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AGENCY FOR INTERNATIONAL DEVELOPMENT

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EVALUATION STUDY

OF

RURAL MUNICIPAL DEVELOPMENT PROGRAM

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This document was prepared by The Pragma Corporation
Evaluation Team: Howard Stanton, Peter Gore, and Arthur
Boehme for delivery to Lic. Joslyn Fearon, Project Manager,
USAID, Panama

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EXECUTIVE SUMMARY

The rural Municipal Development Program was initiated with an AID loan to the Banco Nacional de Panama, which provided for concessional sub-loans to rural municipalities for their development. The AID loan (\$4 million) will be paid back by the Government of Panama, so that the municipal sub-loans, when they are paid back, will provide the BNP with a permanent revolving loan fund.

The Rural Municipal Development Program has both institutional and financial objectives.

The major institutional objectives are:

- strengthen municipal managerial capacity
- improve BNP's own understanding of municipal needs
- coordinate interagency response to municipal problems

The major financial objectives are:

- provide benefits in a cost effective manner to municipalities
- raise municipal income:
 - (a) by increasing revenue sources
 - (b) by improving record keeping and collections
 - (c) by generating direct employment
- select projects with good repayment potential

In 1972-73, new legislation increased municipal responsibility for finances as part of a decentralization process. In 1975 the BNP created a new department, FODEM (Fondo Desarrollo Municipal) to manage the AID program we are evaluating as well as an existing municipal loan program with \$2.6 million of Panamanian funds. Although the AID project ended in 1981, the revolving fund from loan repayments--now, reportedly, nearly \$1 million--is still administered by that department as is the original loan program. Recently, the IDB made a similar \$6.2 million loan assigned to the same department, now renamed GEDEL (Gerencia de Desarrollo Local, in tune with its widened responsibilities.

The Pragma evaluation team consisted of a team coordinator, an institutional specialist, and a financial specialist, all with substantial experience in project evaluation. The team spent two person-months in Panama collecting data from agency files and site visits. BNP was frank and cooperative at all times. USAID/Panama provided valuable background understanding.

The broad aim of this program was to bring the BNP into a continuing municipal development effort. In this aim, the program has succeeded. GEDEL/FODEM exists as a BNP department in constant touch with Panama's municipalities. The recent IDE loan is testimony to the confidence their efforts have inspired. There seems no doubt that the revolving loan plan will continue indefinitely.

The following is a capsule summary of our evaluation of each of the six special objectives. Naturally, some of the objectives have been better realized than others. Most of the loans are still in mid-stream and their progress will doubtless add to the achievements in coming years. The Rural Municipal Development Program began with exceptionally high objectives. The FODEM group worked hard and with spirit. In some cases, real world difficulties could not be resolved. We have made two recommendations for the program stage that FODEM (now GEDEL) is beginning to implement.

The order and degree of success in meeting each objective is judged to be as follows, from most to least successful:

1. Provide benefits to municipalities cost effective manner. Without exception, although varying in degree, projects provided benefits to the municipalities. Benefits always occur, mostly at a reasonable cost.
2. Improve BNP's understanding of municipal needs. All projects reflect genuine needs, but the BNP still has no systematic way of ranking projects by relative importance or tactical priority. FODEM's constant contact with municipalities is an excellent way of reaching this objective.
3. Strengthen municipal managerial capacity. Training and technical assistance were widely provided and the results are generally praised. What was not sufficiently allowed for was turn-over due to elections and the two-term limitation on mayors. Many were trained, but many are also no longer in office.
4. Select projects with good repayment potential. There is no long-run repayment problem, since the BNP controls municipal accounts, but nearly half of all projects have required extensions or have had difficulties. Municipalities have learned to be more careful.
5. Raise income: new revenue, better collection, direct employment. Municipalities with projects have not increased their revenues nor improved their collections, as

compared with others. Employment generation is less than projected. As projects mature, however, they may improve in this respect.

6. Coordinate inter-agency response to problems. Efforts were made in high level multi-agency committees and some successes reported, but many projects show serious problems which better coordination would have eased.

RECOMMENDATIONS We wish to focus our recommendations on those objectives which have, so far, been less successful. These objectives are interrelated, of course. Repayment difficulties relate to lower-than-expected revenue. Revenue is often reduced or delayed by lack of coordination among agencies. To be realistic, BNP is tempted in the future to play down the income producing aspect of projects. But loans paid back out of other income would mean a reduction in other services.

The Pragma team has concluded that GEDEL, entering its new phase, should reinforce its own capabilities regarding (1) information available to top management, and (2) assistance available on-site, hands-on to municipalities. We offer the following two recommendations, detailed more fully in the report.

Recommendation No. 1. Maintain a Municipal Data File with inputs from various agencies. Output from the file, periodically available, would inform management of strengths and weaknesses, development and deficiencies, by municipality (and for some factors, by corregimiento). Such a system could be inexpensively micro-computerized. BNP could service information requests about municipalities from GOP entities.

FODEM management does not now have at hand an efficient mechanism to retrieve information on the repayment records of projects, nor on direct employment actually generated, to give but two examples. They cannot glance over a chart of what amenities are lacking in what municipalities and what actions, if any, have been proposed. They may only with some difficulty compare how municipal incomes or municipal collections have been changing in municipalities with different kinds of projects (or with no project).

The six objectives are more likely to be reached if progress reports on those objectives are available periodically to top management, who can then direct energies more effectively.

We suggest that a computer specialist position be created to provide management information.

Recommendation No. 2. Assign "functional specialists" whose main job is on-site assistance to particular kinds of projects. These specialists would develop close contacts to related personnel in other agencies and other municipalities. They would go to the worst trouble spots (according to the Data File) and sit with local personnel until issues such as income raising and agency coordination were resolved.

Interagency cooperation is now sought in higher level multi-agency meetings; but small scale, concrete, one-time arrangements may be less threatening. Problems such as maintenance, collections, contracts, supervision, etc., are discussed now in seminars. On-site, hands-on assistance from an expert on a specific problem translates more quickly into effective action.

Collecting municipal revenues may be politically sensitive, nepotism may affect the management of a municipal enterprise, bureaucratic caution may block sending garbage bills and water bills together, lack of experience may make it hard for a municipal official to complete a tight loan application. FODEM's experience to date shows, we believe, that neither seminars, nor handbooks, nor regional representatives are enough to break through these kinds of problems.

We suggest that five training and technical assistance positions be redefined for the five most persistent kinds of problems. In each position, a specialist based in the capital would spend most of the time travelling to assist municipalities on-site.

PART I. INTRODUCTION

PROJECT BACKGROUND

Historical Background

Politically, Panama is divided into nine provinces, 66 municipalities, and 505 corregimientos. The corregimiento (or ward) is a subdivision of a municipality. It is the smallest political subdivision and constitutes the real political base of the country. The representative system is based on elected representatives from each corregimiento who participate in the decision making process on several levels of governments ranging from the junta comunal or community council to the National Assembly of Representatives which has limited legislative functions. They are elected for a term of six years.

In each corregimiento, there is a junta comunal with the primary functions of promoting the development of the corregimiento and of seeking solutions for its problems.

The junta comunal may organize neighborhood organizations or juntas locales whose members are directly elected by the residents of each neighborhood. Both the juntas comunales and juntas locales may form committees to resolve common problems of a local nature relating to production, health, education, housing and social welfare. Each junta comunal receives a direct grant of \$10,000 per year from the national government to carry out development projects.

The Municipality: The municipality is the local government with jurisdiction over the county area and has all the characteristics of a true government. It possesses legislative and administrative functions, taxing powers and specific areas of responsibility. The municipality, through its municipal council, is primarily responsible for the organization and administration of public activities within the district, including the formulation and implementation of development plans and programs within its area of jurisdiction.

The municipal council, as previously indicated, combines the administrative and legislative functions of the municipal government. It is made up of the elected representatives and the alcalde, who is the president and chief executive officer. The alcalde is selected by the elected representatives from three nominees presented by the governor of the province. He is appointed by the governor

for a period of three years and may be reappointed for an additional three-year period.

Other key officials of the municipalities are the secretary, the treasurer, the auditor, the engineer and the legal advisor. The costs of the auditor's services are borne by the Controller General's office unless municipal revenues exceed \$500,000 per year.

Municipal Responsibilities

The political constitution adopted in 1972 and Laws 105 and 106 of 1973 changed Panama's municipalities from passive dependencies of the central government to active participants in their own development. Viewed in its historical perspective, the change was very significant and very sudden. New laws gave the municipalities power to make decisions for themselves and transferred some revenue sources to help them financially.

Either directly, or indirectly, through concessions or special agreements with other public or private enterprises, the municipalities are required to provide the following public services: potable water, sewage, drainage, power and light, gas, telephone, transportation and refuse disposal. In addition to these services, the municipalities are also required to provide, according to need and feasibility, public markets, slaughterhouses, parks, cemeteries, streets and roads.

In virtually all of the municipalities there are unfulfilled needs in terms of public services, as well as deficiencies in those services that are available. The lack of, or deficiencies in, basic public services include potable water, sewage, refuse disposal, power, markets, schools, health centers, slaughterhouses, feeder roads. The 1970 census indicated that of the 295,321 housing units in the country at the time, 35.7% did not have potable water and 48.1% were without electricity. While the situation has improved since, the deficits in these services are still substantial in the rural and semiurban areas of the country.

For the most part, the rural municipalities have traditionally encountered extreme difficulties in their efforts to provide even a bare minimum of the public services that are required. As a result, many of the services which traditionally are provided by municipalities such as potable water, sewage, light, power, and access roads, are either not provided at all or are being provided on a limited basis by national decentralized agencies with little or no local participation.

FODEM

In order to give greater force to the new scope of the activities of the Panamanian towns, the Municipal Development Fund (FODEM) was set up in 1976 within the National Bank of Panama, to provide an agency with expertise in the delivery of technical and financial assistance to the municipalities.

The creation of this fund was part of a program which included an AID loan of \$4.0 million which was being negotiated for rural municipal development to help deal with some of the problems faced by Panama's municipalities:

- (a) Limited capacity for identifying projects that are both technically and economically feasible, and for executing and administering them;
- (b) Inadequate tax base and funds for financing development projects that meet local needs;
- (c) Limited central government resources that can serve as seed capital for local government finances to permit local authorities to undertake local development projects;
- (d) Insufficient coordination between the central government agencies responsible for assisting the local governments;
- (e) Insufficient training of municipality administrative and technical staff.

The Bank of Panama had lent a total of \$1.3 million to Panamanian municipalities since 1973 and thus already possessed certain expertise in the field to serve as the vehicle for delivery of badly needed training, technical assistance and funding to begin building up administrative, operational and financial capacities in the municipalities. \$3.668 million in AID funding provided for the establishment of the municipal development subloan revolving fund (the balance of the \$4.0 million AID loan went to support training and technical assistance) in late 1975 and, by June 30, 1981 been supplemented with an additional \$2.641 in municipality and BNP loan commitments; lending resources for municipality development totaled \$6.309 million, 58% AID, 42% Panamanian.

Subloans were made to municipalities and juntas comunales for the following four purposes:

- (a) Stimulate labor-intensive enterprises
- (b) Improve marketing facilities and systems
- (c) Expand local or small-scale rural infrastructure and utilities such as farm-to-market roads, land improvement, energy and storage facilities
- (d) Support systems to provide services and supplies needed by farmers, such as water, fertilizer, and improved seed.

An illustrative subproject list follows:

- (a) Wholesale and retail markets
- (b) Slaughterhouses
- (c) Feeder road construction and maintenance
- (d) Bridge and culvert construction and maintenance
- (e) Agro-industries
- (f) Artisan and cottage industries
- (g) Water supplies
- (h) Transportation facilities
- (i) Electric power generation and distribution

A complete listing of the 58 subloans funded by AID may be found in Appendix B.

Loan Terms

The basic terms of the AID loan to the Government of Panama for this project were for repayment within 40 years at a rate of 2% interest per year the first ten years, and 3% per year for the rest of the loan period.

The subloans themselves are paid back to the BNP by the municipalities themselves and recuperation is guaranteed because the BNP is the official bank for the municipalities. This means that in the case of late payment of a loan, the BNP can directly attach a municipality's account.

PART II. EVALUATION METHODOLOGY AND DATA BASE

The evaluators were charged with these tasks:

A. An assessment of the Project's impact on the institutional infrastructure of the BNP and of the rural municipalities. This will, at a minimum focus on the following considerations:

1. The current management capabilities of selected rural municipalities and the degree to which they have been strengthened through technical assistance and training provided under the project. Some municipalities will be reviewed.
2. The ability of FODEM to identify and analyze rural municipality deficiencies, and to develop programs and projects that effectively address these deficiencies.
3. The effectiveness of the coordinating mechanisms designed to integrate major public activities with the objectives of assisting the municipalities.

B. An assessment of the subloan revolving credit fund on the rural municipalities. At a minimum, this will focus on the following considerations:

1. The degree and effectiveness of the subloans in addressing key municipalities' deficiencies.
2. The degree and effectiveness of the subloans in stimulating institutional changes in the municipalities, including but not limited to the following:
 - (a) Impact of the subloans on municipality finances.
 - (b) Impact of the subloans on the administrative structure.
 - (c) Impact of the subloans on employment generation.
3. The selection process--both by municipalities and within the BNP--for project subloans.

C. Recommendations for Future Actions

Based on the findings of paragraphs A and B above, the evaluation should recommend additional actions that may be undertaken to strengthen and increase benefits to the municipalities.

The final report will include: (1) Summary description of the methodologies used to conduct the evaluation; (2) a presentation of the data bases utilized in the conduct of the evaluation; (3) the results or findings of the evaluation; (4) recommendations for future actions that may be taken to strengthen rural municipalities in Panama.

In effect, the six tasks listed above are objectives of the program. The team is charged with determining how nearly these objectives had been met so far. Below we restate them more concisely and concretely.

- A. 1. Strengthen municipal management capability.
2. Improve BNP understanding of municipal needs.
3. Coordinate interagency response to problems.
- B. 1. Provide cost/effective benefits to municipios.
2. Raise municipal income by
 - (a) Increasing revenue sources
 - (b) Keeping records and collecting revenues
 - (c) Generating jobs.
3. Select projects with repayment potential.

Through a close examination of where and when these objectives have (or have not) been met, the team has made recommendations for the next phase of the program, to develop Panama's rural municpios.

The following kinds of data were used:

(a) Background information from reference manuals and government sources on all municipalities in Panama, to compare those who applied for loans with those who did not. (Appendix A)

(b) Project files in the Banco Nacional de Panama, supplemented by discussion with personnel of that office, to compare the achievements of each project with its planned impact. (Appendix B)

(c) Site visits to selected projects, including meetings with officials, interviews with residents, and inspections of facilities, to compare tangible evidence of impact with materials in office files. (Appendix C)

The following is the schedule of work done:

- March 14, 15. Arrival of Gore, Stanton and Boehme. Reviewing documents at AID and BNP offices.
- March 17. Field trip to Colón. Projects in Pilon and Cativá visited, as well as new and old slaughterhouses.
- March 19. Evaluation design and schedule completed.
- March 18-23. Analysis of BNP files and background references.
- March 24-26. Field visit to David, Barú, Alanje and Dolega--Occidental Region. (Eight projects were visited.)
- March 27, 28. Wrote field notes of visit.
- March 29, 30. Field visit to Santiago, Chitré, Pesé, Central Region. (Ten projects were visited.)
- March 31 -
April 3. Wrote up field notes and report on financial aspects of evaluation. Boehme returned to Washington. Gore constructed Guttman Scale of municipal amenities.
- April 3-10. Stanton arrived. Wrote up field notes and institutional aspects of evaluation. Wrote final report and discussed conclusions with FODEM and AID. Gore and Stanton left Panama.

The following items of information constitute our data base.

General Background

- (1) Population, 1980, for each municipality and for each corregimiento which has an AID loan.
- (2) Total revenues, for each municipality, 1975 and 1979.

(3) Tabulated results from 1976 BNP survey of municipalities.

(4) Guttman scale of municipal amenities.

(5) Role of each municipality in long range economic plan.

(6) Administrative sophistication of municipalities (what operations manuals, administrative files, and accounting procedures are in use).

All municipalities which have applied for loans

(7) Source of application, municipality or junta comunal.

(8) Type of projects applied for.

(9) Amount of loan requested.

All projects with AID loans under this program

(10) Record of payment difficulties or extended grace periods.

(11) Inter-ministry coordination meetings: meeting dates and agendas.

(12) Application projection of jobs to be created and financial impact.

(13) Training and technical assistance provided, by project, year, and title of training activity.

Field notes from site visits

(14) Was the training effective and useful?

(15) Did the project lead to changes in administrative structure?

(16) How many jobs were directly created?

(17) What problems occurred during the implementation and how were they met?

(18) How were municipal finances affected by this project?

(19) What alternate priorities did the municipality have? In retrospect, was the right choice made?

(20) Has percent of revenues collected from all revenues due been increased?

Site Visitation Summary

Twenty-one projects in five main categories were visited by the evaluation team--36% of all the AID funded projects. (See Appendix C for detailed site reports.)

Slaughterhouses (5)

Colón
Dolega
Bugaba
Chitré
Santiago

Garbage Collection (6)

David
Aguadulce
Chitré
Pesé
Santa María
Cativá

Municipal Industry (5)

Barú (furniture)
Barú (clothing)
Parita (furniture)
Aguadulce (bone meal)
Puerto Pilón (concrete blocks)

Feeder Roads (3)

Boquete
Bugaba
El Barrero

Markets (2)

Barú
Montijo

PART III. PROGRAM IMPACT BY OBJECTIVES

Obviously the loan's financial impact on the rural municipalities benefitted has been, in relative terms, enormous. They have gone from "point zero" credit access to being borrowers of over \$5.4 million from others, virtually overnight. They have also become debtors for the first time and are now in the position of feeling pressures to increase their revenues in order to pay off these debts and be in a position to borrow more to finance other priority needs of theirs. For better or worse, the financial impact is being felt in all of the municipalities. They are entering the modern world. It is safe to say, "things will never be the same again".

In terms of socio-economic impact, BNP data claim the creation, over the 1976-1981 period, of 800 new jobs; local project production valued at \$4.4 million; channeling of \$3.2 million into local economies as operating costs, and local revenue increases of \$900,000.

In this same period, between 1976 and 1981, 113 projects had been approved for financing. Fifty-eight of these projects were directly sponsored with AID funds. Funded were activities involving public service improvements, public resource exploitation, production enterprises, small public works, feeder roads, and other municipal needs. Almost all of the rural municipalities (which together contain over half the population of Panama; i.e., about one million of the total estimated 1.8 million) had at least one subloan.

Some 59.5% of the lending went to the following activities--essentially services for which municipalities are primarily responsible to their populations: 10 slaughterhouse projects totaling \$1,546,800 (using 24.5% of total revolving fund resources); 15 garbage collection and disposal projects totaling \$996,800 (15.8% of fund resources); 6 public markets, \$498,200 (7.9%); equipment for small public works, \$53,200 (0.8%); feeder roads, \$254,900 (4.0%); and other service activities, \$409,100 (6.5%).

About 19% of the lending went to agricultural and small scale industrial production activities, for a total of \$1,140,000. These subloans have involved municipalities in efforts at production-for-profit which will be discussed in more detail later.

Some 7% of the loan resources were committed to land and water transport activities--\$452,000. A final 15% of total lending resources represents BNP's contribution to revolving funds.

AID Funded Subloan Specifics

Project Proposals

Proposals for sub-project loans were entertained from both municipalities and junta comunales.

The BNP prepared small brochures describing the broad purposes and eligibility criteria of the Municipal Development Loan Fund and these have received wide distribution throughout the municipalities. The brochures describe the sectors and kinds of projects for which financing will be considered. They also describe the fields in which technical assistance and training may be made available. (See Appendix A.)

Thus, the municipalities "know" their needs quite well, and in a collaborative process that involves all relevant municipality personnel, as well as private citizens, they sort out what it is they would like to do. The Municipal Council must approve the decision to apply for a loan, and the alcalde (mayor) must sign. The BNP then assists the municipality as necessary in preparing a formal application containing preliminary analysis, which is then reviewed by the Provincial Coordinating Council.

Over the life of the AID loan to BNP, 58 projects were eventually allocated to 35 municipalities in the country. There was, however, a selection process which included writing up a project and submitting it to the FODEM office for approval. Some of these were rejected immediately. Others were budgeted, but not financed and, finally, some were funded.

The table below shows the actual distribution of these categories of proposals by number of municipalities.

	Rejected	Budgeted	Funded
No. of Municipalities represented	18	40	35 plus San Blas
No. of Proposals Submitted	23	92	58

It should be noted that through the proposal process, whether rejected, budgeted, or funded, all of the municipali-

ties in the country (65) were represented except 15. Of these, two--Panama and San Miguelito--were excluded from the loan process and two others--Balboa and Taboga--have special local conditions which lessen their need for participation. Therefore, from the actual records of the AID/BNP program, it can be said that 44 out of the 65 municipalities (2/3) participated in the proposal writing process. (For details, see Appendix B.)

Distribution of Projects

Table 1 shows the flow of project approvals from 1976 to 1980. Thirty-five projects were approved in twenty-five municipalities and twenty-three projects were approved of junta comunales belonging to ten additional municipalities. There does not seem to have been any particular discrimination applied to the choosing of projects although municipalities which did get projects seem to be somewhat better off than those which did not.

TABLE 1
PROJECTS APPROVED BY YEAR AND JUNTA/MUNICIPALITY

	1976	1977	1978	1979	1980	TOTAL
Project approved in Municipality not already having a project.	4	1	3	9	8	25
Project approved in a Junta in a Municipality that does not already have a project.	5	1	1	4	0	11
Project approved in a Municipality that has another project.	0	0	2	4	4	10
Project approved in a Junta in a Municipality that already has a project.	0	0	0	7	5	12
TOTAL	9	2	6	24	17	58

Source: BNP project summary sheet from Plan Operativo 1981, Appendix B.

