedule due to: (1) delays in setting up

administrative mechanisms to disburse funds; (2) economic instability creating sales freeze and shortages of building materials; (3) political instability causing high turnover of management personnel; (4) NCDS poorly designed administrative system, and; (5) lack of GOB counterpart funds.

512-0268
Brazil 1970-75 $0.4m
Training for Regional Development
Scope: Grant to provide training of personnel for SUDENE - regional development agency in northeast Brazil - through courses on agriculture, industry, transportation etc.

Eval.

547-0130
Dominican Republic 1984 $15m
Rural Roads Maintenance/Rehabilitation
Purpose: to develop capacity of SEOPC (Obras Publicas) to maintain and rehabilitate rural roads.

Eval: PES November 18, 1983
Delays in execution due change of high ranking personnel; technical guidance required for unit directors. Funds reprogrammed for rehabilitation following damage from two hurricanes. Implementation unit set up at national level. TA provided for institution building. Seven regional centers built and equipped. 87 community organizations formed with 450 members. Other donors falling short in their contributions. 500kms rural roads largely completed. Progress made towards routine maintenance.

520-0249
Guatemala 1978-83 $1.4m
Integrated Area Development Studies (Iowa State)
Purpose: Development and adoption of a systematic planning methodology for determining priorities and allocation of resources.

Eval. PES June 22, 1983
Data base compiled as result of project thought to be of questionable reliability, though special evaluation found that data "are of unknown validity." During last six months of project, implementing agency underwent radical reduction in staff. Limited interest by GOG agencies in data compiled. Potential users need to be involved in design of data-base system.

520-0272
Guatemala 1980-93 $0.5m
Integrated Rural Development - San Marcos

Eval: PES June 29, 1983
Implementation of project was partially successful in overcoming a too ambitious project design, a lack of coordination between contributing sectors, and a deteriorating and unpredicatable political situation. Agricultural efforts concentrated on development of small family plots. Health component directed to training of paramedical personnel.

521-0078
Haiti 1976-83 $12.1m
Integrated Agricultural Development
Components reduced from 7 to 4 (1979): research and extension; irrigation and soil conservation; and administration. No urban component.

Eval: Martin et al Dec. 83 Research and Extension Component
Project expectations too high. Not all outputs realized. Preparation of technological packages for Haitian research surprisingly successful. Strengthening of Haitian research capacity only partially accomplished. Training activities excellent but unfinished. Lack of timely decisions and operative funds delayed activities of DARNDP (Dept. of Ag.). PTO

Eval: Irrigation Component Sept. 83 (Stutler et al.).
Original scope revised several times. Project subject to lengthy delays due to financial constraints. Project adequately designed and constructed. Water user groups formed and delivery schedules prepared, though no user management group set up, thus unlikely to be properly maintained.

527-0178
Peru 1979-1985 $16.6m
Integrated Regional Development
Grant and loan to develop decentralized regional planning capability and mechanism for financing rural development projects in two departments of Peru, thru DDCs.

Eval: ISN-33307 Bathrick and Sugrue 1983
Project initiated by DDC committees and implemented through units called PRODERINs. Vacuum occurred while Departmental Development Committees were replaced by Corporations. Responsibilities of Corporations overlapped with PRODERINs, impeding project implementation. Market Town Development Fund suffered serious delays due to being unknown quantity, and preference for conventional public works.

APPENDIX D LIST OF AID PERSONNEL IN THE LAC REGION WITH RESPONSIBILITIES FOR HOUSING AND URBAN PROGRAMS

LOCATION	CATEGORY	NUMBER	NAMES
A. RHUDOs			
Honduras	DH	2	Low, Homo
	PSC	2	Ramirez, Cornavaca
Jamaica	DH	3	Frankel, Mann, Hjelt
	PSC	2	Baker, Merrill (from PADCO)
Panama	DH	3	Gellman, Otterbein, Giddings
	PSC	2	Saborio, Rivera
B. Missions			
Barbados	PSC	1	Dubinski
Belize	OPG	1	Barash
Costa Rice	DH	1	Boyer
	PSC	1	La Barca
Ecuador	DH	1	Kessler
	PSC	2	Van Fossen, Carlson
El Salvador	PSC	1	Miranda
Peru	DH	1	Byer
	PSC	1	Salinas

CATEGORIES

DH - Direct Hire

PSC - Personal Services Contractor

OPG - Operational Program Grant