According to a level of living scale constructed by the Ministry of Health in 1972 (Estudio de la Pobreza), the average level of living in the 35 municipalities and San Blas which had projects was 45.7. The average level of living in the 30 municipalities which did not have projects was 34.4. (See Appendix A.)

Although this is a significant difference, the calculation really should be corrected for population to be more precise. In any case, the comparison demonstrates that it is more likely for a slightly better off place--perhaps more organized and capable of framing a proposal--to have been awarded an AID/BNP loan. Nevertheless, the other municipalities were not totally neglected by the BNP. As part of the FODEM program at the bank, an additional 55 projects not using AID funds were carried out in the rest of the municipalities of the country.

Of the 35 municipalities which had AID/FODEM subloan projects, ten were in Government of Panama designated service centers and four were in GOP designated growth centers.

Service Centers with Projects

Bocas del Toro
Changuinola
Aguadulce
Penonemé
Barú
Boquete
Bugaba
Chepo
Santiago
Soná

Growth Centers with Projects

Colón
David
Chitré
Los Santos

Therefore, 40% of the projects were located in municipalities which the government had designated as important priority areas and which the original loan paper had specified as a primary selection criteria.

Project Site Selection

One of the first activities which the newly formed FODEM office at the BNP carried out was to administer in

1976 a detailed questionnaire of municipal conditions to all of the municipalities in the country. Questions ranged from the actual condition of various infrastructure items to what the municipalities felt were their highest priority needs.

The baseline data in the "Diagnostico" of municipality needs established beyond any doubt that investments were needed desperately in the public service sectors. For example, in terms of markets, BNP's study showed only 17 out of 74 municipal markets to be in good condition. Only 44% had electricity, 54% a water supply, 44% toilets, 10% a refrigerated room for perishables. In terms of slaughterhouses, only 59 facilities existed in the 62 municipalities in 1976, of which 46 were administered by the municipalities involved. In these 46, only 37 had electricity, 41 water, 35 toilets, and five a refrigerated room to hold slaughtered carcasses. Only 13 facilities were considered in "good condition". (The team observed the slaughterhouse in operation in the city of Colón, near the ultra modern free trade zone, and can vouch for the fact that a city as large and important as Colón has a medieval abatoir where animals are bludgeoned to death with a sledge hammer, cut and flayed on a dirty concrete floor with scant water available, innards heaped in a corner, and so forth. It was a dismal picture.)

Guttman Scale

Sixteen of the socio-economic items in the diagnostico were arranged into a Guttman Scale of municipal development (see Table 2). This scale is a measure of the array of infrastructure items available and those municipalities having them hierarchically.

Since the scale is constructed on the premise that communities at the top of the scale share the characteristics identified for communities lower down on the scale, the technique illustrates the sequence of development that has occurred in the municipalities of Panama. First a community is likely to have the first item, then the next, and so on. By constructing scales for the municipalities at regular time intervals, say five years, it is possible to chart exactly how development has taken place. The scale, therefore, may be used in three important ways:

- (1) To prescribe what item a community may need by checking to see if the item is missing in the community's sequence of characteristics.

	Improved Street Light	Health Service	Doctor	Post Office	Phone (at least one)	Market	Garbage	Well Water Supply	Paved Streets	Slaughterhouse	Phone Exchange	Credit Coop.	Sidewalks	Sewer	Water Treatment Plant	Airport
Panamá	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
David	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Barú	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Colón	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chitré	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Antón	x	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x
Dolega	o	x	x	x	x	x	x	x	x	x	x	x	x	o	x	x
Chorrera	x	x	x	o	x	x	x	x	x	x	x	o	x	o	x	x
San Carlos	x	x	x	x	x	x	x	x	x	o	x	o	x	o	x	x
San Miguelito	x	x	x	o	x	o	x	x	o	x	o	x	x	x	x	x
Santiago	x	x	x	x	x	x	x	o	x	x	x	x	x	o	x	x
Aguadulce	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Natá	x	x	x	x	x	x	x	o	x	x	o	x	x	o	x	x
Penonomé	x	x	x	x	x	x	x	o	o	x	x	x	x	x	x	x
Guararé	x	x	o	x	x	x	x	x	x	x	x	x	x	o	x	x
Las Tablas	x	x	x	x	x	x	x	x	x	x	x	x	o	x	x	x
Chame	x	x	x	x	x	x	x	o	x	x	x	o	x	x	x	x
Bugaba	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x	x
Ocú	x	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x
Los Santos	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Macaracas	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x	x
Pedasí	x	x	o	x	o	x	x	o	x	o	x	o	x	x	x	x
Capira	x	x	x	o	x	x	o	x	x	x	o	x	x	x	x	x
Soná	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Boquete	x	x	x	x	x	x	o	x	x	o	x	o	x	x	x	x
Bocas del Toro	o	x	x	o	x	x	x	o	x	o	x	x	x	x	x	x
Changuinola	o	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x
Pesé	x	x	x	x	x	x	x	x	x	o	x	x	x	x	x	x
Santa María	x	x	x	o	x	x	x	x	x	x	x	x	x	x	x	x
Los Posos	x	x	x	o	x	o	x	o	x	o	x	o	x	x	x	x
Parita	x	x	o	x	x	x	x	x	x	o	x	x	x	x	x	x
Arraiján	x	x	x	x	x	o	x	o	x	x	x	x	x	x	x	x
Chepo	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x	x
Taboga	x	x	o	x	o	x	x	o	x	x	o	x	x	x	x	x
Pocrí	x	x	x	x	o	x	x	x	x	x	x	x	x	x	x	x
Atalaya	x	x	o	o	x	x	x	x	x	x	x	x	x	x	x	x
Calobre	x	x	x	x	o	o	x	x	x	x	x	x	x	x	x	x
La Mesa	x	x	x	x	x	o	o	x	x	x	x	x	x	x	x	x
Las Palmas	x	x	x	x	o	x	o	x	x	x	x	x	x	x	x	x
Río de Jesús	x	x	x	o	o	o	x	x	x	x	x	x	x	x	x	x
Pinogana	o	x	x	x	o	x	o	x	x	x	x	x	x	x	x	x
Santa Fé	x	x	o	x	x	o	x	x	x	x	x	x	x	x	x	x
La Pintada	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Las Minas	x	x	x	x	o	x	o	x	x	x	x	x	x	x	x	x
Cañazas	x	x	x	o	x	o	x	x	x	x	x	x	x	x	x	x
San Francisco	x	x	x	x	x	o	x	x	x	x	x	x	x	x	x	x
Montijo	x	x	x	x	x	x	o	x	x	x	x	x	x	x	x	x
Tonosí	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chepigana	x	x	x	x	o	x	x	x	x	x	x	x	x	x	x	x
Remedios	x	x	o	x	x	x	x	x	x	x	x	x	x	x	x	x
Tolé	o	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Balboa	x	x	o	x	o	x	x	x	x	x	x	x	x	x	x	x
Alanje	x	x	x	o	x	x	x	x	x	x	x	x	x	x	x	x
Gualaca	o	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
San Félix	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Portobelo	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Santa Isabel	x	x	o	x	x	x	x	x	x	x	x	x	x	x	x	x
Renacimiento	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chagres	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Boquerón	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chimán	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Chiriquí Grande	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Donoso	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Olá	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
San Lorenzo	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x

TABLE 2. GUTTMAN SCALE OF MUNICIPAL AMENITIES 1976

(2) To predict what items a community will need next as it develops.

(3) To monitor the development process and to measure whether outside influences, such as a FODEM project, may have accelerated development.

The sixteen items which formed the scale for the 65 municipalities of Panama (using diagnostic data from 1976) were the presence of:

- (1) Improved street lights (fluorescent or mercury instead of incandescent),
- (2) Some health service facility such as a "centro de salud",
- (3) A resident doctor,
- (4) A post office,
- (5) At least one telephone,
- (6) A municipal public market,
- (7) Public collection of garbage,
- (8) An improved water system (tube wells instead of surface water),
- (9) Paved streets in the cabecera community,
- (10) An improved slaughterhouse (more than a plancha de sacrificio),
- (11) A telephone exchange,
- (12) A credit cooperative,
- (13) Sidewalks,
- (14) A sewer system,
- (15) A water treatment plant,
- (16) A commercial airport.

The scale which resulted had a coefficient of Reproducibility of .88 and a Coefficient of Scalability (Menzel's) of .60, both acceptable levels to show scale validity.

Gaps or 0's in the body of the scale represent the lack of a service in a community which, because of the sequence of items it already has, could be expected to have this item as well. It would therefore seem a prime target for a development project or subloan in that category. By inspecting the scale, it is easy to see that there are a number of communities where such "opportunities" exist in at least three of the categories of such loans which FODEM granted, markets, garbage collection, and slaughterhouses. Of course, there may be local reasons why an item is missing or that it is provided by a nearby municipality.

The scale is, however, a tip off--a first indicator of a potential real need in a community and an identification of an item which "fits" properly in the sequence of development similar communities have followed in the country.

If the bank were to construct a similar scale of infrastructure, items using up-to-date 1982 information, they would have a kind of institutional road map for the selection of projects and communities where they would be most appropriate. This sort of selection procedure is more accurate than the "wish lists" put together by the municipalities in the first questionnaire, and less political as well.

Municipal Priorities

Table 3 is a listing of the priority items the municipalities responded with in the Special Municipal Questionnaire which FODEM administered in 1975. There is a direct correspondence between priority cited by the municipality and an AID/BNP funded subloan project in 8 out of the 35 municipalities where projects were carried out.

Although not all of the priorities listed by the municipalities come under the guidelines of the AID/BNP subloans, it is possible that a higher level of coincidence could have been achieved.

It must also be recognized that many of the projects that the municipalities put forward were/are the direct responsibility of other government agencies such as the Ministry of Health, Education or Public Works. In this case, FODEM could perhaps play a brokering role, helping the municipalities to deal with perhaps recalcitrant or disintegrated officials.

General Evaluation Comments

Site Selection

The BNP selection process seems to have functioned rather well in terms of assuring that sub-loans were as spread out as much as possible among the eligible municipalities, that they support national and regional plans, and strategies for development of municipalities and market towns. The team is also satisfied that sub-loans were, by and large, of high priority within the scale of local needs. There also was no evidence seen that sub-loans competed "unfairly" with private enterprise. Technical assistance and training components appear also to have been handled well in most projects that were operating. Not perhaps so in the case of the furniture and clothing factories that have been mentioned so often, but their problems were market and management related. Basically, the Pragma team also felt that BNP showed good judgement in assessing the capabilities of the municipios to carry out the projects that had been approved. Finally, all projects had the required financial participation that was asked from the municipios.

Key Deficiencies

In terms of the degree to which sub-loans have addressed key municipality deficiencies, the evaluation team

TABLE 3 AID/BNP FUNDED LOAN
PROJECTS AND MUNICIPIO PRIORITIES FROM 1976 MUNICIPIO ENCUESTA.

Place	Municipal or Junta	AID Project	Encuesta Priorities	Guttman Scale Item Needs
Bugaba	(m)	slaughter house	cultural center (cine), sports complex, water treatment plant, library	improved water system
	(m)	Feeder roads		
Changuinola	(m)	market	supermarket	improved street lights, street paving, slaughterhouse
	(m) (j)	garbage project Dump truck		
Dolega	(m)	slaughterhouse	slaughterhouse, town hall, employment generating businesses, professional night school	improved street lightening, sewer system
Baru	(m)	market	streets, parks, street lights, more telephones, health centers, school rooms.	none
	(m) (j)	furniture factory clothing factory		
Gualaca	(m)	slaughterhouse	slaughterhouse, roads and bridges, training, production programs.	improved street lightening
David	(m)	garbage project	no information	none
Renacimiento	(m)	bean production	streets and roads, town hall, enlarge health center, post office micro-wave, sports complex, theater	all except health service, doctor and street lights
Bocas del Toro	(m)	Ag. tractor	electric generators (3) soda pop bottling plant	street lights, water system, slaughterhouse

Place	Junta	AID Project	Encuesta Priorities	Guttman Scale Item Needs
Boquete	(m)	garbage project, water	electricity, reform work code, sewer, ag-processing plants change forestry law.	water system street paving credit coop.
Alanje	(j) (j)	slaughterhouse ag. production	corregimiento schools, electric service	market
Santiago	(m)	slaughterhouse	no information	street paving, sewer system
Montijo	(m)	market	market, garbage collection, town hall	garbage collection
Sona	(m)	slaughterhouse	feeder roads	sewer system
Ocú	(m)	slaughterhouse	communication, water, literacy, telegraph	slaughterhouse
Antón	(m) (j)	garbage project Ag. tractor	promote industry, feeder roads	street paving slaughterhouse
Aguadulce	(m) (m)	garbage project bone meal plant	water and sewer electrification, health centers, schools	water treatment plant
Penonome	(m) (m)	garbage project market	market, sewers, sports fields	water system paving
Macaracas	(m) (j)	truck and backhoe ag. tractor	roads, sewer, doctor	improved water system
Pedasí	(m)	garbage project	complete high school, stadium, houses	doctor, phones, paving
Pesé	(m) (j)	garbage project feeder roads	town hall	telephone exchange
Tonosí	(m)	feeder roads	electricity, doctor, roads and streets	health center, street lights, doctors

Place	Junta	AID Project	Encuesta Priorities	Item Needs
Santa María	(m)	garbage project	administration, small business, agro-industry project.	sidewalks
Natá	(m)	garbage project	feeder roads, sewer, water plant	slaughterhouse sidewalks
Chitré	(m) (m)	garbage project slaughterhouse	bus terminal, clothing factory, carpentry shop, heavy equipment moving.	airport
Los Santos	(m) (j) (j)	garbage project ag. tractor ag. production (cane)	no information	sewer system
Parita	(j)	furniture factory	water pump, helath center	doctor, telephone exchange
Colón	(m) (j) (j) (j) (j)	slaughterhouse block factory dump truck furniture factory transportation van	roads, electricity, bus terminal, storm drains.	airport
Arraijan	(m)	garbage project	garbage, water, health center, secretary, manual labor	market street street pawning
La Chorrera	(m)	garbage project	roads, bridges, telephone lines, surveying, housing coop, sports ground, health center, market, school rooms, water and sewer	credit coop sewer system
Portobelo	(m) (j)	garbage project transportation van	roads, beach development water	market
Chepo	(m)	market	water, sewer, street	water system pawning
Chepigana	(j) (j)	motor launch motor launch	water, eletricity, health center	phone service, water system

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Santa Isabel	(j)	motor launch	roads, radio-telephones, postoffice, training.	doctor, phones
San Blas	(j) (j) (j)	motor launch motor launch motor launch	no information	no information
Chagres	(j)	dumptruck	roads, water, electricity, municipal lands	doctor

would put success at about 60% in terms of the total sub-loan portfolio of 113 projects and 75% for projects which contain AID funding. All the public service sector activities responded to key municipality deficiencies. However, since other sub-loans requested by the municipalities went through the consultative process at the local level, they also reflect local decisions as to what is important to them. As such, one could certainly argue that 100% of all of the sub-loans address deficiencies.

Municipal Management

It would be wrong to claim that the sub-loans have had a significant impact on the municipalities' administrative structures, yet they have been an instrument for change. The municipalities all know that there is a big source of credit available to them, for things they want to have, and, providing they go after it in the right way, they can get some of it. This was not true before. They do want some of the action and are ready to change the way they do things if that is the price they have to pay to have it. In such circumstances one learns fast.

In these first years FODEM has had to do a lot of the project preparation work for the municipalities and has had to invest great efforts in monitoring implementation. FODEM's training programs have upgraded skills at the municipio staff level but much remains to be done. For the really small municipios FODEM may always have to do the bulk of the work on these loans, and properly so. But for others, sometime in the future, FODEM will be able to back away.

Thirty -five municipios have not yet done a loan application/proposal without outside help. On the other hand twenty-seven have had FODEM training and have done much of the work involved, and now have approved loans.

At all levels the program has impacted importantly. Municipal councils meet to consider the sub-loan requests. The Mayor must approve. Cooperation from line ministries may be sought. The chief engineer is involved as are the controller and auditor of the municipio. Most municipalities are very small operations--all of the professional staff feels the impact of the loan program and especially, the training programs that are being provided. It may be small potatoes from a national perspective, but it is likely to loom quite importantly in the daily life of a small rural community.

Extenuating Circumstances

Because of initial "start-up" difficulties and the slower than expected rate of sub-loan approvals, more than half of the portfolio has been approved since 1979. Half of the loans are still in their grace period. Although this evaluation comes after AID has completed disbursement of funds, it is really a "mid-term" evaluation in terms of assessing actual impact of many of the projects. Several projects are physically constructed, but waiting for equipment. Another factor to be borne in mind in evaluating this project is that it was a totally new activity for both AID in Panama and the BNP. At the start, the objectives were extremely ambitious, and several required collaboration of agencies and factors beyond the BNPs control.

Evaluation of Specific Project Objectives:

- A. Institutional Objectives:
 - 1. Strengthen municipal managerial capacity
 - 2. Improve BNPs understanding of municipal needs
 - 3. Coordinate interagency response to municipal problems

- B. Financial Objectives:
 - 1. Provide benefits to municipios cost/effectively
 - 2. Raise municipal income:
 - (a) by increasing revenue sources
 - (b) by improving record keeping and collections
 - (c) by generating direct employment
 - 3. Select projects with reasonable repayment potential

OBJECTIVE A-1

Strengthen Municipal Management Capability

Training

In response to one of the basic objectives of the municipal development program, FODEM has carried out an extensive program of training municipal officials and project participants in a variety of administrative procedures and technical expertise.

Table 4 summarizes the training efforts from 1976 to through 1981. (See Appendix B for a listing by municipality year of training activities)

Between 1976 and 1981 a total of 388 courses and seminars benefitted a total of 1,084 municipal staff. Training provided covered: general accounting; project planning, administration and management, organization and methods, administration of municipal public services, revenue administration and improvement, program budgeting, cost accounting, urban (small) and rural planning, and personnel administration. An impressive list indeed, and one which generally covers the important areas. It would seem the training amounted more to "exposure," for the most part, than in-depth planting of new skills/knowledge--but it seems beneficial just the same.

Training activities conducted during the same period, 1976-1981, to prepare sub-loan project personnel totalled 23 and provided training to 433 municipio employees in such areas as: garbage collection service operations; zoonosis; food hygiene; industrial safety and hygiene; and calculating materials. This training also supported municipio staff in developing some twenty-seven projects which BNP later accepted for financing.

The Pragma Team received verbal corroboration in visits to municipal government offices, from mayors, chief engineers, controllers, and auditors; and in visits to project sites, from project personnel, that a number of training programs had reached them and had been useful. The individuals interviewed in the municipio offices seemed to have been stimulated to self-examination and have acquired a disposition to try new approaches to the solution of their old problems.

Finally, BNPs FODEM engaged the technical assistance capabilities of the Brazilian Municipal Management Institute (IBAM) in four areas: management of public utilities; organization and methods; municipal finances; and municipal tax administration. The technical advisory assistance focused on six pilot municipalities; studied current practices and developed possible solutions to assorted administrative problems. IBAM also produced four handbooks/manuals for use by the municipios in finance and accounting, purchasing and supply, organization and methods, and administration. BNP plans to extend the experience gained in the six pilot municipios to the 56 remaining municipios through future training program activities.

TABLE 4 TRAINING ACTIVITIES CARRIED OUT BY FODEM BY YEAR

<u>Provincias</u> (No. of municipios)	<u>1976</u>		<u>1977</u>		<u>1987</u>		<u>1979</u>		<u>1980</u>		<u>1981</u>	
	<u>Sem</u>	<u>Part</u>										
Bocas del Toro (3)	4	7	3	10	4	29	2	8	2	9	0	0
Cocle (6)	9	18	4	16	6	39	5	53	3	14	6	19
Colón (5)	9	14	4	41	6	43	5	42	5	6	0	0
Chiriqui (13)	26	45	3	41	15	29	11	96	16	27	3	11
Darién (2)	2	4	0	0	2	20	0	0	3	3	0	0
Herrera (7)	14	21	10	26	14	52	0	0	5	7	3	10
Los Santos (7)	14	21	27	101	3	7	0	0	4	5	0	0
Panama (11)	24	36	1	1	7	57	0	0	3	3	0	0
Veraguas (11)	22	33	0	0	18	43	0	0	10	12	1	3
TOTAL (65)	124	199	52	236	75	321	23	199	51	86	13	43

Evaluation Comments

In terms of institutionalizing a training capacity within the BNP, for municipality and sub-loan project personnel, the Loan project has recorded a substantial impact so far, although the activities were slow to get started, and doubtless leave a lot of room for improvement. The Team heard generally good reports in its field visits, about training and some results can be measured already. In the 12 municipios that were visited by the Pragma team, fully 80% had instituted a review of their tax schedules (tasas e impuestos tributarios) within the past two years and some had revised their accounting procedures.

The two most positive features of the entire training program is the enthusiasm of the FODEM staff and the broad contact they have had with municipal officials throughout the country. Offsetting these impressive gains is the political reality of municipal elections which take place each three years (Mayors may be re-elected once for a total term of six years.) and many therefore replace most of the staff in the municipio. There are two ways in which the impact of this turnover on municipal development can be minimized:

1. Creation of a municipal civil service for major municipal jobs such as treasurer, secretary, etc. This would allow continuity of municipal administration regardless of political changes.
2. Utilization of edited versions of the IBAM administrative manuals (to make them somewhat more streamlined for the Panamanian context) to such an extent that record keeping and procedures at each municipio are clear and easy to understand. This would allow municipal business to proceed regardless of elections and changes of personnel.

Basically, the municipal development program seems to have been an excellent learning process for the municipios. They do seem to want more, but they are going to be more careful about their planning and borrowing than they have been. The municipalities' needs for technical assistance, training and credit remain very large. But the limits to their debt service capacity are being approached quickly and measures must be taken to improve their revenue picture. Meanwhile, a process has started that no one wants to stop, just improve upon.

In the Team's interviews with interested parties in Panama City and the field, much has been made of "the personnel problem" that is felt to be closely tied to municipio development problems. The feeling is that too many municipal officials learn through training and experience and then, suddenly, are supplanted by new people that have to start back at the beginning. The election of the mayor, for a three year term, is central to the complaints heard. This kind of problem is really beyond the scope of this evaluation; it is more something one needs to find a way to live with than to lament--it is a Panamanian political matter. In any case, the problem should lessen, we think, as there is broader familiarity with rural development goals, generally, in the society and as training in the municipios becomes institutionalized through better management procedures. The training manuals will help, though they could be edited and streamlined for the Panamanian context. Also, the municipios will, over time, develop better office running procedures so that business can continue even with new officials after election.

To recapitulate, the key accomplishments of the Rural Municipal Development Loan on municipios are:

1. The institutionalization of a source of credit on concessional terms, and training and technical assistance available to rural municipalities (where half the population of Panama lives on an average annual per capita GNP of \$620) to help them: a) make their own decisions regarding their development, b) supply their citizens with improved services, and exploit their resources to better advantage. All of this to the end of improving the quality of rural life and reducing the "pull" of the major urban centers and achieving greater balance in national economic development.
2. Rural municipalities have gotten their feet wet--they have identified their key deficiencies (with help from the BNP; the 1975 "Diagnostico"); they have developed loan applications; they have learned about their capabilities and shortcomings through experience with loan implementation; they have become active participants in their own development.

OBJECTIVE A-2

Improve BNPs Understanding of Municipal Needs

Although an earlier evaluation (McKee, Paynor Associates, 1978) pointed out some institutional deficiencies in FODEMs handling of the Municipal Development Program, by 1982 most of these earlier difficulties had been corrected. In fact, the Pragma Team felt that by and large, the Bank staff in FODEM (called GEDEL since January 1, 1982) was working quite well. As of April 1982, they had 46 people on staff and their headquarters were being remodeled.

An analysis was made of the BNP personnel records from the inception of the FODEM program in 1975 through 1981. The record shows that there has been some turnover in support staff in each of the major departments; Administration, Development, Credit, Operations, and Information. (See Table 5) The department supervisors, however, in every case, have been with the program since it began. This degree of continuity has served the program well as this entirely new operation within the bank forged itself into an effectively operating team.

Evaluation Comments

Project Analysis

In spite of the exceedingly detailed project papers for each of the sub-loans, the Pragma team feels that FODEM has not been sufficiently demanding in its analysis of technical, administrative and financial soundness of the projects themselves. For example, some markets which are being or have been constructed may not be in the right place. Potential for payback on some projects is overstated as are the expected employment opportunities. With more practice, and more projects actually in operation these problems should diminish.

Data Handling

While it may be administratively efficient to organize the FODEM office into three main staffing areas, credit training, and planning, basic data on all municipios and all projects should be readily available to each specialty area. The Pragma team recommends some kind of computerized data retrieval system to meet this need.

TABLE 5 ANALYSIS OF STAFF STABILITY IN FODEM PROGRAM

<u>Department</u>	<u>Current Positions</u>	<u>Accumulated Person-Years in Department</u>	<u>Range of Years with FODEM</u>	<u>Department Average</u>
Administration	7	14	1 - 6	2.0
Development	11	18	1 - 5	1.6
Credit	16	28	1 - 5	1.7
Operations	7	21	1 - 5	3.0
Information	3	12	2 - 5	4.0
Regional Representatives	2	10	5	5.0
	46			

Source: BNP Personnel Summary - Appendix 13

OBJECTIVE A-3

Interagency Coordination

Another institutional goal of the FODEM program was to increase collaboration and cooperation among government agencies involved in delivering services to rural municipios.

The need for such collaboration was painfully evident even to the detriment of individual projects. For instance, one of the slaughterhouses was fully equipped, but lacked sufficient water supply needed for operation--it had been dedicated in October 1981, complete with press publicity, and a trial run had proven it could operate, but the doors were then shut and the place put under guard. An adequate water supply system is under construction, but it will be at least a year (Team's estimate) before the facility is operating as it should. BNP has over \$500,000 tied up in this loan. The institutional mechanism which FODEM set up to address the coordination problem was a technical coordinating committee.

Evaluation Comments

Over the period of October 1975 to November 1980, the Technical Coordinating Committee composed of representatives of relevant ministries and FODEM staff, met nine times. This does not seem to suggest a level of intensity which could solve individual problems which municipios might be experiencing. Of course, regional offices could be involved as well, but if the BNP is to become an effective municipal developer, it must devise creative strategies for relating more closely to the traditional government agencies. One possibility could be to maintain at the GEDEL office a municipal data bank which consolidated information from relevant sources and monitored the actual development process in the 63 municipios.

This data bank would incorporate indicators of municipal development from a number of different agencies. Various analyses could be used to collaborate with the other ministries and enable them to work more effectively in the municipios. An example could be knowing that the Ministry of Health was planning to put a Centro de Salud in a municipio, but that IRHE had not yet provided electricity. GEDEL could help coordinate IRGEs priorities so that when the clinic was built it would have electricity.

OBJECTIVE B-1:

Provide Cost Effective Benefits to Municipios

The Project loans, with very few exceptions, are of benefit to the municipios and corregimientos. The Pragma Team feels that FODEM has done well in bringing these needed projects into being.

Of course, not all of the projects have been equally successful.

Two examples of highly beneficial and cost effective projects are the slaughterhouse in Concepción and the rubbish collection in David. The operation at Concepción is a model of cleanliness and efficiency and has a staff that was quick, alert, businesslike and answered our questions thoughtfully and fully, but did so as they kept right on with their job. This project would look good anywhere in the world. The garbage collection operation at David seemed to be working well; it is a substantial investment, \$235,000 or compactor trucks.

On the other hand, the furniture factory at Barú and the clothing factory at Progreso were poorly organized, equipment underutilized, and they looked like sullen examples of well-intentioned government floundering about in production efforts that are clearly best left to the dynamics of private enterprise. These were the worst projects seen in the Western Region--over \$200,000 was tied up in these two loans, which are costing a lot more than they are making. Public sector service projects in such activities as garbage collection, slaughterhouses, markets, feeder roads, small public works, drainage and water supply, tend to look better. They appear to be quite effective in terms of doing the job they set out to do--providing public service, improving the health and well-being of the population benefitted, and even creating new employment. The team feels that sub-loans for these activities, while going through delays and mid-course implementation corrections, will prove acceptably effective in terms of generally accepted standards, in the end.

Some production loans have been good. The cement block factory at Puerto Filón looked excellent. Its manager had ready answers to questions and while only two of its three machines were being used when we arrived, it seems this project may be an exception to the rule about local government-owned factories. The investment in it is modest, some \$38,000. Some public service projects have yet to show benefits. The market building at Barú is part of a \$200,000 investment--the building is, effectively,

completed, but equipment delays will hold up its start-up date.

Evaluation Comments

Detailed site reports may be found in Appendix C, but some general conclusions on each type of loan activity follow:

Slaughterhouses

In every case, the new or remodeled slaughterhouse represented an outstanding improvement over the facility it replaced. In addition to providing more sanitary operating conditions, slaughterhouses are one municipal enterprise which, when properly run, can cover the cost of their operation and make a profit. This is particularly true of the larger operations such as Santiago and Bugaba (Concepción) where volume was over 100 animals per day. An exceptional mention must be made of the project in Bugaba where the municipio, on its own initiative, expanded the project to include a by-product processor right at the slaughterhouse. The possibility of attaching similar processing facilities to other slaughterhouses should be examined.

Garbage Collection

Garbage collection is perhaps the most thankless task of all municipal obligations. It must be done for health and sanitation reasons, but no one wants to pay for it and there is always a question of what to do with it after it is collected. In the smaller communities there seemed to be less difficulty in collecting payment for the service since it is easier to know the residents personally. In the larger towns, there was almost universal despair for the payment process unless billing could be coupled to some other more tangible service such as water or electricity. So far, this has proven impossible to implement except in Boquete where the municipio also owns the water system. The obstacle to implementing such a system seems to be a lack of intergovernmental coordination which OFDEM should address in the future. There may also be creative management procedures which the municipio itself could carry out - window placards like the old "ice wanted" cardboards which would say a house or establishment had paid.

The municipio could sell specially marked plastic bags and only collect garbage that was in them. Fines could be imposed for residents whose garbage piled up.

The final disposal of garbage that is collected is a further "aseo" problem which should be addressed. Presently, in the rural municipios, garbage is either burned, pushed over a cliff, or piled up in a land fill. In no case was incineration complete or the land fill properly covered with earth on a daily basis. Many municipios commented on the need for a proper crematorio (incinerator) and this might well be an appropriate item for future GEDEL sub-loans.

Municipal Industry

Two of the five municipal industry projects were clearly successful; the bone meal by-products plant in Aguadulce and the concrete block factory in Puerto Pilón. The two furniture factories and the clothing factory in Progreso were operating at less than capacity.

Several management improvements could be undertaken; profit sharing for the workers; commissions for the managers, training and supervision on plant management. Municipios could also become production facilitators by improving some of their lands for industrial development. This would involve fencing in an area, leveling it, and providing utilities. This way they could encourage employment and production in the area without having actually to run the enterprise.

Feeder Roads

In many of the smaller municipios, a garbage collecting project was coupled with the use of the dump truck for private hauling of construction materials and the building of feeder roads (with MOP help) to isolated corregimientos. In order to make the payments on their truck two municipios were working the equipment very hard. They are making the payments, but may not have a useable truck when the loan is paid off.

Careful setting of rental rates to cover costs and assiduous maintenance are needed.

Markets

Neither of the two markets the team visited was in successful operation; construction of the large market in

Puerto Armuelles was incomplete and the market in Montijo was deserted except for one meat vendor. Market projects will likely never be self-supporting so they must be carefully planned. Stall rents need to be carefully set and municipal laws adjusted to discourage street selling of fruits and vegetables. The physical location of markets is important and they should be coupled with bus terminals wherever possible.

OBJECTIVE B-2a and b

Raise Municipal Revenues

Municipal revenues can be improved in any of three ways:

1. Income producing consequences of the loan projects themselves. (a) Municipal structures such as markets and slaughterhouses collect fees for their services; (b) municipally operated agricultural or industrial production activities might produce profits; (c) vehicles can earn fees in their basic use--such as garbage collection--and also can be rented out.

2. Training and technical assistance should lead to more efficient and effective municipal administration in general. Fees might be set at optimal levels. Tax collection might be sharply improved.

3. Jobs can be generated directly by the project. Other jobs can be indirectly created by improvements in infrastructure and opportunities for investment. These jobs and their multipliers would enhance the municipal economy and increase municipal revenue.

In fact, as the more detailed analysis below shows, these hoped-for effects have not as yet occurred. Perhaps as projects mature their economic consequences will be more apparent. Certainly the original objectives were wildly optimistic. If these projects are to raise municipal income more concentrated attention is needed.

Pragma believes that our two recommendations will be helpful in this matter:

1. BNP administration should be periodically informed of changes in municipal revenues--in project municipios compared to those without projects. Detailed information should be available on jobs actually generated, changes in fees charged, percent of collections delayed and other contributing factors. Such data exists already within the BNP. It needs to be systematically assembled and reported to the managers.

2. Functional specialists should travel to the municipios at various stages of the projects to work directly with municipal personnel on specific problems:

mercado location, matadero fees, trash collection bills, maintenance costs and dozens of other such on-site problems. Seminars are useful, but are not enough. Regional representatives cannot be sufficiently specialized to resolve such a wide range of problems in detail. A small number of travelling specialists, based in the capital, can cover the whole country with respect to specific problems.

Municipal Revenues

Table 6 shows that in a majority of the municipalities, revenues from 1975-1979 have not been increasing as fast as inflation. Also with the increased responsibility of the FODEM debt load, the finances in some municipios are increasingly precarious. There are at least two remedies for this situation:

1. Improve collection procedures through training from FODEM. Municipios should increase their collection rates and revise their tasas and fee schedules to reflect current costs. A national guide of the range of fees charged in various municipios might help to clarify this point.

2. Generate new revenue

- a. This could come from income generating projects which the municipality runs. From the rather mixed results of the AID/BNP artisan and agricultural production projects, municipal enterprises, however, do not seem to compete favorably with private initiative in these activities.

- b. Raise money locally with a sales tax. This could either be on top of the national 5% tax already charged on non-edible products or as a percentage sharing of the proceeds of that tax.

- c. Allow the municipios to participate in national general revenues according to some formula or block granting procedure.

- d. Municipal Bonds.

It is clear from the FODEM experience that if municipios are to stay a viable, vital, and responsible role in local development, they will have to have some more operating funds.

As one municipal official said, "this municipio will be broke in five years if we continue the way we are." Even with all the "leaks" plugged and municipal tax rates raised to the maximum, the costs of running the municipios will probably not be covered. The Rural Municipal Development

TABLE 6 Percent Change in Municipal Income 1975-1979

# Municipios	PERCENTAGE INCREASE					Total
	Decreased	0 - 20%	21 - 50%	51 - 100%	Over 100%	
Having AID/BNP Project	4	17	9	2	1	33
Not having AID/BNP Project	4	13	8	5	2	32
TOTAL	8	30	17	7	3	65

/Source: BNP data on Municipal Revenue Appendix B.

Loan project had unrealistically high hopes for the short-term impact subloans could have on municipal revenues. At least it aimed high. Municipal revenues were to have taken quantum leaps within a few years. They have not. In real money terms they have fallen back. On the other hand, the Pragma Team was encouraged to find a universal preoccupation with revenue growth in the municipios. Widespread recognition of the problem certainly should help speed the process of finding solutions.

In overall terms the financial situation of the rural municipios is not bad, at this time. Revenues of the 62 rural municipalities have increased by 38% at constant 1970 prices over the period 1970-80. In these eleven years expenditures exceeded revenue by less than 1%, with annual fluctuations ranging from a surplus of 4.4% in 1980 to a deficit of 3.7% in 1975. Revenue data show an increase of 173.4% at current prices, between 1970-80. Expenditures over this period, at current prices, largely matched the pattern for revenue, with an increase of 153.8%. At constant 1970 prices, expenditures between 1970-80 posted a 30% increase, i.e. 8% less than that for revenue.

These data do not support the contention, which the BNP has made, that municipio revenues have increased substantially as a result of the Rural Municipal Loan Program. At constant 1970 prices municipio revenues have, in fact, declined by slightly over 4% since the program began.

In summary: At constant prices, municipal revenues increased 38% from 1970 to 1980. During the same period, municipal expenditures increased only 30%. Overall, expenditures exceeded revenues by only 1%, improving gradually during the decade.

Did the rural municipal development program contribute to this exemplary record? Apparently not. Since the program began, in 1975, municipal revenues, in constant prices, have actually declined. Municipios with loans have fared slightly worse than those without loans. But, zero growth in local revenues at this time would not indicate failure, at least in real terms and in relation to the broad goal of the development loan program. None of the projects has been operating more than four years, some are just ordering equipment, the bulk of them are in the "shake down" period--some may fail (it has already happened, although the municipality paid the loan off with its own resources), some succeed handsomely (at least one slaughterhouse the team examined was doing just this), and most may chug along

managing to "make ends meet", barely. In short, a dramatic financial impact has not been achieved at this time, but much is being learned. The BNP and the municipalities are together learning, by trying, what can and cannot be done.

Early dreams of production projects, from raising crops to manufacturing clothing and furniture, as a means of generating new revenues for the municipalities hit up against hard realities of the production-for-profit sector. The entrepreneurial acumen required to compete in these areas with the private sector does not easily come by, certainly not by small local governments. This kind of project will likely be dropped from the BNP portfolio. Indeed, the focus on public service projects seems to be the appropriate one for the future. Even here it would be wrong to look for dramatic financial impact, at least in a direct way. And, unless ways are found to more successfully collect from those who benefit from public improvements, financial impact here could be problematic.

But there is a serious problem here too, if one is to measure effectiveness in terms of these projects paying their own way. In none of the places visited were the municipalities' charges for garbage collection services either set high enough, or payments sufficiently well enforced, to cover principal and interest on the loans, much less improve the municipalities revenue accounts. All of them recognize the problem. It may be that some portion of the property tax, which the central government has not thus far seen fit to turn over to the municipalities (along with the other taxes it did turn over), is going to have to be made available to them if they are to remain solvent and proceed with development programs at the same time. Another possibility may be some sort of BNP involvement in a municipal development bond floatation that would be backed by central government collections of property tax revenues in the municipalities involved.

The deficits in rural public services--in garbage collection and disposal, sanitary slaughterhouse and market facilities, water supply, feeder roads and so on (despite all that has been started)--remain enormous. It does not seem that current municipal revenues will support the investment that is required, on an acceptable time table, without a brighter revenue picture.

It is certainly also a matter of substantial urgency that the municipios review their fiscal and revenue programs to: a) examine and adjust as necessary both the rates they charge for services and the taxes they levy on liquor,

entertainment, etc., to assure they are keeping up with inflation; (b) pursue more vigorously than they have to date the means by which they can better enforce tax collection and service charge payments. Delinquencies in payments for services by beneficiaries are adding a new burden on their expenditures where service improvements have been loan financed and a higher rate of collections was part of the projects financial analysis. This is a particularly great problem in garbage collection charges for all municipios the team visited (expect Boquese where the charge was added to the local water bill). In many cases the BNP has "passed" such activities as being financially viable even though the projected charges would not cover the project costs, providing the municipality agreed to cover the short-fall in its general budget. This practice has postponed facing the realities. Soon even this will not work as the revenue expenditure gap narrows. Then the municipalities will either trim expenditures, or increase revenues, or get more help from the central government if they want to borrow more for development.

Impact of the Subloans on Employment Generation

There has already been a positive impact on the numbers of people employed in the rural municipios as a direct result of the subloans. And this positive, direct impact will continue to increase as more of the projects actually move into full useful operation. Then, there should also be a positive indirect impact as feeder road construction, for example, creates new occupational opportunities.

BNP figures claim 800 new jobs were created as a direct result of the program. This is an overstatement. It was not of course deliberate, but seems to have been due to their taking data from loan paper projections rather than on-site census taking. Also, there seems to have been some incidences where the total number of positions in an upgraded facility were all counted as new jobs rather than counting only the net increase. In one case a subloan to have created 56 jobs was phased out, but the figures remained in the employment generation tables of the BNP.

Table 7 presents a breakdown of the AID/BNP funded projects by AID input amount, number of jobs projected and an estimation of jobs actually created from field visits and verification with BNP officials. The table shows that the initial projections were somewhat optimistic and that the

TABLE 7 AID/BNP PROJECTS BY \$ AMOUNT AND EMPLOYMENT GENERATED

PROJECT SIZE	# PROJECTS	\$ TOTAL - AID	% TOTAL AID LOAN	# JOBS PROJECTED	\$/JOB	# JOBS 1982**	\$/JOB
100,000 and over	10	\$ 2,082,960	56%	344	\$6,055	107	\$19,467
50,000 - 99,999	10	651,593	17.8	171	3,810	57	11,431
30,000 - 49,999	13	464,032	12.6	85	5,459	57	8,141
0 - 29,999	25	469,896	12.8	170	2,764	91	5,163
TOTAL	58	3,668,481	100.0	770*	4,764	312	11,758

* BNP documents projected 800 jobs created, but two market projects, San Francisco and Atalaya were cancelled before they began at a loss of 15 jobs apiece.

** Data from field site visits and BNP office. some projects have been cancelled and some are not yet operational. This number is an approximation of those actually at work in April 1982 as a direct result of the AID/BNP project. A complete list of projects and jobs appears in Appendix B.

jobs created were quite costly--an average of \$11,758 per job.

It is further interesting to note that the jobs created by projects whose total AID input was in the up-to \$30,000 class were far less costly than those created by projects costing \$100,000 or more. This would seem to argue for more smaller scale projects as a way more economically to create jobs. On the other hand, the administrative costs of initiating and monitoring many small projects may be higher. It remains for the agency to arrive at the optimum mix, but recognizing that project proposals should be thoroughly scrutinized for accurate job creation projections.

Although this was a municipal development project and not an employment generation project, it is only fair to project expected employment in realistic terms. For example, if workers on a garbage collection project simply move from the dump trucks they were using to new compacting trucks, that is only a transfer, not a new job (assuming the old trucks are sold or taken out of service.) Similarly, if a market is built and requires an administrator and two janitors, that is new employment (unless there was an old market that had similar positions). It is not right to count as newly created jobs ten street vendors who now sell their wares in the new market. One test of new employment is whether the municipal payroll increases - are the new workers directly paid by the municipio or enterprise?

Indirect job creation could be substantial and should not be overlooked. Better rural infrastructure will improve the feasibility and should lead to the expansion of rural based development enterprises, and rural-urban economic linkages should grow as a consequence.

Evaluation Comments

Based on the Pragma Team's field site visit findings and examination of files and reports, the bank's figures on employment generation significantly overstate the reality. It seems BNP used projections contained in the loan project papers as its data base for these global projections. If they all were implemented as planned, if none were terminated, and all had been given the time to "come up to speed" the BNP figures might then be in the ball park. But this is not going to happen. Moreover, we are concerned with the impact "to date". In the case of employment generation, the FODEM Municipal Rural Development Project has had some impact, but not as great as projected. More experience with projects should make future projections more accurate.

OBJECTIVE B-3:

Select Projects with Good Repayment Prospects

Ultimately all loans will certainly be repaid since BNP controls the municipal accounts. If payments were not made, BNP could take them from the account, leaving the municipio to cut other expenses.

This ultimate assurance allows BNP to be generous with grace periods, extensions and other special arrangements. It appears that about half of all loans have had some delay in payments so far. Some municipios learned the hard way, having to pay back a loan (facilitated by the fact that all municipios keep their savings deposits in BNP) for an activity which they thought would work, but did not. The experience has made some wary of the ease with which they can get into debt and they will be looking at their needs more selectively before they take on more financial burdens. Some have been made more desirous of careful project planning that would insure that revenue generated can be counted on to at least cover repayment of borrowings and interest--in other words a closer look at cost/benefit than has often been true so far.

The administrative-financial aspects of each project could also, it seems, benefit from tougher analysis than is now being done by FODEM. We fear some loans may amortize over a longer period than the life of the equipment they have financed. Generous grace periods also add to this problem. We also regret seeing fully constructed and equipped facilities that are not in use for lack of a single essential element of their function which had been overlooked. We see examples of FODEM accepting projects as financially feasible because the municipio has agreed to cover the loan and operating expenses from its regular budget when user charges would clearly not have been adequate to pay for what is being built. In such a case we believe the facility should have been scaled down to a point where the project's internal costs and benefits would be in balance. FODEM has done a tremendous job so far, but there are some lessons to be learned from the experience to date. The next round of projects funded from the revolving fund should have tougher technical and administrative analysis (i.e. have sounder technical and administrative planning) and should be self-financing, that is, not dependant for

their operating expenses & loan amortization on coverage from municipio general revenues which soon may well be in enough trouble themselves. (The team understands the practice of selling municipal lands to cover operating expenses is not infrequent. But it seems to us deplorable to sell off assets to pay the operating costs of uneconomic facilities.) If for socially over-riding reasons it is important to proceed anyway, so be it, but it should be a red-flag procedure--a decision that all are openly aware of. At present, this kind of decision almost goes by unnoticed, buried in the verbiage of a section of the loan paper.

This kind of tougher planning requires assistance from specialists in the particular type of project working within the particular municipal situation.

For example, an agricultural or manufacturing project needs careful cost analysis and will ultimately depend on contracts for its products, typically from other government entities. The BNP should be able to send out a specialist with experience in this kind of problem who can work with municipal officials on their plans. Municipalities with similar production projects should encourage their officials to visit each other.

Similarly, a fee-charging municipal structure (market or slaughterhouse) requires detailed advice and help in anticipating and arranging for roads, water, etc. A specialist in that kind of project may help begin that process soon enough to avoid embarrassing mismatches later.

Transport vehicles, with high maintenance and depreciation, also may have problems in collecting fees or in finding clients for rental. Again a specialist in those problems working with local officials may be able to make the hard decisions ahead of time.

To the extent that other municipal incomes will be drawn on to repay part of the loan, that too, must be closely examined. What other revenue is planned? How will it be collected?

Evaluation Comment

The Pragma team believes that the first round experience has made FODEM more conscious of these issues. In the next stage we assume that they will be more closely watched.

At present it is very difficult to bring together information on payment difficulties. We believe that FODEM management should have available, for each project, a record of what revenues are being used to make loan payments and how much delay has occurred.

In any case the current state of municipio finances is such that they will not be able to go much further in carrying out new investment programs unless they make certain that the revenue generated by such projects will be sufficient to cover operation, management and maintenance costs as well as the amortization of any loans that may be required to fund the activities. This problem may actually be some what more serious than is at first apparent since many of the current municipal loans are still in their grace periods, and the debt service burden will increase as actual amortization begins (and interest rate climbs from the 4% during grace period to 8% after).

Loan Recuperation

Although this evaluation takes place after AID has fully disbursed the FODEM loan funds, many of the projects are only now becoming operational. This means that the real, lasting, impact of the projects is hard to measure, and also that it is early to report on the financial aspects of loan recuperation.

Nevertheless, according to figures provided by the BNP, as of June 30, 1981 all but \$50,000 of the AID loan fund of \$3,668,481 had been disbursed. Three loans, to Tonosí, Renacimiento, and Guarumal had been completely paid back - \$130,000 plus \$21,525 in interest had been paid back to the BNP by June 30, 1980.

Since the BNP is the depository for all municipal savings accounts in the country, it is impossible for a municipio to default on a loan - their savings account will simply be attached to recover the owed amount.

Loan Viability

The fact that a municipio cannot default on a loan does not necessarily mean that the loan is therefore viable. The project may not be generating as much income as it costs the municipio to operate it - garbage collection, for instance, and the municipio must subsidize the loan payments from other accounts.

The possibility of having to subsidize loan payments from other revenues makes the training efforts of the FODEM program especially important; not only for successful management of the loan project, but for the collection of other taxes as well.

Part IV Recommendations for Municipal Development

Throughout this report there are detailed comments and suggestions concerning the municipal development process in Panama. They reflect the reactions of the team members who have seen municipal development programs in several countries. We hope they contribute to the process of analysis and rethinking that we have seen at FODEM. To call these reactions "recommedations" would not be completely accurate. Recommendations should refer to proposals thoroughly discussed and developed in some detail. Below we offer two proposals that we are prepared to recommend in detail after much careful examination.

The strength of FODEM, we feel lies in its broad middle management exerieence. It is involved in and committed to the daily development struggles of the municipios.

However, at the stage that FODEM (now GEDEL) is entering this year, it urgently needs to reinforce:

1. Top management information
2. On-site problem solving.

1. In order to reinforce top management information we recommend a data file (preferably based on an inexpensive micro-computer). Available information by municipio and/or corregimiento can be assembled from various sources and supplemented with data from BNP project files. Output reports will periodically advise BNP management of development trends and difficulties at the municipal level. Energies will be shifted to issues which have strategic priority. Progress toward program objectives will be continuously monitored. (One computer specialist position would be needed. Further details are suggested below.)

2. In order to reinforce on-site problem solving, we recommend a small team of mobile experts (maestros mobiles) who can be sent for a day or more at a time to municipios with special needs. An expert would sit down with municipal officials to jointly resolve the problem--offering as much training as assistance on-site. BNP personnel who are willing to travel will volunteer to train as "trouble-shooters" (only five or so are needed). Each becomes increasingly expert in resolving specific problems (narrow specialization is expected). When the data file warns of a growing problem, management can send a mobile expert to the site.

To be more specific, we give a few examples of kinds of site problems which arise now, in which a GEDEL staff member could specialize, and where municipal officials need assistance and training. GEDEL can easily make a more complete list, although it is best to start with a short list. This list is only an illustration.

1. Municipal Revenue. What fees and taxes can be collected, how to set the rates, what records to keep, ways to improve collections.

2. Mercados and Mataderos. Equipment options, location factors, water and traffic flows, estimating demand, controlling costs, health standards, setting fees.

3. Rural Water. Appropriate technology, equipment and labor needs, maintaining purity and flow, distribution to consumers, billing and collection

4. Mobile Equipment. Matching equipment to use, estimating costs, maintenance, rentals, depreciation and replacement, training operators.

5. Interagency Corporation. Exchanging information and plans with local personnel of other entities, doing something jointly in areas of common interest, writing joint memoranda for approval by executives of both agencies.

We also give some examples below of the kinds of activities which the expert team might plan to include.

- Arrange visits among municipios where there are similar projects or problems.
- Form coalitions of municipios to share costs of equipment or other common needs.
- Make direct contact with personnel of other GOP entities at a municipal level for exchange of information and possible cooperation.
- Be available, even when out of the capital, for telephone consultation on any issue of special expertise.
- Meet with top management to discuss trends and possible new directions as the program develops.
- Make summary evaluation of progress toward program objectives among the municipios for management information.

- Systematically visit all projects at a particular time and report in detail the kinds of achievements and dissapointments found.

This mobile expert team is meant to complement the management Data File. The BNP does not now have at hand a readout of which projects have had what kinds of delays in loan payments. Of course, BNP runs no risk of non-payment since they control the municipal account. If BNP expects municipios to keep good information systems, should not BNP themselves do the same?

Not only are payment record, difficult to reconstruct, but no records of a municipio's efforts (as compared with proposals) to earn revenue or generate employment are kept by the BNP. We recommend that the municipal treasurer keep such records as a matter of course, and that the visiting experts have them transferred to BNP files. In this way, analyses of feasibility and other factors may be made with resulting advice to similar projects.

If municipal data are (computer) filed, another essential type of information can be added. This is the data, by municipio, on development advances and deficiencies. Even school enrollment figures, infant mortality figures and other indicators should be available for understanding the impact of the loan supported project. Where projects are said to contribute to health, but do not, this classification should be made known, as should documentation of successful impact. A further type of analysis becomes possible when such files are created; an ordering (Guttman scale) of apparent deficiencies by importance or by tactical sequence. Targetting key deficiencies can never be a wholly mechanical process, but a systematic approach can help us to identify the exception as well as the general rule.

Below is an illustration of possible Data File uses.

Data File Inputs

Annual Inputs:

- Population estimates
- Municipal revenues, by category and total
- Percent collections, by category and total
- Amenities scale list and changes
- "Diagnostico": Municipal self-analysis

BNP Periodic Inputs:

- Loan payback and extensions record

- Direct employment generated
- Estimated indirect employment
- Interagency coordination: status

Potential Inputs Form Other Entities:

- Mortality, morbidity rates
- School enrollment rates
- Employment and income estimates

Data File Outputs

Relative standing of municipios, or, change from year to year:

- in amount and kind of revenues collected
- in percent collected of revenues due, by type of revenue

Guttman scale position, or changes in position:
 ● in existing amenities of municipio or corregimiento

● in municipal deficiencies as reported on "diagnostico"

Project municipios compared with non-project municipios, or with each other:

- payment delays, by types of difficulties
- job generation, direct and indirect
- project revenues and expenses

File sorting of BNP activities:

- by names of persons
- by types of projects
- by kinds of problems
- by kinds of costs and benefits reported
- by other agency involved, with or without coordination

The following table brings together the illustrations developed above showing how the Data File and the Mobile Experts mutually reinforce the top and bottom layers of municipal development action.

Given the strong, experienced, middle-level action for which FODEM has become known, management information and on-site problem solving may make an important contribution to the six specific objectives at a very small administrative cost.

Data File

Mobile Experts

1. Municipal benefit	Estimates of project costs and benefits: cost/effectiveness index.	Sent experts to municipios with low c/e indices.
2. BNP understanding	Guttman scaling of existing amenities and of self-reported "diagnostics".	When off-scale projects are proposed, send expert to check out the rational.
3. Municipal management	Names of persons who have received training, and of persons who hold positions.	When untrained period moves into a position, send expert for quick on-site training.
4. Select for repayment	Record of project repayments. Analysis of difficulties.	Send expert in project type to help plan repayment for loan applications.
5. Raise income	Municipal revenues and collections Projects income and expenses.	When municipal or project income lags, send expert to help get on track.
6. Agency coordination	BNP assembles data on municipios, acts as resource to other agencies. Maintains broker role on municipal development.	Expert promotes local contacts among agencies related to project. Works out limited proposals for cooperation.

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VOLUME II - APPENDICES

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THE PRAGMA CORPORATION

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Appendix A

General Information on Municipalities

PROCEDIMIENTOS PARA OBTENER LOS PRESTAMOS

1 Presentación del Proyecto
al Concejo Municipal;

2 Llenar solicitud de préstamo
y documentos;

3 Análisis y Evaluación del
Proyecto;

4 Aprobación del Préstamo.

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Apartado 5220
Zona 5, Panamá.

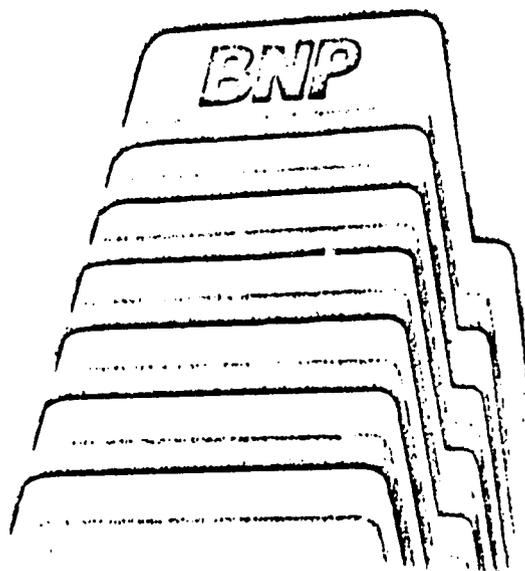
Dirección en Panamá:

Sucursal de la Avenida
Séptima Central, 1o. y 2o. Piso

En el Interior:

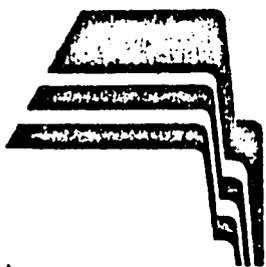
Todas las Sucursales del
Banco Nacional de Panamá.

BANCO NACIONAL DE PANAMA



PROGRAMA PARA EL FORTALECIMIENTO DE LOS SERVICIOS PUBLICOS MUNICIPALES

UN INSTRUMENTO DE AUTODETERMINACION LOCAL



**BANCO
NACIONAL
DE PANAMA**



OBJETIVOS

El Programa para el Fortalecimiento de los Servicios Públicos Municipales busca mejorar institucionalmente la eficiencia y participación de los gobiernos locales, como también propiciar el desarrollo y bienestar social de las comunidades

SERVICIOS

El programa proporcionará los servicios de Asistencia Financiera, Técnica y de Capacitación a los Municipios, los cuales serán suministrados en forma coordinada a través de convenios inter-institucionales con organismos nacionales del Estado.

Asistencia Financiera

Concesión de financiamiento de obras de infraestructura y servicios públicos de beneficio social, en los sectores de:

- Aseo (Recolección y disposición final de desechos sólidos)
- Mercados Públicos
- Mataderos Públicos
- Terminales de Transporte
- Acueductos Rurales
- Pavimentación y Drenajes
- Otros

Condiciones Generales de los Préstamos

Las condiciones que se solicitarán serán fijadas de acuerdo a la propia naturaleza del Proyecto, las cuales se describen a continuación:

Proyecto	Plazo Máximo	Período Máximo de Gracia a Capital	Tasa de Interés Anual *
Aseo	5 años	6 meses	11%
Mercados Públicos	15 años	12 meses	11%
Mataderos Públicos	15 años	12 meses	11%
Terminales de Transporte	15 años	12 meses	11%
Acueductos Rurales	15 años	12 meses	11%
Pavimentación y Drenajes	10 años	12 meses	11%

* La tasa de interés será igual durante el período de vigencia del Préstamo (incluso durante el período de gracia).

Garantías:

Hipotecaria o Prendaria

Asistencia Técnica y Capacitación

Los Municipios recibirán del Programa, como un elemento indispensable para su fortalecimiento, servicios de Capacitación y Asistencia Técnica para su organización administrativa, operacional y otros.

Áreas de la Asistencia Técnica y Capacitación

- Administración Municipal
- Organización y Método
- Finanzas Municipales y Administración Tributaria
- Servicios Públicos Locales
- Otros

Cómo se Prestará

- Adiestramiento en el puesto de trabajo
- Trabajo en equipo
- Estudio de casos
- Seminarios, Cursos, Charlas
- Otros

Cómo recibirla

- Por solicitud de los Municipios
- Por determinación del Programa
- Por solicitud de organismos nacionales para casos específicos.

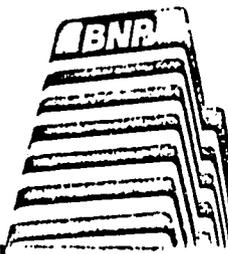


Metas de la Asistencia Técnica

- Identificar, diseñar, ejecutar y administrar proyectos relacionados con los servicios municipales;
- Organizar y administrar los servicios públicos municipales;
- Organizar sistemas contables y financieros;
- Incrementar los recursos del Municipio;
- Fortalecer la Administración Municipal.

Metas de la Capacitación

- Fortalecer el recurso humano municipal;
- Participar activamente en la organización, puesta en marcha, determinación de estrategias y evaluación de los servicios públicos



CRITERIOS PARA OTORGAR LOS PRESTAMOS

- a. Factibilidad técnica, económica y social del Proyecto;
- b. Beneficio a sectores poblacionales localizados por debajo del nivel de pobreza;
- c. Efectos del proyecto sobre el bienestar social de las comunidades (niveles de empleo, salarios, condiciones de salud ambiental e higiene local, educación, etc.);
- d. Participación o relación del Proyecto con los planes y estrategias de desarrollo local, regional y nacional o propuestas por autoridades;
- e. Capacidad y responsabilidad administrativa y financiera del Municipio para ejecutar el Proyecto.

OPERACION DE ADQUISICION DE EQUIPO

FINES DE LA COOPERACION CON
LOS MUNICIPIOS EN LA ADQUI-
SICION DE EQUIPOS

a. Facilitarles la adquisicion de equipos
de manera oportuna y adecuada a sus
necesidades de servicio público.

b. Asegurar que la adquisicion de los
equipos se haga de acuerdo con espe-
cificaciones técnicas apropiadas y dar-
les información y orientación al res-
pecto.

LA COOPERACION SE DA A TRA-
VES DE:

a. Asesoría técnica a los Municipios
para la determinación o selección ade-
cuada de equipos que requiera para
el funcionamiento y la prestación de
servicios públicos y empresas munici-
pales.

b. Financiamiento de los equipos que
el FONDO adquiera para los Munic-
pios.

c. Otras operaciones que en la materia
realiza el Banco Nacional de Panamá
para sus clientes.

RELACIONES:

Para diligencias con el FONDO DE DESA-
RROLLO MUNICIPAL, los Alcaldes y Re-
presentantes de Corregimientos, pueden diri-
girse a:

BANCO NACIONAL DE PANAMA

Apartado 5220

Panamá 5, Panamá

TELEX: BANCONAL

o a sus sucursales y agencias en el interior
del país.

FONDO DE DESARROLLO MUNICIPAL



Banco Nacional de Panamá

UN INSTRUMENTO DE
AUTODETERMINACION LOCAL

PROPOSITOS

EL BANCO NACIONAL DE PANAMA ha establecido dentro de su organización el FONDO DE DESARROLLO MUNICIPAL, con el propósito de conceder asistencia técnica, financiera y capacitación de personal a los Municipios o Asociaciones de Municipios.

El objetivo de esta asistencia, es lograr que los Municipios o Asociaciones de Municipios desempeñen una función más significativa en el suministro de los servicios públicos y en el fomento de empresas productivas, mejorando a su vez, todos los aspectos que conciernen a la administración municipal, como respuesta efectiva a las necesidades locales.

La asistencia del FONDO DE DESARROLLO MUNICIPAL, a los Municipios o Asociaciones de Municipios, contribuirá a mejorar la calidad de vida de la población rural, aumentando su autodeterminación local. Esto permitirá reducir la dependencia del Gobierno Central y equilibrar el desarrollo entre las diferentes regiones del país.

SERVICIOS

EL FONDO DE DESARROLLO MUNICIPAL prestará a los Municipios o Asociaciones de Municipios los siguientes servicios los cuales serán extendidos por medio de estas entidades hasta las Juntas Comunales, empresas municipales y empresas mixtas municipales. Estos servicios serán suministrados en forma combinada o separada por el FONDO y/o con la cooperación de otros organismos nacionales.

CREDITO:

Otorgamiento de préstamos para:

Crear empresas municipales o mixtas, para la explotación de bienes y servicios productivos, (industria manufacturera, agroindustria, industrias artesanales, proyectos de avicultura, porcinoicultura, agrícola, ganadería, pesquero, etc.).

- Construir obras públicas de servicios municipales, (mataderos, mercados de mayoreo y menoreo, terminales de transporte, entre otros).

- Adquisición de equipo relacionado con proyectos de desarrollo.

ASISTENCIA TECNICA:

Prestación de asesoría para:

- Racionalizar las organizaciones administrativas.

- Simplificar los procedimientos administrativos.

- Elevar la recaudación de impuestos y regularizar los sistemas contables.

- Organizar los servicios públicos municipales.

- Establecer nuevas técnicas en la elaboración y ejecución de los presupuestos.

- Preparación de proyectos y programación de inversiones.

- Manejo de empresas productivas y de servicios públicos municipales.

- Adquisición de equipo.

CAPACTACION DE PERSONAL:

Realización de cursos para:

- Aprender técnicas modernas de gerencia y administración municipales.

- Aplicar normas y procedimientos de manejo de personal y de recursos.

- Capacitar al factor humano para los procesos políticos y administrativos de toma de decisiones.

OPERACION DE CREDITO

FINES DE LOS PRESTAMOS:

- 1-Financiar estudios de factibilidad de proyectos.
- 2-Costear gastos de inversión y de capital de trabajo de proyectos, así como del equipo necesario.
- 3-Pagar servicios de asistencia técnica y de capacitación, relacionados con la administración de los proyectos.

CRITERIOS PARA OTORGAR

PRESTAMOS:

- a) Factibilidad técnica y económica-social del proyecto.
- b) Prioridad dentro de la escala de necesidades de la comunidad.
- c) Efectos del proyecto sobre el bienestar social de la comunidad. (niveles de empleo, salarios, condiciones de salud, educación, etc.).
- d) Participación o relación del proyecto con los planes y estrategias de desarrollo local, regional y nacional adoptados o propuestos por las autoridades competentes.
- e) Capacidad y responsabilidad administrativas y financieras del Municipio para ejecutar el proyecto.

PROCEDIMIENTO PARA OBTENER LOS PRESTAMOS:

- a. Presentación de ante-proyectos al Concejo Municipal.
- b. Solicitud al FONDO por el Alcalde, autorizada por el Concejo Municipal a través de las sucursales del Banco Nacional de Panamá, en formulario suministrado por estas.

- c. Comunicación del FONDO al Alcalde Municipal sobre la posibilidad de financiamiento del proyecto.
- d. Análisis del Proyecto y de la capacidad de endeudamiento del Municipio por parte del FONDO y elaboración por este del informe de crédito.
- e. Presentación del informe de crédito al Municipio para su aceptación mediante acuerdo del Concejo Municipal.
- f. Aprobación del préstamo por el Comité de Préstamos del FONDO.
- g. Celebración del contrato de préstamo entre el Municipio y el FONDO.
- h. Desembolso y ejecución del préstamo según los términos del contrato.

CONDICIONES GENERALES DE LOS PRESTAMOS:

PLAZO: En base a la reutilización del proyecto, un mínimo de cinco (5) años y un máximo de hasta veinte (20) años.

INTERES: Ocho (8%) por ciento anual como mínimo sobre saldos.

PERIODO DE GRACIA: Hasta cinco (5) años a capital.

INTERES DURANTE ESTE PERIODO: Cuatro (4%) por ciento anual como máximo.

GARANTIA: Hipotecaria o Prendaria (pignoración de una renta o producto municipal).

La fijación de las condiciones específicas depende de la naturaleza de cada préstamo.

OPERACION DE ASISTENCIA TECNICA

COMO OBTENER EL SERVICIO DE ASISTENCIA TECNICA:

Por solicitud de los Municipios para la elaboración de proyectos y reorganizaciones administrativas o fiscales.

- Por determinación del FONDO como una necesidad de los Municipios, vinculada a la utilización de un préstamo y/o capacitación.

- Por solicitud de organismos nacionales para casos específicos.

CONDICIONES DE LOS CONVENIOS DE ASISTENCIA

TECNICA CON LOS MUNICIPIOS:

- Descripción detallada de los aspectos que comprenderá la asistencia técnica.

- Los aportes o facilidades de contraparte que ofrecerán los Municipios (personal, oficinas, papelería, transporte, partidas presupuestales, etc.).

- Duración de la prestación del servicio.

Costo del servicio y formas de pago, si es el caso.

Compromisos por los municipios de aplicar al máximo las recomendaciones técnicas del servicio, la capacitación del personal necesario y el resultado de las evaluaciones.

OPERACION DE CAPACITACION

COMO OBTENER EL SERVICIO DE CAPACITACION:

Aquellos Municipios que presenten solicitud, o que por razón de otros programas de desarrollo en que ellos participen, calificarán para recibir el servicio de capacitación con el fin de lograr una mayor eficiencia administrativa que asegure la aplicación eficaz del crédito y/o de la asistencia técnica recibida.

- La capacitación se dirigirá a funcionarios municipales de nivel técnico o de cargo y se ofrecerá a través de cursos básicos y seminarios sobre administración municipal.

AREAS BASICAS DE CAPACITACION:

- Gerencia y administración municipales.

- Tributación municipal.

Presupuestación municipal.

- Contabilidad municipal.

- Formulación y administración de proyectos.

- Planificación urbana y rural.

Administración de servicios públicos.

Y cualquier otra que se determine necesaria.

1 c) INDICES DE NIVEL DE VIDA EN ORDEN DECRECIENTE

Rank

DISTRITO	PROVINCIA	INDICE	DISTRITO	PROVINCIA	INDICE
1 Chitró	Herrera	84.0	48 Capira ✓	Panamá	27.0
2 Panamá	Panamá	82.3	49 Pinogana ✓	Darién	25.8
3 San Miguelito	Panamá	80.4	50 Los Pozos ✓	Herrera	25.6
			51 Chepigana ✓	Darién	25.2
			52 Chiriquí Grande ✓	Bocas del Toro	24.5
4 La Chorrera	Panamá	77.1	53 Soná ✓	Veraguas	24.4
5 Arraiján	Panamá	75.2	54 La Pintada ✓	Coclé	24.2
6 Colón	Colón	74.5	55 Donoso ✓	Colón	23.6
7 David	Chiriquí	64.8	56 Río de Jesús ✓	Veraguas	22.4
8 Aguadulce	Coclé	64.0	57 Las Palmas ✓	Veraguas	20.7
9 Taboga	Panamá	60.9	58 Balboa ✓	Panamá	19.0
10 Chame	Panamá	60.6	59 San Francisco ✓	Veraguas	18.5
			60 Cañazas ✓	Veraguas	18.2
11 Santiago	Veraguas	59.7	61 Comarca de San Blas ✓	Colón	18.1
12 Boquete	Chiriquí	59.5	62 Calobre ✓	Veraguas	17.8
13 Parita	Herrera	59.5	63 Las Minas ✓	Herrera	17.8
14 Las Tablas	Los Santos	57.0	64 Tolé ✓	Chiriquí	17.7
15 Los Santos	Los Santos	55.7	65 Olá ✓	Coclé	17.4
16 Santa María	Herrera	54.3	66 Santa Fé ✓	Veraguas	10.7
17 Guararé	Los Santos	54.1			
18 Bocas del Toro	Bocas del Toro	52.7			
19 San Carlos	Panamá	52.4			
20 Changuinola	Bocas del Toro	50.6			
21 Bugaba	Chiriquí	50.0			
22 Barú	Chiriquí	49.9			
23 Pedasí	Los Santos	49.3			
24 Natá	Coclé	46.8			
25 Pocrí	Los Santos	44.5			
26 Pesé	Herrera	44.0			
27 Alanje	Chiriquí	43.1			
28 Dolega	Chiriquí	42.5			
29 Bocuerón	Chiriquí	41.6			
30 Ocu	Herrera	37.7			
31 Antón	Coclé	37.5			
32 Chimán	Panamá	37.2			
33 Chagres	Colón	35.8			
34 Santa Isabel	Colón	34.5			
35 Penonomé	Coclé	34.0			
36 La Mosa	Veraguas	33.1			
37 Portobelo	Colón	31.8			
38 Chepo	Panamá	31.7			
39 Remedios	Chiriquí	31.5			
40 San Félix	Chiriquí	31.2			
41 Macaracas	Los Santos	31.2			
42 Atalaya	Veraguas	31.0			
43 Gualaca	Chiriquí	31.0			
44 Montijo	Veraguas	29.7			
45 Tonosí	Los Santos	28.6			
46 Renacimiento	Chiriquí	28.5			
47 San Lorenzo	Chiriquí	27.1			

Fuente: Estudio sobre Salud Integral y Nivel de Desarrollo. Ministerio de Salud.

Rank

REPUBLICA DE PANAMA

1 a) INDICES DE NIVEL DE EDUCACION EN ORDEN DECRECIENTE (POR DISTRITO)

DISTRITO	PROVINCIA	INDICE	DISTRITO	PROVINCIA	INDICE
1 Panamá ✓	Panamá	98.2	42 Bocas del Toro ✓	Bocas del Toro	30.2
2 Colón ✓	Colón	91.9	43 Chiriquí ✓	Daríón	30.2
3 San Miguelito ✓	Panamá	88.8	44 Chopo ✓	Panamá	30.1
			45 Donoso ✓	Colón	35.0
			46 Ocú ✓	Herrera	34.9
			47 Montijo ✓	Veraguas	34.6
4 David ✓	Chiriquí	77.5	48 Río de Jesús ✓	Veraguas	34.3
5 Chitró ✓	Herrera	74.3	49 Gualaca ✓	Chiriquí	33.6
6 Aguadulce ✓	Coclé	73.2	50 La Mosa ✓	Veraguas	32.3
7 La Chorrera ✓	Panamá	73.0	51 Macaracas ✓	Los Santos	32.2
8 Arraiján ✓	Panamá	71.1	52 Tonosí ✓	Los Santos	32.2
9 Taboga ✓	Panamá	66.6	53 Calobre ✓	Veraguas	32.1
10 Santiago ✓	Veraguas	65.5	54 Remedios ✓	Chiriquí	31.3
11 Boquete ✓	Chiriquí	61.9	55 San Félix ✓	Chiriquí	31.2
			56 Pinogana ✓	Daríón	30.3
			57 Soná ✓	Veraguas	30.0
			58 San Francisco ✓	Veraguas	29.6
12 Chama ✓	Panamá	60.3	59 Los Pozos ✓	Herrera	26.9
13 Las Tablas ✓	Los Santos	57.5	60 Las Palmas ✓	Veraguas	24.5
14 Santa María ✓	Herrera	56.5	61 San Lorenzo ✓	Chiriquí	24.5
15 Portobelo ✓	Colón	55.7	62 Comarca de San Blas ✓	Colón	23.5
16 Changuinola ✓	Bocas del Toro	55.5	63 Olá ✓	Coclé	23.5
17 Barú ✓	Chiriquí	55.2	64 Santa Fe ✓	Veraguas	23.4
18 Antón ✓	Coclé	54.9			
19 Penonomé ✓	Coclé	54.4			
20 Santa Isabel ✓	Colón	53.9			
21 Bugaba ✓	Chiriquí	53.2	65 Las Minas ✓	Herrera	19.9
22 San Carlos ✓	Panamá	52.1	66 Cañazas ✓	Veraguas	17.9
23 Dologá ✓	Chiriquí	50.9	67 Tolé ✓	Chiriquí	17.6
24 Los Santos ✓	Los Santos	50.4	68 Chiriquí Grande ✓	Bocas del Toro	9.6
25 Guararé ✓	Los Santos	49.4			
26 Balboa ✓	Panamá	49.3			
27 Parita ✓	Herrera	49.2			
28 Natá ✓	Coclé	48.1			
29 Chagres ✓	Colón	46.1			
30 Renacimiento ✓	Chiriquí	45.9			
31 Capira ✓	Panamá	45.5			
32 Pocrí ✓	Los Santos	45.1			
33 Pedasí ✓	Los Santos	43.8			
34 Alanje ✓	Chiriquí	43.3			
35 Boquerón ✓	Chiriquí	43.0			
36 Chimán ✓	Panamá	42.4			
37 Atalaya ✓	Veraguas	41.8			
38 Pesó ✓	Herrera	41.8			
39 La Pintada ✓	Coclé	40.9			

Fuente: Estudio sobre Salud Integral y Nivel de Desarrollo. Ministerio de Salud.

DISTRITO	PROVINCIA	INDICE	DISTRITO	PROVINCIA	INDICE
			42 Chagros ✓	Colón	14.1
1 San Miguelito ✓	Panamá	99.9	43 San Félix ✓	Chiriquí	12.7
			44 Remedios ✓	Chiriquí	12.3
			45 Macaracas ✓	Los Santos	11.7
			46 Río de Jesús ✓	Veraguas	11.4
2 Panamá ✓	Panamá	77.0	47 Gualaca ✓	Chiriquí	11.2
3 Chitró ✓	Herrera	74.1	48 La Pintada ✓	Coclé	10.7
4 Colón ✓	Colón	65.8	49 Montijo ✓	Veraguas	10.5
5 David ✓	Chiriquí	61.8	50 Boquerón ✓	Chiriquí	10.0
			51 Tonosí ✓	Los Santos	9.6
			52 San Lorenzo ✓	Chiriquí	9.0
			53 San Francisco ✓	Veraguas	8.5
6 La Chorrera ✓	Panamá	57.9	54 Donoso ✓	Colón	7.5
7 Aguadulce ✓	Coclé	56.4	55 Tolé ✓	Chiriquí	7.1
8 Arraiján ✓	Panamá	50.5	56 Renacimiento ✓	Chiriquí	6.8
9 Changuinola ✓	Bocas del Toro	41.2	57 Los Pozos ✓	Herrera	6.1
			58 Cañazas ✓	Veraguas	5.9
			59 Las Minas ✓	Herrera	5.8
			60 La Mesa ✓	Veraguas	5.3
10 Santiago ✓	Veraguas	39.9	61 Calobre ✓	Veraguas	5.0
11 Bugaba ✓	Chiriquí	36.3	62 Las Palmas ✓	Veraguas	4.3
12 Barú ✓	Chiriquí	33.8	63 Solá ✓	Coclé	3.7
13 Taboga ✓	Panamá	33.5	64 Santa Isabel ✓	Colón	3.6
14 Boquete ✓	Chiriquí	31.3	65 Santa Fé ✓	Veraguas	3.0
15 Natá ✓	Coclé	30.7	66 Chiriquí Grande ✓	Bocas del Toro	1.4
16 Los Santos ✓	Los Santos	29.4			
17 Chepo ✓	Panamá	28.6			
18 Las Tablas ✓	Los Santos	27.7			
19 Santa María ✓	Herrera	27.4			
20 Comarca Sn. Blas ✓	Colón	25.7			
21 Antón ✓	Coclé	25.6			
22 Dolega ✓	Chiriquí	24.9			
23 Penonomé ✓	Coclé	22.4			
24 Bocas del Toro ✓	Bocas del Toro	22.0			
25 Parita ✓	Herrera	20.5			
26 Pesé ✓	Herrera	19.6			
27 Chame ✓	Panamá	18.8			
28 Capira ✓	Panamá	17.7			
29 Chepigana ✓	Darién	17.6			
30 Soná ✓	Veraguas	17.4			
31 Balboa ✓	Panamá	17.3			
32 Atalaya ✓	Veraguas	17.1			
33 Pedasí ✓	Los Santos	17.0			
34 Portobelo ✓	Colón	17.0			
35 Pinogana ✓	Darién	16.9			
36 Alanje ✓	Chiriquí	16.7			
37 Guararé ✓	Los Santos	16.0			
38 Ocutí ✓	Herrera	15.6			
39 Chimán ✓	Panamá	15.0			
40 Pacrú ✓	Los Santos	14.7			
41 San Carlos ✓	Panamá	11.3			

TOTAL.....		
BOCAS DEL TORO.....		
	Bocas del Toro.....	52.1
24.5	✓ Changuinola.....	50.6
	✓ Chiriquí Grande.....	
COCLE.....		
	Aguadulce.....	64.0
24.2	✓ Antón.....	37.5
	✓ La Pintada.....	
17.4	✓ Natá.....	46.0
	✓ Olá.....	
	Penonomé.....	24.0
COLON.....		
	Colón.....	44.5
23.6	✓ Chagrea.....	35.8
	✓ Donoso.....	31.2
	Portobelo.....	34.5
	Santa Isabel.....	
CHIRIQUI.....		
	Alanje.....	42.1
	Barú.....	47.7
41.3	✓ Boquerón.....	
	Boquete.....	57.5
	Bugaba.....	50.0
	David.....	61.2
	Dolega.....	42.5
31.5	✓ Gualaca.....	31.0
	✓ Remedios.....	22.5
	Renacimiento.....	
31.2	✓ San Félix.....	
27.1	✓ San Lorenzo.....	
47.7	✓ Tolé.....	
DARIEN.....		
	Chepigana.....	25.1
	Pinogana.....	26.8
HERRERA.....		
	Chitré.....	24.0
17.2	✓ Las Minas.....	
25.6	✓ Los Pozos.....	
	Ocú.....	37.7
	Parita.....	27.5
	Pesé.....	44.0
	Santa María.....	54.2
LOS SANTOS.....		
54.1	✓ Guararé.....	
57.	✓ Las Tablas.....	
	Los Santos.....	55.7
	Macaracas.....	31.2
	Pedasí.....	49.3
44.5	✓ Pocrí.....	
	Tonosí.....	22.4
PANAMA.....		
20.7	Arraiján.....	75.7
27.5	✓ Balboa.....	
60.6	✓ Capira.....	
	✓ Chame.....	
	Chepo.....	31.7
37.2	✓ Chimán.....	
	La Chorrera.....	77.1
22.7	✓ Panamá.....	
52.4	✓ San Carlos.....	
20.1	✓ San Miguelito.....	
20.9	✓ Taboga.....	
VERAGUAS.....		
31.0	✓ Atalaya.....	
17.2	✓ Calobra.....	
12.2	✓ Cañazas.....	
23.1	✓ La Mesa.....	
20.7	✓ Las Palmas.....	
	Montijo.....	29.7
22.4	✓ Rfo de Jesús.....	
12.5	✓ San Francisco.....	
2.7	✓ Santa Fe.....	
	Santiago.....	52.7
	Soná.....	24.4
CORRIJCA DE SAN BLAS.....		12.1

45.7

Appendix B

Data from BNP Project Files

BANCO NACIONAL DE PANAMA
FONDO DE DESARROLLO MUNICIPAL
CREDITOS APROBADOS SEGUN FUENTES DE RECURSOS Y AREA GEOGRAFICA
1976 - 1980 (OCTUBRE)
(EN BALBOAS)

Nº. de Proyecto	Sujeto de Crédito	Finalidad Económica	Monto del Préstamo	A.I.D.	GOB.	A. Promio	Costo total del Proyecto
TOTAL			<u>4,450,000</u>	<u>1,668,481</u>	<u>782,419</u>	<u>1,999,100</u>	<u>5,120,000</u>
AREA OCCIDENTAL			<u>1,265,000</u>	<u>1,012,625</u>	<u>251,275</u>	<u>779,770</u>	<u>3,076,670</u>
Municipios:			<u>1,064,000</u>	<u>847,747</u>	<u>217,157</u>	<u>712,020</u>	<u>1,700,920</u>
1	33 Bagaba	- Matadero	155,000	120,000	35,000	71,850	226,850
2	37 Changuinola	- Mercado	30,000	20,000	4,000	2,000	32,000
3	11 Dolega	- Matadero	75,000	70,000	5,000	2,000	77,000
4	47 Barú	- Mercado	200,000	170,000	30,000	30,000	230,000
5	7 Gualaca	- Matadero	12,500	10,250	2,250	8,500	21,000
6	73 David	- Aseo	235,000	150,000	85,000	416,070	631,070
7	47 Bagaba	- Caminos Vecinales	53,400	40,400	13,000	10,000	63,400
8	40 Barú	- Fábrica de Muebles	75,000	70,000	5,000	50,000	125,000
9	9 Renacimiento	- Cultivo Agrícola	92,000	71,593	17,407	128,000	220,000
10	37 Changuinola	- Aseo	32,000	30,000	2,000	2,000	34,000
11	11 Bocas del Toro	- Tractor Agrícola	20,000	16,500	3,500	1,000	21,000
12	10 Boquete	- Adquisición de Equipo	75,000	70,000	5,000	10,000	85,000
13	10 Boquete	- Adquisición de Vehículo	10,000	---	10,000	---	10,000
Juntas Comunales:			<u>201,000</u>	<u>164,882</u>	<u>36,118</u>	<u>41,750</u>	<u>242,750</u>
14	13 David (David)	- Matadero	30,000	12,182	17,818	10,000	40,000
15	37 Changuinola (Changuinola)	- Camión Volquete	30,000	24,700	5,300	1,000	31,000
16	16 Progreso (Barú)	- Fábrica de Tapa	132,000	121,000	11,000	28,350	160,350
17	17 Guarumal (Barú)	- Cultivo Agrícola	9,000	7,000	2,000	2,400	11,400
AREA CENTRAL			<u>1,872,000</u>	<u>1,510,460</u>	<u>321,540</u>	<u>293,640</u>	<u>3,125,640</u>
Municipios			<u>1,654,000</u>	<u>1,180,060</u>	<u>271,940</u>	<u>227,117</u>	<u>1,881,117</u>
18	27 Santiago	- Matadero	560,000	440,000	120,000	36,000	596,000
19	10 Montijo	- Mercado	25,000	20,460	4,540	2,000	27,000
20	21 Soná	- Matadero	80,000	64,000	16,000	7,500	87,500
21	14 Océ	- Matadero	15,000	14,000	1,000	2,000	17,000
22	72 Antón	- Aseo	25,000	20,000	5,000	5,000	30,000
23	20 Aguadulce	- Aseo	50,000	40,000	10,000	5,000	55,000
24	40 Penonomé	- Aseo	50,000	40,000	10,000	5,000	55,000
25	10 Nicarcas	- Anq. Camión y retroexcavador	80,000	70,000	4,000	5,000	85,000
26	4 Pedasí	- Aseo	30,000	26,000	4,000	2,000	32,000
27	11 Pesé	- Aseo	30,000	26,000	4,000	2,500	32,500
28	12 Tunosí	- Caminos Vecinales	40,000	32,000	7,000	28,000	68,000
29	6 Santa María	- Aseo	32,000	30,000	2,000	2,000	34,000
30	14 Natá	- Aseo	15,000	10,000	5,000	15,000	30,000
31	24 Chitré	- Aseo	120,000	100,000	20,000	20,000	140,000
32	24 Aguadulce	- Carnarria	222,000	180,000	42,000	25,000	247,000
33	24 Chitré	- Matadero	50,000	47,000	3,000	46,117	98,117
34	40 Penonomé	- Mercado	160,000	150,000	10,000	10,000	170,000
35	11 Los Santos	- Aseo	35,000	33,000	2,000	3,000	38,000
36	6 Arroyo	- Mercado	28,000	18,000	2,000	2,000	22,000
37	4 San Francisco	- Mercado	15,000	13,000	2,000	3,000	18,000
38	San Francisco			15,000	13,000	2,000	3,000
Juntas Comunales:			<u>178,000</u>	<u>130,400</u>	<u>47,600</u>	<u>66,523</u>	<u>244,523</u>
39	18 Los Olivos (Arroyo)	- Tractor Agrícola	25,000	23,000	2,000	1,500	26,500
40	7 Parita (Parita)	- Taller Artesanal	73,000	41,400	31,600	34,532	107,532
41	11 El Herrero (Arroyo)	- Caminos Vecinales	35,000	33,000	2,000	3,000	38,000
42	11 Guasimo (Arroyo)	- Cultivo Agrícola	20,000	10,000	10,000	20,000	40,000
43	10 Nicarcas	- Tractor Agrícola	25,000	23,000	2,000	1,500	26,500
44	Nicarca			25,000	23,000	2,000	26,500
AREA METROPOLITANA			<u>1,751,000</u>	<u>1,145,406</u>	<u>207,604</u>	<u>388,742</u>	<u>1,701,742</u>
Municipios			<u>917,000</u>	<u>788,060</u>	<u>128,040</u>	<u>121,202</u>	<u>1,009,202</u>
45	110 Colón	- Matadero	545,000	451,000	93,000	25,000	579,000
46	47 Arriajón	- Aseo	70,000	60,000	10,000	10,000	80,000
47	21 La Chorrera	- Aseo	220,000	200,000	20,000	60,000	280,000
48	1 Portobelo	- Aseo	32,000	30,000	2,000	2,000	34,000
49	27 Chepo	- Mercado	70,000	50,000	3,000	19,000	69,000
Juntas Comunales			<u>834,000</u>	<u>357,346</u>	<u>79,564</u>	<u>267,540</u>	<u>692,540</u>
50	17 Guapi (Chepo)	- Matadero	30,000	27,500	2,500	70,000	100,000
51	21 Palmar (Chepo)	- Matadero	14,000	8,125	5,875	2,000	16,000
52	11 Carti Aguilera (Chepo)	- Matadero	28,000	23,000	5,000	23,000	51,000
53	14 Jiquil (Chepo)	- Matadero	28,000	25,000	3,000	27,000	55,000
54	110 Cativa (Chepo)	- Anq. camión volquete	12,000	12,000	12,000	1,000	15,000
55	110 Cativa (Chepo)	- Matadero	14,000	12,000	1,400	1,000	15,000
56	110 Cativa (Chepo)	- Camión Volquete	31,000	24,579	6,421	3,000	34,000
57	110 El Coco (Chepo)	- Fábrica de Tapa	75,000	67,000	8,000	21,000	106,000
58	110 Nuevo San Juan (Chepo)	- Taller Artesanal	40,000	33,632	12,368	5,700	51,700
59	110 Puerto Pilón (Chepo)	- Fábrica de Bloques	38,000	20,000	12,000	1,000	39,000
60	110 Cativa (Chepo)	- Equipo de Transporte	15,000	13,000	2,000	1,500	16,500
61	110 Santa Rosa (Chepo)	- Equipo de Transporte	15,000	13,000	2,000	1,500	16,500
62	110 Cativa (Chepo)	- Extracción de Arena	35,000	33,000	2,000	3,000	38,000
63	110 Carti Sordub (Chepo)	- Matadero	55,000	50,000	5,000	10,000	65,000

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BANCO NACIONAL DE PANAMA
FONDO DE DESARROLLO MUNICIPAL
VALORES AGREGADOS SEGUN PROYECTOS Y AREAS GEOGRAFICAS
(EN BALBOAS)

Credito	Actividad Economica	Monto Aprobado	Generación de Empleo No.	Valor Promedio	Ingresos	Utilidad	Beneficio Neto
TOTAL		4,450,000	800	1,288,512	4,501,111	1,200,511	667,172
DENTAL		1,265,000	345	579,017	1,192,977	971,919	225,808
Empios:		1,064,000	224	416,098	820,885	681,444	150,220
Comunales:		201,000	121	162,919	369,093	290,475	75,588
Alfaguacilla	Tractor Agrícola	30,000	1	2,394	18,000	14,400	7,200
Arriba	Comisión Volquete	70,000	1	2,394	30,000	2,400	600
Arriba	Fábrica de Bopa	132,000	98	156,000	326,787	201,400	65,357
Arriba	Cultivo Agrícola	9,000	21	2,131	15,306	12,245	3,001
M. Empios:		1,852,000	260	308,888	1,510,291	1,072,878	260,432
Comunales:		1,654,000	212	347,207	1,009,191	908,114	210,219
Arriba	Mitadero	500,000	12	44,970	354,932	281,936	70,400
Arriba	Mercado	25,000	3	4,469	10,350	8,280	2,070
Arriba	Mitadero	80,000	11	18,800	124,000	99,200	24,800
Arriba	Mitadero	15,000	4	1,200	10,140	4,200	5,900
Arriba	Aseo Domiciliario	25,000	4	4,300	1,190	1,190	---
Arriba	Aseo Domiciliario	50,000	12	25,890	3,790	3,790	---
Arriba	Aseo Domiciliario	50,000	6	12,768	3,247	3,247	---
Arriba	Camión	80,000	4	7,022	750	750	---
Arriba	Aseo Domiciliario	30,000	3	7,000	1,052	1,052	---
Arriba	Aseo Domiciliario	30,000	3	5,592	2,600	2,600	---
Arriba	Caminos Vecinales	40,000	3	5,030	40,000	32,000	8,000
Arriba	Mercado	20,000	15	18,000	7,300	7,300	---
Arriba	Aseo Domiciliario	32,000	3	3,100	8,900	20,000	---
Arriba	Aseo Domiciliario	15,000	6	11,461	17,200	13,700	3,500
Arriba	Aseo Domiciliario	120,000	13	24,700	199,200	111,413	27,853
Arriba	Comisión	222,000	14	20,719	245,850	190,620	49,170
Arriba	Mitadero	50,000	15	20,000	75,000	68,500	6,500
Arriba	Aseo Domiciliario	35,000	6	9,840	21,000	32,500	10,000
Arriba	Mercado	160,000	60	72,000	24,120	19,900	4,200
Arriba	Mercado	15,000	15	18,000	7,300	8,200	---
Comunales:		178,000	46	21,181	311,100	199,764	32,300
Arriba	Tractor Agrícola	25,000	1	1,915	13,200	10,500	2,000
Arriba	Taller Artesanal	75,000	3	3,000	90,000	72,000	18,000
Arriba	Cultivo de Caca	20,000	40	7,100	25,700	28,500	7,300
Arriba	Comisión Volquete	35,000	1	2,000	26,000	19,150	7,250
Arriba	Tractor Agrícola	25,000	3	5,000	27,000	19,500	7,500
MULTIAREAS		1,753,000	195	300,027	1,801,151	1,170,227	402,082
Empios:		917,000	61	145,892	561,305	428,971	50,000
Arriba	Mitadero	545,000	18	46,000	270,000	201,000	51,000
Arriba	Aseo Domiciliario	70,000	6	13,612	15,172	15,172	---
Arriba	Aseo Domiciliario	220,000	22	50,700	280,000	280,000	---
Arriba	Aseo Domiciliario	32,000	1	1,800	3,230	10,000	---
Arriba	Mercado	50,000	14	16,800	12,000	10,000	2,000
Comunales:		836,000	134	154,135	1,239,846	741,256	352,082
Arriba	Banco de Catastro	30,000	9	20,987	51,000	31,500	10,000
Arriba	Mitadero	14,000	3	1,875	17,000	14,200	3,000
Arriba	Mitadero	28,000	9	3,200	20,500	21,200	5,000
Arriba	Banco Catastro	28,000	7	15,000	81,500	65,000	16,500
Arriba	Camión	12,000	2	3,000	19,000	15,000	4,000
Arriba	Banco Catastro	14,000	6	5,000	51,500	15,500	3,500
Arriba	Fábrica de Bopa	75,000	40	42,000	12,000	80,000	22,000
Arriba	Taller Artesanal	40,000	24	40,254	140,000	115,000	25,000
Arriba	Fábrica de Maques	35,000	16	53,785	131,000	107,500	26,000
Arriba	Camión	15,000	1	2,100	45,200	11,000	20,000
Arriba	Mitadero	15,000	1	1,000	19,000	12,000	1,000
Arriba	Camión	35,000	7	600	232,000	70,000	101,000
Arriba	Comisión Volquete	35,000	5	5,424	37,500	24,000	13,000
Arriba	Comisión Volquete	31,000	2	3,000	22,000	13,200	2,000

TABLE ____ . AID funded projects by place, title, amount, projected employment and actual employment created.

PROJECTS OVER \$100,000

PLACE	PROJECT	AID LOAN \$	Projected Jobs 1976-79	Actual Jobs 1982
Bugaba	slaughterhouse	120,000	18	18
Barú	market	170,000	35	0 (not completed)
David	garbage trucks	150,000	54	10 (on trucks)
Progreso	clothing factory	121,000	98	30 (actually working)
Santiago	slaughterhouse	440,000	12	12
Chitre	garbage trucks	100,000	13	8 (on trucks)
Agudadulce	bone meal plant	180,000	14	6 (in plant)
Penonomé	market	150,000	60	7 (new municipal employees)
Colón	slaughterhouse	451,960	18	0 (not operating yet)
Chorrera	garbage trucks	200,000	22	16 (on trucks)
		<u>2,082,960</u>	<u>344</u>	<u>107</u>
----- \$50,000 - \$99,000 -----				
Dolega	slaughterhouse	70,000	4	0 (not in use yet)
Barú	furniture factory	70,000	26	12 (actually working)
Renacimiento	bean production	74,593	56	0 (discontinued)
Boquete	dump truck and pipe	70,000	3	3 (on truck)
Soná	slaughterhouse	64,000	11	11
Macaracas	truck	76,000	4	4
Arraijan	garbage truck	60,000	6	6
Chepo	market	50,000	14	14
El Coco	clothing factory	67,000	40	0 (discontinued)
Carti Sugtub	motor launch	50,000	7	7
		<u>\$651,593</u>	<u>171</u>	<u>57</u>

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\$30,000 - 49,000

PLACE	PROJECT	AID LOAN	PROJECTED JOBS 1976-79	ACTUAL JOBS 1982
Bugaba	Dump truck/backhoe	40,000	3	3
Changuinola	dumptruck	30,000	3	3
Aguadulce	garbage trucks	40,000	12	8 (on trucks)
Penonomé	garbage trucks	40,000	6	6
Tonosi	feeder roads	32,600	3	3
Santa María	garbage truck	30,000	3	3
Chitré	slaughterhouse	47,000	15	15 (may not all be new jobs)
Los Santos	dump trucks	33,000	6	6
Parita	wood shop	41,400	3	3 (depending on contracts could be , more)
El Barrero	dump truck	33,000	1	1
Portobelo	dump truck	30,000	1	1
N. San Juan	wood shop	33,632	24	0 (discontinued)
Chagres	sand pit	33,000	5	5
		<u>\$464,032</u>	<u>85</u>	<u>57</u>

		Up to \$29,000		
Changuinola	market	26,000	16	3 (new municipal employees)
Gualaca	slaughterhouse	10,250	2	2
Bocas del Toro	Ag. tractor	16,500	3	3
Divalá	slaughterhouse	12,182	1	1
Changuinola	dumptruck	24,700	1	1
Guarumal	ag. production	7,000	21	0 (discontinued)
Montijo	market	20,460	3	3 (questionnable)
Ocú	slaughterhouse	14,000	4	4
Antón	dump truck	20,000	4	4
Pedasí	dump truck	26,000	3	3
Pesé	dump truck	26,000	3	3
Natá	dump truck	10,000	6	6 (questionnable)
Los Olivos	Ag. Tractor	23,000	1	1
Guásimo	sugar cane production	10,000	40	0 (discontinued)
Macaracas	ag. tractor	23,000	3	3
Camogentí	motor launch	27,500	9	9
Palmira	motor launch	8,125	3	3
Cartí Tupil	motor launch	23,000	9	9
Jaque	motor launch	25,000	7	7
Isla Tigre	motor launch	12,600	6	6

Cativá	dump truck	24,579	2	2
Puerto Pílon	Block factory	26,000	18	13 (actually working)
Cacique	van	13,000	1	1
Santa Rosa	van	13,000	1	1
Río Hato	ag. tractor	28,000	3	3
		<u>469,896</u>	<u>170</u>	<u>91</u>

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BANCO NACIONAL DE PANAMA
GERENCIA EJECUTIVA DE DESARROLLO LOCAL
No. de Seminarios y Participantes - por Municipio
1976 - 1981

Provincias-Corregimientos	1976		1977		1978		1979		1980		1981	
	sem	part	sem	part	sem	part	sem	part	sem	part	sem	part
TOTAL:												
Bocas del Toro:	<u>4</u>	<u>7</u>	<u>3</u>	<u>10</u>	<u>4</u>	<u>29</u>	<u>2</u>	<u>8</u>	<u>2</u>	<u>9</u>	-	-
Bocas del Toro	<u>2</u>	<u>3</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>10</u>	<u>1</u>	<u>7</u>	-	-	-	-
Changuinola	1	2	1	4	1	13	-	-	1	8	-	-
Chiriquí Grande	1	2	1	3	2	6	1	1	1	1	-	-
Coclé:	<u>9</u>	<u>18</u>	<u>4</u>	<u>16</u>	<u>6</u>	<u>39</u>	<u>5</u>	<u>53</u>	<u>3</u>	<u>14</u>	<u>6</u>	<u>1</u>
Aguadulce	2	4	1	5	1	1	1	5	-	-	4	1
Antón	1	3	1	4	1	5	1	18	<u>1</u>	<u>1</u>	-	-
La Pintada	1	3	-	-	1	1	1	9	1	3	-	-
Natá	2	3	-	-	2	25	-	-	-	-	2	3
Olá	1	2	1	3	-	-	1	3	-	-	-	-
Penonomé	2	3	1	4	1	7	1	18	1	10	-	-
Colón:	<u>9</u>	<u>14</u>	<u>4</u>	<u>41</u>	<u>6</u>	<u>43</u>	<u>5</u>	<u>42</u>	<u>5</u>	<u>6</u>	-	-
Colón	1	2	1	33	2	29	1	22	2	2	-	-
Chagres	2	3	1	4	1	3	1	6	-	-	-	-
Donoso	2	3	1	2	1	4	1	2	-	-	-	-
Portobelo	2	3	-	-	1	3	1	8	2	3	-	-
Santa Isabel	2	3	1	2	1	4	1	4	1	1	-	-
Chiriquí:	<u>26</u>	<u>45</u>	<u>3</u>	<u>41</u>	<u>15</u>	<u>29</u>	<u>13</u>	<u>96</u>	<u>16</u>	<u>27</u>	<u>3</u>	<u>-</u>
Alanje	2	3	-	-	1	3	1	10	2	2	-	-
Barú	1	2	1	35	-	-	1	4	2	2	-	-
Boquerón	2	3	-	-	1	3	1	5	1	3	-	-

Provincias-Corregimientos	1976		1977		1978		1979		1980		1981	
	sem	part	sem	part	sem	part	sem	part	sem	part	sem	part
Chiriquí continuación												
Boquete	2	3	1	3	2	4	1	5	1	5	-	-
Bugaba	2	3	-	-	1	3	1	18	2	4	-	-
David	3	10	1	3	2	6	1	18	1	1	3	11
Dolega	2	3	-	-	1	1	1	9	1	1	-	-
Gualaca	2	3	-	-	2	3	1	8	2	3	-	-
Remedios	2	3	-	-	2	2	1	1	1	2	-	-
Renacimiento	2	3	-	-	1	1	1	1	2	3	-	-
San Félix	2	3	-	-	1	2	1	7	-	-	-	-
San Lorenzo	2	3	-	-	1	1	1	3	-	-	-	-
Tolé	2	3	-	-	-	-	1	7	1	1	-	-
Darién:	<u>2</u>	<u>4</u>	-	-	<u>2</u>	<u>20</u>	-	-	<u>3</u>	<u>3</u>	-	-
Chepigana	1	2	-	-	1	16	-	-	2	2	-	-
Pinogana	1	2	-	-	1	4	-	-	1	1	-	-
Herrera:	<u>14</u>	<u>21</u>	<u>10</u>	<u>26</u>	<u>14</u>	<u>54</u>	-	-	<u>5</u>	<u>7</u>	<u>3</u>	<u>10</u>
Chitré	2	3	2	8	2	20	-	-	2	4	3	10
Las Minas	2	3	1	2	2	5	-	-	1	1	-	-
Los Pozos	2	3	1	2	2	2	-	-	1	1	-	-
Ocú	2	3	1	2	2	6	-	-	1	1	-	-
Parita	2	3	2	7	2	8	-	-	-	-	-	-
Pesé	2	3	1	3	2	3	-	-	-	-	-	-
Santa María	2	3	2	2	2	10	-	-	-	-	-	-
Los Santos:	<u>14</u>	<u>21</u>	<u>27</u>	<u>101</u>	<u>3</u>	<u>7</u>	-	-	<u>4</u>	<u>5</u>	-	-
Guararé	2	3	4	16	1	1	-	-	-	-	-	-
Las Tablas	2	3	4	19	1	4	-	-	2	3	-	-
Los Santos	2	3	4	16	-	-	-	-	-	-	-	-

Provincias-Corregimientos	1976		1977		1978		1979		1980		1981	
	sem	part	sem	part	sem	part	sem	part	sem	part	sem	part
Los Santos continuación												
Macaracas	2	3	4	22	-	-	-	-	1	1	-	-
Pedasí	2	3	4	12	-	-	-	-	-	-	-	-
Pocrí	2	3	4	8	-	-	-	-	-	-	-	-
Tonosí	2	3	3	8	1	2	-	-	1	1	-	-
Panamá:	<u>24</u>	<u>36</u>	<u>1</u>	<u>1</u>	<u>7</u>	<u>57</u>	-	-	<u>3</u>	<u>3</u>	-	-
Arraiján	3	4	-	-	-	-	-	-	1	1	-	-
Balboa	2	3	-	-	-	-	-	-	-	-	-	-
Capira	2	3	-	-	1	2	-	-	1	1	-	-
Chame	2	3	-	-	1	3	-	-	-	-	-	-
Chepo	2	3	-	-	1	2	-	-	1	1	-	-
Chimán	2	3	-	-	-	-	-	-	-	-	-	-
La Chorrera	3	5	1	1	2	41	-	-	-	-	-	-
Panamá	2	3	-	-	-	-	-	-	-	-	-	-
San Carlos	2	3	-	-	1	8	-	-	-	-	-	-
San Miguelito	2	3	-	-	1	1	-	-	-	-	-	-
Taboga	2	3	-	-	-	-	-	-	-	-	-	-
Veraguas:	<u>22</u>	<u>33</u>	-	-	<u>18</u>	<u>43</u>	-	-	<u>10</u>	<u>12</u>	<u>1</u>	-
Atalaya	2	3	-	-	1	3	-	-	1	1	-	-
Calobre	2	3	-	-	2	6	-	-	1	1	-	-
Cañazas	2	3	-	-	3	4	-	-	1	1	-	-
La Mesa	2	3	-	-	-	-	-	-	1	1	-	-
Las Palmas	2	3	-	-	2	4	-	-	1	1	-	-
Montijo	2	3	-	-	2	4	-	-	1	1	-	-
Río de Jesús	2	3	-	-	2	4	-	-	1	1	-	-
San Francisco	2	3	-	-	2	5	-	-	1	1	-	-
Santa Fé	2	3	-	-	1	2	-	-	1	2	-	-
Santiago	2	3	-	-	2	9	-	-	1	2	1	-
Soná	2	3	-	-	1	2	-	-	-	-	-	-

MUNICIPAL DEVELOPMENT LOANS BY ACTIVITY

Annex IV

(\$ 000'S)

	No	Total Amount	%
Slaughter houses	10	1,546.8	24.5
Garbage collection	15	996.8	15.8
Markets	6	498.2	7.9
Production (agound)	31	1,140.1	19.0
Pub works equip	9	53.2	.8
Transport (imp. water)	25	452.6	7.2
Feeder roads	5	254.5	4.0
Other Services	12	405.1	6.5
Revolving fund	—	957.5	15.2
Total	113	6,309.8	100.0

BANCO NACIONAL DE PANAMA
 FONDO DE DESARROLLO MUNICIPAL
 ESTRUCTURA DE PERSONAL Y SUS VARIACIONES
 AÑOS 1975 - 1981

NOMERES	POSICION	1975	1976	1977	1978	1979	1980	1981
Gerencia								
Lic. Jaime E. Simons B.	Gerente	I	----->					
Lic. Xenia Wong H.	Asist. Adm.		I	----->	R			
Lic. Aquiles Rodríguez (1)	Asist. Adm.					I/T		
Lic. Jaime S. Rivera (2)	Sub-Gerente	I	----->					
Sra. Leonor de Romero	Secretaría III		I	----->				
Sra. Aminta de Gorrichategui	Secretaría II						I/D	
Sra. Maricabel de Bardayán	Secretaría II						I/T	
Srita. Diriam Arads	Secretaría I						I	----->
Sr. Osman Caicedo	Chofer					I/T		
Sr. Lorenzo Atencio	Chofer					I	----->	
Sr. Jorge Hidalgo	Chofer						I	----->
Srita. Yolanda Varela	Secretaría I						I/R	
Lic. Luis Salazar	Asesor Legal		I	----->		I	----->	
Lic. Gilberto Afino	Asesor Legal		I	----->				
Sra. Elsy de Bonilla	Secretaría		I	----->				
Srita. Mariela Velis R.	Secretaría				I	----->		
Sra. Maritza de Tristán	Secretaría III					I	----->	

NOMERES

1975 1976 1977 1978 1979 1980 1981

Departamento de Fomento

Lic. Ramón G. Pérez	Jefe	I	R				
Lic. Andrés Sánchez	Jefe		I/R				
Lic. Mario Cruz	Jefe			I		R	
Lic. Ligia M. Jaén	Jefe	I					
José M. Hernández	Asesor	I		R			
Sr. Ricardo Herrera	Técnico/Cap. I		I				
Lic. Aura T. Adames	Técnico/Cap. I					I	
Lic. Pedro Castillo	Analista Financiero					I	
Lic. Rodrigo Megia	Anal/org.y adm.de Proy.					I/R	
Sr. Javier Gándola	Técnico de Capacitación I						I
Sra. Ángela de Alzamora	Archivera						I
Sr. Jorge Quintero (4)	Supervisor y Tec, de Aseo					I	R
Sra. Edith Cisneros	Secretaría		I/T				
Sra. Marcela de Van Hoorde	Secretaría	I					
Sra. Graciela de Villalón	Secretaría II		I				
Sra. Marisol de Gibbs	Oficinista Operativa					I	
Srita. Mariamela Cordero	Secretaria						I
Srita. Deidamia Arjona	Técnico de Capacitación						I
Arq. Casta Palacio	Dibujante Diseñadora						I
Sra. Felicitá de Ocaña	Estadigrafa					I	
Srita. Sandra Hernández	Secretaría						I/R

NÚMEROS	POSICION	1975	1976	1977	1978	1979	1980	1981
Departamento de Crédito								
Lic. Gabriel Branco	Jefe	I						R
Lic. Adelina Chavarría	Jefe de Sección	I						
Sr. Jorge Alvarado	Asist. Analista	I		T				
Sra. Eyla de Sucre	Analista de Crédito			I/T				
Sr. Hector Varela	Analista de Crédito	I						
Lic. Demetrio Vallecilla	Analista Financiero IV		I					
Sr. Remo Alvarado	Analista Financiero IV	I/T						
Sra. Mariela de Rodríguez	Analista de Crédito					I		T
Sr. Edgar Osigian	Analista de Crédito					I		T
Sr. Sixto de La Cruz	Analista de Crédito I							
Sr. Fermín Castañedas	Analista de Crédito I							
Sr. Antonio Olarte	Estadígrafo/Analista III							
Sr. Luis Aguilar	Supervisor Proyecto I				I			
Sr. Angel Buitrago	Inspector Valuador	I						
Sr. Isaias López P.	Oficinista Operativo I							
Sr. Horacio Hernández	Analista Financiero II							
Sra. Nereida Casargo	Oficinista Operativa I							
Srita. Ludovina Martínez	Analista Financiero							
Sr. Nigel Ríos	Analista Financiero							I
Sr. Roberto Escobar	Economista							I
Rosalino Pereira	Ingeniero Industrial							I
Berta Carranza	Analista Financiero							I
Ana María Quemada	Secretaría I							
Rosa H. Martínez	Secretaría							
Ricardo Rivera	Analista Financiero							I

NOMBRES	POSICION	1975	1976	1977	1978	1979	1980	1981
		<u>Departamento de Operaciones</u>						
Lic. Franklin Sanjurjo	Jefe			I	T			
Sr. Eddy Londoño	Jefe Encargado	I				T		
Lic. Silvia de Proce	Jefe I				I			
Srita. Elvira Oporta	Contadora	I						
Sra. Marcela de Reyes	Oficinista Operativa II	I						
Sr. Walter Eleta	Asistente Contador II							T
Cesar Madrid	Contador					I		
Sra. Etelvina de Ramos	Secretaría	I	T					
Sra. María del G. de Royo	Oficinista Operativa I		I				T	I
Lic. Reyna Vásquez	Programadora de Adiestramiento						I	
Srita. Mélida Y. Sierra	Secretaría					I		
Benito Cornejo	Analista Financiero I							I/T
<u>Departamento de Información y Eva.</u>								
Lic. José P. de la Guardia	Asesor Técnico	I						
Lic. Rosalía de Simmons	Analista Financiero							
Sra. Estrella Yd	Analista Financiero I					I		
<u>Programa de Uniformes Escolares</u>								
Lic. Paula Chas	Asesora Técnica							
Eduardo Tovic	Asistente de Almacenista						I	T
Carlos Pérez	Conductor						I	T
<u>Funcionarios Regionales</u>								
Sr. Alfredo Sinclair	Agrónomo	I						
Ovaldo Aispurúa	Agrónomo	I						

		1975	1976	1977	1978	1979	1980	1981
<u>Otros</u>								
Sr. José B. Osorio	Mensajero		I	T				
Sr. José F. Tejada	Mensajero Externo					I		T

1. Ascenso de Analista de Crédito a Asistente Administrativo
2. Ascenso de Jefe de Crédito a sub-Gerente
3. Ascenso de Jefe de Sección a Jefe de Departamento
4. Por Contrato.

Nota.

- I. Inicio de labores en el programa
- T. Traslados
- D. Despidos
- R. Renuncia
- L. Licencias

SOLICITUDES	Monto Solicitado	FINALIDAD	EJECUTOR	DETECCION	OBSERVACIONES
Jta. Comunal de Las Lomas	10.000	Fábrica de Calzados	Jta. Comunal Las Lomas	Honorable Representante	No califican conforme a las características del FODEN.
Jta. Comunal de Almirante	7.000	Aparejos Submarinos	Jta. Comunal Almirante	" "	" "
Jta. Comunal de Las Uvas	40.000	Fábrica de Bloques	Jta. Comunal Las Uvas	" "	" "
Jta. Comunal de Sajalices	14.000	Mini-Represa	Jta. Comunal Sajalices	" "	" "
Jta. Comunal de Los Anastacios	25.000	Cantina y Gallera	Jta. Comunal Los Anastacios	" "	" "
Jta. Comunal de El Cocal	15.000	Bus Escolar	Jta. Comunal de El Cocal	" "	" "
Jta. Comunal Los Angeles	10.000	Siembra de Granos	Jta. Comunal Los Angeles	" "	" "
Jta. Comunal de Falboa (La Chorrera)	80.000	Complejo Comercial	Jta. Comunal de Balboa	" "	" "
Jta. Comunal de El Tejar	8.000	Supermercado	Jta. Comunal El Tejar	" "	" "
Jta. Comunal de Atalaya	94.000	Fábrica de miel de abeja	Jta. Comunal de Atalaya	" "	" "
Jta. Comunal de Herrera (La Chorrera)	30.000	Cultivo-plátos para exportar	Jta. Comunal de Herrera	" "	" "
Municipio La Pintada	22.000	Comercialización de fibras vegetales	Municipio La Pintada	" "	" "
Municipio de Macaracas	140.000	Proyecto Pecuario	Municipio de Macaracas	" "	" "
Municipio de Océ	40.000	Palacio Municipal	Municipio de Océ	F. O. D. E. M.	" "
Municipio de Santa María y Asociación de Jtas. Comunales	200.000	Centro de Producción	Municipios y Jtas. Comunales	Honorable Representante	" "
Municipio de La Mesa	125.000	Cantera	Municipio de La Mesa	" "	" "
Municipio de Portobelo	40.000	Natadero	Municipio de Portobelo	" "	Materia prima no calificada (TOSCA)
Municipio de Changuinola	100.000	Aserrío	Municipio de Changuinola	" "	Número de matanza no justifica inversión
Municipio de Arraiján	60.000	Crematorio	Municipio de Arraiján	Alcalde del Distrito	Proyecto no recomendable, lugar inseguro
Municipio de Naté	50.000	Supermercado	Municipio de Naté	" "	No se ajusta a la realidad
Municipio de Donoso	100.000	Cria de Ganado Vacuno	Municipio de Donoso	" "	No califica dentro de las inversiones del FODEN.
Municipio de Chagres	30.000	Forqueriza	Municipio de Chagres	" "	Existen programas en otras instituciones.
Jta. Comunal de Achioté	15.000	Molino de Arroz	Jta. Comunal de Achioté	Jta. Comunal del Corregimiento de Salud	Existen programas con otras instituciones.
Jta. Comunal El Valle	368.000	Horticultura	Jta. Comunal El Valle	Honorable Representante	No se amerita el Proyecto.
Municipio de Cañazas	111.000	Proyecto Ganadero	Municipio de Cañazas	" "	No califican conforme a las características del FODEN.
Jta. Comunal de París	70.000	Fábrica de Cremas	Jta. Comunal de París	Alcalde del Distrito	Existen programas en otras instituciones.
				Mrio. de Comercio e Industrias	No era rentable.

✓ Municipio de Ocú	100.000	Urbanizar Tierras	Municipio de Ocú	Alcalde del Distrito	No forma parte financiera del FODEM.	ic
✓ Municipio de Cañazas	80.000	Equipo Pesado	Municipio de Cañazas	" "	No se concretizó el proyecto.	ic
✓ Municipio de Chitré	200.000	Terminal de Transporte	Municipio de Chitré	F. O. D. E. M.	Definición Política del Gobierno Central	ic
✓ Municipio de Montijo	80.000	Mercado Público	Municipio de Montijo	Alcalde del Distrito	Poco volumen, no justificable	ic
✓ Municipio de Antón	100.000	El Valle- Centro Turístico	Municipio de Antón	Honorable Representante	Inversión fuera de los límites del FODEM.	ic
Jta. Comunal de Las Palmas	60.000	Producción Pecuaria	Jta. Comunal Las Palmas	Alcalde del Distrito	Solicitud no presentada.	ic
✓ Municipio de Guararó	17.584.	Fábrica de Escobas	Municipio de Guararó	Primer Ciclo Básico de Guararó	Existen programas en otras instituciones	ic
✓ Municipio de Guararó	25.000	Fábrica Útiles Escolares	Municipio de Guararó	Honorable Representante	Mrio. de Educación.	ic
✓ Municipio de Boquete	500.000	Carretera de Circunvalación	Municipio Boquete	Municipio de Boquete	No era rentable.	ic
✓ Municipio de Natá	40.000	Fábrica de Bloques	Municipio de Natá	Honorable Representante	No califica como crédito al FODEM.	ic
TOTAL	B/ <u>1.727.184</u>					ic

DEPARTAMENTO DE CREDITO

IN/ceder

Panamá, 9 de Noviembre de 1978

1) Estimated average of 1976, 1977, and 1978

2) Source: Census and Stix Directorate

Project No.	Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios		
				75 Non Partic	75 Partic		75	79	75	79	
Boca del Toro							328.52	408.3	341.9	480.8	
11	<u>Boca del Toro</u> Ag. Tractor	M	1980	165.00	200.00	111.00	116.52	129.7- 47	61.2	135.0	65.0
2	<u>Changuinola</u> Mercado	M	1980	260.00	300.00	315.00	320.90	181.0+81	328.7	187.6	394.2
10	<u>Changuinola</u> Aseo		1980	300.00	320.00						
15	<u>Changuinola</u> Camión volquete	J	1979	247.00	300.00		190.82				
	Chiriquí Grande (M)					82.00	98.37	17.8+03	18.4	19.3	21.6

Project No.			Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
						75 Non Partic	75 Partic		75	79	75	79
	Cocle								660.7	805.6	673.5	809.1
32	<u>Aguadulce</u> Carnarina	M	1976	1,800.00	2,200.00		237.00	261.46	242.1+23	299.2	245.8	296.0
23	Aseo		1979	400.00	500.00							
22	<u>Antón</u> Aseo	M	1979	200.00	250.00		296.00	304.29	117.3+22	143.9	124.1	143.5
62	<u>Río Hato</u> Ag. Tractor	J	1980	280.00	300.00			78.76				
	<u>La Pintada</u>	(M)				175.00		177.17	30.5+16	35.5	31.7	37.7
30	<u>Natá</u> Aseo	M	1978	100.00	150.00		137.00	132.71	96.4+19	115.2	101.6	118.5
	<u>Olá</u>	(M)				48.00		469.50	7.6+57	12.0	8.3	12.2
24	<u>Penonomé</u> Aseo	M	1979	400.00	500.00		460.00	480.62	166.8+19	199.8	162.0	201.2
34	Mercado			1,500.00	1,600.00							

Project No.		Approved Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios		
					75 Non Partic	75 Partic		75	79	75	79	
	Colón	M						1,696.6	2,043.2	1,858.3	1,940.3	
43b	<u>Colón</u>				1,097.00		1,172.27	1,623.5	1,924.2	1,778.5	1,826.7	
	Matadero						528.32		+18			
57	<u>Puerto Pilón</u>	J	1979									
	Fábrica Bloques			260.00	380.00		84.58					
54	<u>Cativa</u>	J	1979									
	Camión volquete			246.00	310.00		109.41					
56	<u>Nuevo San Juan</u>	J	1977									
	Taller Artesenal			336.00	460.00		58.09					
59	<u>Santa Rosa</u>	J	1979									
	Equipo Transporte			130.00	150.00		4.60					
60	Chagres											
	<u>Chagres</u>	J	1979									
	Extracción de Arena			330.00	350.00		74.00	75.05	29.0+23	35.8	31.4	33.6

Project No.		Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
					75	75		75	79	75	79
					Non Partic	Partic					
	Donoso	(M)			54.00		57.85	8.2+251	20.6	8.3	17.4
46	<u>Portobelo</u> Aseo Dumptruck	M	1980	300.00	320.00	14.00	50.86	21.7	43.7	25.9	38.2
								+201			
58	<u>Cacique</u> Busito	J	1980	130.00	150.00		1.64				
49	Santa Isabel		1979			18.00	20.69	14.2	22.9	14.2	24.4
	<u>Pelmira</u> Motonave	J		81.25	140.00		2.67	+61			
	Chiriquí							1,931.4	2,275.7	1,991.0	2,354.8
14	<u>Alanje</u>					127.00	122.02	61.6+26	33.9	60.6	76.5
	<u>Divalá</u> Matadero	J	1979	121.82	300.00		46.12				
17	<u>Guarumal</u> Cultivo Agr.	J	1976	70.00	90.00		19.89				

Project No.			Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
						75	75		75	79	75	79
						Non Partic	Partic					
4	<u>Bard</u> Mercado	M	1979	1,700.00	2,000.00		465.00	468.71	218.2 +23	269.6	216.4	272.8
8	<u>Bard</u> Fábrica Muebles		1979	700.00	750.00							
16	<u>Bard</u> Progreso	J	1976	1,210.00	1,320.00			85.31				
	Boquerón	(M)				82.00		76.66	53.0+51	80.4	52.6	69.4
12	<u>Boquete</u> Equipment	M	1979	700.00	750.00		96.00	117.27	132.6-13	117.2	131.9	178.2
1	<u>Bugabs</u>	M	1979	1,200.00	1,550.00		430.00	446.04	283.4 +14	325.0	287.1	337.2
7	Bugaba Caminos Vecinales Grader?		1976	404.00	534.00							
6	<u>David</u> Aseo - Garbage Trucks	M	1976	1,500.00	2,350.00		733.00	803.71	830.2 +17	974.1	867.8	1,059.4

Project No.			Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
						75	75		75	79	75	79
						Non Partic	Partic					
3	<u>Dolega</u> Matadero	M	1980	1,700.00	2,00.00		111.00	116.88	64.9 +9	30.9	65.5	69.6
5	<u>Gualcica</u> Matadero	M	1979	102.50	125.00		66.00	85.71	63.1 +22	77.4	65.3	64.7
	Remedios	(M)				60.00		72.98	25.5+ 10	28.3	23.3	28.1
9	<u>Renacimiento</u> Cultivo Agr.	M	1977	745.93	920.00		85.00	106.33	39.4 +34	53.0	42.9	58.2
	San Félix	M				85.00		98.15	48.2 -12	42.7	48.9	40.2
	San Lorenzo	(M)				111.00		134.30	58.0 -8	55.8	65.8	51.1
	Tolé	(M)				220.00		229.25	53.3 -20	43.2	52.4	49.4
	Darien								73.2	78.4	87.6	71.1
	<u>Chepigana</u>						142.00	158.63	43.3 +02	44.2	45.0	37.0
48	<u>Camogantf</u> ??	J	1979	275.00	300.00							
								2.74				

Project No.			Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
						75 Non Partic	75 Partic		75	79	75	79
51	<u>Jaque</u>	J	1979	250.00	280.00			15.56				
	<u>Pinogana</u>	M				103.00		106.34	29.9+14	34.2	42.6	34.1
	Herrera								513.8	590.3	518.5	590.4
	<u>Chitré</u> <u>Aseo</u>	M	1978	1,000.00	1,200.00		238.00	268.78	306.5 +14	351.5	310.1	355.8
33	<u>Chitré</u> <u>Matadero</u>		1980	470.00	500.00							
	<u>Las Minas</u>	(M)				70.00		75.37	11.8	16.5	12.5	16.0
	<u>Los Pozos</u>	(M)				86.00		78.61	20.0 -.5	19.5	18.8	19.0
21	<u>Ocú</u> <u>Matadero</u>	M	1980	140.00	150.00		162.00	152.62	36.7 +14	41.9	39.3	42.9
40	<u>Parita</u> <u>Parita</u>	J	1976	414.00	730.00		73.00	75.91 26.35	57.2 +17	63.4	57.9	64.4

Project No.			Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
						75	75		75	79	75	79
						Non Partic	Partic					
27	<u>Peñé</u> Aseo	M	1979	260.00	300.00		107.00	109.99	43.9 +20	53.1	46.5	52.7
	<u>El Barrero</u> Caminos Vecinales	J	1979	330.00	350.00			12.96				
29	<u>Santa María</u> Aseo	M	1980	300.00	320.00		55.00	57.38	37.7 +7	40.4	33.6	39.6
	Los Santos								608.0	686.5	644.1	675.7
	<u>Guararé</u>	(M)				80.00		76.24	64.4 +5	67.7	63.6	76.6
	<u>Las Tablas</u>	(M)				172.00		183.91	177.4 +9	194.2	187.4	189.9
35	<u>Los Santos</u> Aseo	M	1980	330.00	350.00		183.00	192.68	117.1 +15	135.4	110.2	133.2
39	<u>Los Olivos</u> Ag. Tractor	J	1980	230.00	250.00			9.56				

Project No.			Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
						75	75		75	79	75	79
						Non Partic	Partic					
42	<u>Gusano</u> Cultivo Agr.	J	1976	100.00	200.00							
								4.79				
25	<u>Macaracas</u> Truck & Backhoe	M	1979	760.00	800.00		97.00	83.92	66.9 -5	65.0	78.4	66.8
43a	<u>Macaracas</u> Ag. Tractor	J	1980	230.00	250.00			19.60				
26	<u>Pedasi</u> Aseo Truck	M	1979	260.00	300.00		36.00	33.02	58.6 +10	64.9	78.4	66.8
28	<u>Tonosí</u> Caminos Vecinales	M	1979	326.00	400.00		122.00	92.14	86.0 +36	117.6	97.3	104.0
	<u>Pocri</u>	(M)				44.00		40.09	37.6 +10	41.7	41.4	39.5
	<u>Panamá</u>								11,484.4	12,920.3	11,611.1	11,139.6
44	<u>Arraijan</u> Aseo Truck	M	1979	600.00	700.00		262.00	371.01	145.8 +13	165.0	153.3	163.7
	<u>Balboa</u>	(M)				26.00		29.42	15.0 +29	19.4	19.4	16.8

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Project No.		Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
					75 Non Partic	75 Partic		75	79	75	79
	<u>Capirá</u>				200.00		215.04	85.6 +71	143.3	106.2	134.7
	<u>Chame</u>				110.00		122.72	160.3	165.0	192.4	152.9
47	<u>Chepo</u> Mercado	1980	500.00	700.00		224.00	204.94	144.1 -14	128.8	137.5	128.3
	<u>Chimán</u>				20.00		19.80	5.2 +203	10.6	6.0	6.9
45	<u>La Chorrera</u> Aseo, Trucks	1978	200.00	230.00		604.00	663.65	1,041.0 +8	1,128.3	1,055.4	1,159.1
55	<u>El Coco</u> Fábrica de Ropa	1976	670.00	750.00			29.05				
	<u>Paramá</u>				4,478.00		4,986.24	8,763.8 +12	9,828.8	8,797.3	8,165.6
	<u>San Carlos</u>				103.00		104.38	39.4 +28	50.8	45.5	51.5
	<u>Taboga</u>				17.00		14.95	14.5 +17	17.0	12.9	20.0
	<u>San Miguelito</u> (Ineligible)				1,140.00		1,570.63	1,069.5 +18	1,263.2	1,085.2	1,140.1

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Project No.	Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
				75 Non Partic	75 Partic		75	79	75	79
							739.2	837.8	760.0	865.9
36				59.00		60.33	21.8 +22	26.7	20.7	28.5
				117.00		120.06	3.9 +33	25.3	20.9	29.5
				152.00		159.33	11.6 +99	23.1	14.6	23.9
				112.00		108.99	16.6 +28	21.4	19.5	21.3
				180.00		197.47	51.4	53.0	59.8	52.7
19					149.00	121.11	30.2 +27	38.4	23.8	40.0
		1979	204.60	250.00						
				62.00		57.59	15.8 +33	21.1	19.7	23.6
37				84.00		86.04	16.1 +42	22.9	16.4	26.4

Veraguas

Atalaya (Cancelled) (M)

Calobre (M)

Cañazas (M)

La Mesa (M)

Las Palmas (M)

Montijo Mercado M

Rfo de Jesús (M)

San Francisco (Cancelled) (M)

Project No.		Apprvd Date	AID Loan	Total Loan	Population		80	2) in 000's Ingresos de los Municipios		2) in 000's Egresos de los Municipios	
					75 Non Partic	75 Partic		75	79	75	79
	<u>Santa Fe</u>	(M)			79.00		94.45	7.2 +91	13.8	8.4	15.1
18	<u>Santiago Matadero</u>	M	1978	4,400.00	5,600.00	420.00	490.75	443.3 +6	470.6	447.6	480.2
20	<u>Soná Matadero</u>	M	1980	640.00	800.00	248.00	235.83	106.3 +14	121.5	108.6	124.7
	<u>San Blas</u>						285.67				
61	<u>Caiti Tupile Motorlaunch</u>	J	1979	230.00	280.00						
53	<u>Isla Tigre Motorlaunch</u>	J	1978	126.00	140.00						

Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979			
			Matas	Markets	Aseo	Total		Matas	Mercado	Aseo	TOTAL
			4.3	.8	3.0	67.9	35.5				
11			1.3	.1	1.9	47.4	27.3	.2	.1	1.0	3.6
2			3.1	.7	1.1	19.3	0	1.9	0	3.5	10.4
10											
15											
			0	0	0	1.2	8.2	0	0	0	.7

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Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979			TOTAL	
			Matas	Markets	Aseo	Total		Mata	Mercado	Aseo		
Cocle												
32	<u>Agua Dulce</u> Carnarina	M	1976	15.6	8.6	4.3	69.5	28.2				
	Aseo		1979	0	2.5	2.4	36.3	0	0	1.8	3.2	71.7
22	<u>Antón</u> Aseo	M	1979	3.2	1.9	.7	7.3	10.2	2.9	6.4	1.4	13.5
62	<u>Río Hato</u> Tractor Agr.	J	1980									
	<u>La Pintada</u>	(M)		2.5	.4	.1	3.6	5.3	1.1	.3	.4	3.1
30	<u>Natá</u> Aseo	M	1978	2.8	1.0	.6	5.9	0	2.5	.6	1.3	9.6
	<u>Olá</u>	(M)		0	0	0	.6	3.1	0	0	0	1.1
24	<u>Penonomé</u> Aseo	M	1979	7.2	2.8	.5	16.3	9.7	19.9	4.2	2.8	34.8
34	Mercado		1980									

Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979						
			Matas	Markets	Aseo	Total		Mata	Mercado	Aseo	TOTAL			
			Colón	M		35.9	73.1	0	302.0	53.0				
43b		1978	Colón Matadero			35.9	73.1	0	296.6	23.0	59.3	106.1	0	381.3
57		1979	Puerto Pilón Fábrica Bloques	J										
52		No AID	Cativa Camión Volquete	J										
54		1977	Nuevo San Juan Taller Artesenal	J										
			Colón											
59		1979	Santa Rosa Equipo Transporte	J										
60			Chagres											
		1979	Chagres Extracción de Arena	J		0	0	0	.8	7.4	0	0	0	2.3

Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979			TOTAL
			Matas	Markets	Aseo	Total		Mata	Mercado	Aseo	
			0	0	0	.5	5.7	0	0	0	.4
46	(M)	1980	0	0	0	4.2	6.0	.8	.4	0	9.7
58	J	1980									
49		1979	0	0	0	0	11.0	0	0	0	.2
	J										
			130.1	60.0	76.1	394.0	13.5				
			5.9	0	0	18.8		2.4	0	0	17.7
	J	1979									
17	J	1976									

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Project No.	M	1980	Municipal Income 1975 from Charges for for Services (000's)				State Subsidy	1979			TOTAL	
			Matas	Markets	Aseo	Total		Matas	Mercado	Aseo		
4	<u>Bard</u> Mercado	M	1979	37.5	5.1	6.8	54.4	0	33.3	6.6	8.7	55.4
8	<u>Bard</u> Fábrica Muebles		1979									
16	<u>Bard</u> <u>Progreso</u> Fábrica Ropa	J	1976									
	Boquerón	(M)		.1	.5	0	2.3	2.7	.1	.6	0	1.3
12	<u>Boquete</u> Equipment	M	1979	6.6	4.8	1.7	38.9	0	6.9	5.3	4.6	52.4
1	<u>Bugaba</u> Matadero	M	1979	72.7	.7	1.2	79.4	0	64.2	.3	3.7	80.5
7	Bugaba Caminos Vecinales Grader?		1976									
6	<u>David</u> Aseo Garbage Trucks	M	1976	0	46.7	66.2	184.4	0	0	57.2	74.7	180.5

Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979			TOTAL
			Matas	Markets	Aseo	Total		Mata	Mercado	Aseo	
3		1980	2.6	.4	.2	6.7	0	2.0	.4	.1	4.2
5		1979	1.7	.1	0	2.3	2.7	1.8	.1	0	7.2
	(M)		.5	.2	0	.9	0	.3	.1	0	.8
9		1977	1.1	0	0	4.1		1.2	0	0	2.3
	(M)		.6	.5	0	1.9	2.7	.4	.3	0	1.4
	(M)		.5	.3	0	1.3	2.7	.5	.2	0	1.2
	(M)		1.3	.8	0	2.6	2.7	.4	.5	0	1.7
			1.2	.9	.6	18.4	8.2				
48											
	J	1979	.9	.7	.1	8.0	4.1	.2	1.8	0	6.3

Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979			TOTAL	
			Matas	Markets	Aseo	Total		Mata	Mercado	Aseo		
51		1979										
	<u>Jaque</u>	J										
	Pinogana	(M)	.2	.2	0	10.3	4.1	.1	.3	0	14.0	
	Herrera		72.5	5.3	3.8	124.3	14.8					
31	<u>Chitré</u> Aseo	M	1978	60.7	0	2.9	99.0	0	29.3	5.9	15.2	82.3
33	<u>Chitré</u> Matadero		1980									
	<u>Las Minas</u>	(M)		1.1	.2	0	1.5	0	1.2	.4	.1	2.6
	<u>Los Pozos</u>	(M)		2.3	.7	0	3.2	3.0	1.7	0	0	2.3
21	<u>Ocú</u> Matadero	M	1980	1.2	2.1	.5	4.4	3.0	.3	1.1	.3	4.6
40	<u>Parita</u> Parita	J	1976	2.2	.5	0	4.8	3.0	1.8	.6	0	4.2

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Project No.	M	1980	Municipal Income 1975 from Charges for Services (000's)				State Subsidy	1979			TOTAL	
			Matas	Markets	Aseo	Total		Mata	Mercado	Aseo		
42												
	<u>Gusmano</u>	J	1976									
	Cultivo Agr.											
25												
	<u>Macaracas</u>	M	1979	.6	.4	.2	2.4	3.8	.6	.5	.3	2.3
	Truck & Backhoe											
43a												
	<u>Macaracas</u>	J	1980									
	Ag. Tractor											
26												
	<u>Pedasi</u>	M	1979	.6	.6	.9	4.1	3.8	.4	.5	.9	3.1
	Aseo, Truck											
28												
	<u>Tonosí</u>	M	1976	.7	.3	.1	2.1	3.8	.9	.4	.1	4.6
	Caminos Vecinales											
	<u>Pocri</u>	(M)		.2	.7	.7	1.8	3.8	0	.6	.8	1.5
	Panamá			63.7	191.4	25.2	1,379.2	443.0				
44												
	<u>Arraijan</u>	M	1979	8.5	0	1.2	28.8	3.5	7.5	0	2.3	24.5
	Aseo, Truck											
	<u>Balboa</u>	(M)		0	0	0	.3	2.9	0	0	0	.4

REUNIONES DEL COMITE TECNICO DE COORDINACION

<u>FECHA</u>	<u>PARTICIPANTES</u>
24-10-75	Ministerio de Gobierno y Justicia Ministerio de Vivienda Ministerio de Planificación Ministerio de Comercio e Industrias Contraloría General Banco Nacional de Panamá
30-1-1976	Ministerio de Planificación Ministerio de Vivienda Ministerio de Gobierno y Justicia Ministerio de Comercio e Industrias Contraloría General FODEM
13-7-1976	Ministerio de Planificación Ministerio de Vivienda FODEM Ministerio de Gobierno y Justicia Ministerio de Comercio e Industrias Contraloría General
18-1-1977	Ministerio de Planificación Ministerio de Gobierno y Justicia O.C.A. (Planificación) Ministerio de Vivienda Contraloría General A.I.D. FODEM
25-1-77	Instituto de Mercadeo Agropecuario Contraloría General FODEM O.C.A. (Planificación) Ministerio de Comercio e Industrias
24-1-78	Ministerio de Planificación FODEM Ministerio de Comercio e Industrias Contraloría General Ministerio de Vivienda Ministerio de Comercio e Industrias
21-5-79	FODEM Ministerio de Planificación Ministerio de Comercio e Industrias Contraloría General

FECHA

PARTICIPANTES

21-9-79

I.B.A.M.
A.I.D.
Ministerio de Planificación
Ministerio de Vivienda
Municipio de Panamá
FODEM

26-11-80

FODEM
Ministerio de Comercio e Industrias
I.B.A.M.
Ministerio de Vivienda
Ministerio de Planificación

MUNICIPAL REVENUES

(\$ millions)

Year	62 eligible municipios		Panama, San Miguelito & Colon	Total All municipios municipios
	current prices	constant 1970 prices		
1970	3.2	3.2	5.0	8.2
71	3.9	3.9	5.8	9.7
72	4.3	4.1	7.5	11.8
73	5.9	5.1	10.1	15.9
74	6.4	4.7	11.5	17.8
75	6.6	4.7	11.5	18.0
76	7.2	4.9	11.5	18.7
77	7.1	4.6	11.6	18.7
78	7.1	4.5	11.6	18.7
79	7.3	4.2	13.0	20.3
80	8.7	4.4	16.6	25.3

EMPLOYMENT GENERATION

America
VII

		<u>RNP Figures</u>	<u>Site Visits</u>
BARU	Clothing Fact	98	30
Baru	Market	35	0
Baru	Furniture Fact	26	12
Boquete	Garbage Cell	3	3
Bugaba	Slaughter house	18	14 ^{visits} 21 new jobs
Bugaba	Feeder Roads	3	3
David	Garbage Cell.	54	none
Dolega	Slaughterhouse	4	not working
Planje	ag tractor	1	1
Planje	ag production	21	0
Quatoca	matadero	2	2?
Renacimiento	ag product	<u>56</u>	0 sites
		321	72

BANCO NACIONAL DE PANAMA
FONDO DE DESARROLLO MUNICIPAL.
ESTADO DE LA C Cartera
AL 30 DE JUNIO DE 1981
(en balboas)

Anexo II

SUJETO DE CREDITO	MONTO APROBADO	SALDO DESEMBOLSADO	SALDO POR DESEMBOLSAR	RECUPERACION		SALDO A LA FECHA		
				CAPITAL	INTERESES	CAPITAL	INTERESES POR COBRAR	INTERESES COBRADOS POR ADELANTADOS
GRAN TOTAL	6,309,887	5,432,898	876,989	1,230,312	636,427	3,502,585	67,429	2,542
Sub Total Programa A.I.D. - GOB.	4,491,902	3,615,824	876,078	576,021	372,550	3,039,803	40,603	2,523
1. Municipio de Tonosí (w/AID #)	40,000	38,820	1,180	38,820	6,836	-	-	-
2. Municipio de Bugaba (w/AID #)	53,400	53,400	-	36,294	12,807	17,106	468	-
3. Municipio de Aguadulce (w/AID \$)	222,000	222,000	-	51,344	56,324	170,656	3,413	-
4. Municipio de David (w/AID \$)	235,000	203,694	31,306	65,449	24,502	138,245	-	1,887
5. Municipio de Renacimiento (w/AID \$)	92,000	82,180	9,820	82,180	13,950	-	-	-
6. Municipio de Natá (w/AID #)	15,000	14,016	984	8,834	2,300	5,182	-	-
7. Municipio de Chitré (w/AID \$)	120,000	120,000	-	4,755	20,452	115,245	768	-
8. Municipio de Santiago (w/AID \$)	560,000	555,580	4,420	28,853	69,358	526,727	7,057	-
9. Municipio de La Chorrera (w/AID \$)	220,000	220,000	-	6,086	43,643	213,914	-	-
10. Municipio de Macaracas (w/AID \$)	80,000	72,492	7,508	-	1,622	72,492	-	-
11. Municipio de Aguadulce (w/AID \$)	50,000	43,345	6,655	8,006	3,823	35,339	707	-
12. Municipio de Penonomé (w/AID \$)	50,000	50,000	-	9,140	5,913	40,860	-	-
13. Municipio de Antón (w/AID \$)	25,000	24,249	751	9,680	2,234	14,569	-	-
14. Municipio de Bugaba (w/AID \$)	155,000	149,741	5,259	2,667	7,330	147,074	1,961	-
NA 15. Municipio de Boquete	10,000	9,950	50	9,950	650	-	-	-
16. Municipio de Barú (w/AID \$)	75,000	63,506	11,494	27,040	372	36,466	3,877	-
17. Municipio de Colón (w/AID \$)	545,000	478,300	66,700	-	20,221	478,300	3,189	-
18. Municipio de Arraiján (w/AID \$)	70,000	32,684	37,316	-	673	32,684	-	-
19. Municipio de Montijo (w/AID \$)	25,000	19,671	5,329	3,002	2,024	16,669	-	-
20. Municipio de Pedasí	30,000	29,463	537	-	633	29,463	-	-
21. Municipio de...	-	633	29,486	-	-

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22. Municipio de Gualaca	12,500	12,500	-	3,078	1,060	9,422	310	-
23. Municipio de Barú (w/ATD \$)	200,000	73,671	126,329	-	-	73,671	1,075	-
24. Municipio de Santa María (w/ATD \$)	32,000	31,419	581	-	677	31,419	-	-
25. Municipio de Dolega (w/ATD \$)	75,000	57,544	17,456	-	1,229	57,544	575	-
26. Municipio de Changuinola (w/ATD \$)	32,000	27,574	4,426	4,203	1,952	23,371	-	-
27. Municipio de Portobelo (w/ATD \$)	32,000	31,895	105	10,343	755	21,552	-	-
28. Municipio de Bocas del Toro (w/ATD \$)	20,000	18,573	1,427	1,971	991	16,602	-	-
29. Municipio de Los Santos (w/ATD \$)	35,000	34,032	968	-	741	34,032	-	-
30. Municipio de Boquete (w/ATD \$)	75,000	34,184	40,816	1,195	-	32,989	219	-
31. Municipio de Changuinola (w/ATD \$)	10,000	15,270	14,730	-	341	15,270	-	-
32. Municipio de Chitré (w/ATD \$)	50,000	20,250	29,750	-	-	20,250	222	-
33. Municipio de Penonomé (w/ATD \$)	160,000	150	159,850	-	-	150	-	-
34. Municipio de Océ (w/ATD \$)	15,000	10,075	4,925	-	101	10,075	-	-
35. Municipio de Soná (w/ATD \$)	80,000	1,000	79,000	-	-	1,000	-	7
36. Municipio de Chepo (w/ATD \$)	70,000	-	70,000	-	-	-	-	-
37. Junta Comunal de El Coco (w/ATD \$)	75,000	45,000	30,000	14,242	12,013	30,758	2,050	-
38. Junta Comunal de Progreso (w/ATD \$)	132,000	57,000	75,000	26,567	6,898	30,433	609	-
39. Junta Comunal de Parita (w/ATD \$)	73,000	70,790	2,210	11,775	10,518	59,615	5,860	-
40. Junta Comunal de El Guásimo (w/ATD \$)	20,000	20,000	-	11,751	6,711	8,249	13	-
41. Junta Comunal de Guarumal (w/ATD \$)	9,000	9,000	-	9,000	739	-	-	-
42. Junta Comunal de Nvo. S. Juan (w/ATD \$)	46,000	46,000	-	6,956	3,517	39,044	4,977	-
43. Junta Comunal de Isla Tigre (w/ATD \$)	14,000	13,964	36	2,329	1,629	11,635	351	-
44. Junta Comunal de Jaqué (w/ATD \$)	28,000	27,204	796	5,256	2,374	21,948	293	-
45. Junta Comunal de Cativá	12,000	12,000	-	12,000	1,152	-	-	-
46. Junta Comunal de Pto. Pilon (w/ATD \$)	38,000	37,000	1,000	6,282	2,217	30,718	1,434	-
47. Junta Comunal de Carti Tapil (w/ATD \$)	28,000	28,000	-	8,815	3,248	19,185	-	-
48. Junta Comunal de Divalá (w/ATD \$)	30,000	24,138	5,864	7,794	2,071	16,344	432	-
49. Junta Comunal de Canogartí	30,000	30,000	-	4,592	3,211	25,408	-	-
50. Junta Comunal de Changuinola	30,000	27,263	2,737	8,277	1,270	18,986	-	-
51. Junta Comunal de Palmira (w/ATD \$)	14,000	13,931	69	1,195	1,377	12,736	169	-
52. Junta Comunal de Carti Sugtupu (w/ATD \$)	55,000	55,000	-	1,133	2,396	53,867	-	-
53. Junta Comunal de Macaracas (w/ATD \$)	25,000	19,950	5,050	-	131	19,950	197	-
54. Junta Comunal de Los Olivos (w/ATD \$)	25,000	22,155	2,845	3,990	1,396	18,165	-	-

55. Junta Comunal de El Barrero <i>w/AD</i> \$	35,000	33,727	1,273	1,430	983	32,247	430	-
56. Junta Comunal de Cacique <i>w/AD</i> \$	15,000	13,956	1,044	3,000	881	10,956	-	-
57. Junta Comunal de Cativá <i>w/AD</i> \$	31,000	29,806	1,194	2,201	940	27,605	-	-
58. Junta Comunal de Llano Grande	15,000	14,946	54	3,277	638	11,669	-	-
59. Junta Comunal de Chagres <i>w/AD</i> \$	35,000	33,164	1,836	-	552	33,164	-	-
60. Junta Comunal de Santa Rosa <i>w/AD</i> \$	15,000	13,944	1,056	5,981	739	7,963	-	2
61. Junta Comunal de Río Hato <i>w/AD</i> \$	30,000	26,172	3,828	2,464	653	23,708	-	-
62. Junta Comunal de Vista Alegre	11,000	11,000	-	3,374	149	7,626	-	634
Sub Total de Fondos Comunes	304,958	344,047	911	1151,762	75,226	190,285	4,234	19
63. Municipio de Chitré	24,875	24,875	-	24,875	3,047	-	-	-
64. Municipio de Las Tablas	35,000	34,838	162	30,888	10,058	3,950	-	7
65. Municipio de Bugaba	6,500	6,500	-	6,500	839	-	-	-
66. Municipio de Bullon	16,713	16,713	-	16,713	4,745	-	-	-
67. Municipio de Penonomé	14,200	14,182	18	10,400	5,696	23,782	-	-
68. Junta Comunal de Ailigandí	14,000	14,000	-	14,000	4,542	-	-	-
69. Junta Comunal de Ailigandí	11,838	11,838	-	11,838	657	-	-	-
70. Junta Comunal de Almirante	5,295	5,295	-	5,295	218	-	-	-
71. Junta Comunal de Alcalde Díaz	86,300	86,300	-	21,003	36,998	65,297	599	-
72. Junta Comunal de Progreso	11,902	11,902	-	-	2,563	11,902	266	-
73. Junta Comunal de Sortová	3,000	3,000	-	3,000	345	-	-	-
74. Junta Comunal de Guarumal	2,500	2,500	-	103	11	2,397	382	-
75. Junta Comunal de Chame	14,000	13,414	586	1,785	677	11,629	-	-
76. Junta Comunal de Progreso	2,000	2,000	-	2,000	161	-	-	-
77. Junta Comunal de María Chiquita	30,000	29,855	145	188	3,589	29,667	2,231	-
78. Junta Comunal de San Francisco	6,835	6,835	-	5,174	1,080	1,661	-	12
79. Junta Comunal de Soná	10,000	10,000	-	-	-	10,000	380	-
80. Junta Comunal de Progreso	30,000	30,000	-	-	-	30,000	376	-
Sub Total de Transferidos	495,320	495,320	-	482,014	122,242	13,306	7,905	-
81. Municipio de La Chorrera	13,233	13,233	-	13,233	1,493	-	-	-
82. Municipio de Panamá	193,519	193,519	-	193,519	73,279	-	-	-
83. Municipio de Bugaba	6,277	6,277	-	6,277	565	-	-	-

81

84. Municipio de Aguadulce	3,262	3,262	-	3,262	25	-	-	-
85. Municipio de Boquete	17,966	17,966	-	17,966	1,491	-	-	-
86. Municipio de La Chorrera	31,138	31,138	-	31,138	1,823	-	-	-
87. Municipio de Penonomé	24,105	24,105	-	24,105	9,402	-	-	-
88. Municipio de San Miguelito	29,004	29,004	-	29,004	1,765	-	-	-
89. Municipio de Penonomé	8,583	8,583	-	8,583	3,347	-	-	-
90. Municipio de Chitré	16,063	16,063	-	16,063	2,354	-	-	-
91. Municipio de La Chorrera	28,575	28,575	-	28,575	3,000	-	-	-
92. Municipio de Gualaca	15,000	15,000	-	15,000	2,497	-	-	-
93. Junta Comunal de Santa María	1,580	1,580	-	1,580	766	-	-	-
94. Junta Comunal de Parita	1,530	1,530	-	1,530	103	-	-	-
95. Junta Comunal de Limones	709	709	-	709	71	-	-	-
96. Junta Comunal de El Coco	14,685	14,685	-	1,379	-	13,306	7,009	-
97. Junta Comunal de Pedregoso	968	968	-	968	27	-	-	-
98. Junta Comunal de Rfo Congo	1,803	1,803	-	1,803	-	-	896	-
99. Junta Comunal de Santo Tomás	4,989	4,989	-	4,989	732	-	-	-
100. Junta Comunal de Alcalde Díaz	20,000	20,000	-	20,000	5,597	-	-	-
101. Junta Comunal de Paja de Sombrero	15,610	15,610	-	15,610	3,744	-	-	-
102. Junta Comunal de Paja de Sombrero	13,500	13,500	-	13,500	4,203	-	-	-
103. Junta Comunal de Alcalde Díaz	4,780	4,780	-	4,780	1,008	-	-	-
104. Junta Comunal de Alcalde Díaz	18,060	18,060	-	18,060	3,162	-	-	-
105. Junta Comunal de Alcalde Díaz	10,381	10,381	-	10,381	1,788	-	-	-
Sub Total de Materiales Excedentes	19,780	19,780	-	16,160	1,516	3,620	400	-
106. Municipio de Bocas del Toro	1,321	1,321	-	1,321	257	-	-	-
107. Municipio de Portobelo	2,579	2,579	-	2,579	190	-	-	-
108. Municipio de Oriente	2,836	2,836	-	2,836	262	-	-	-
109. Municipio de Boquete	6,409	6,409	-	6,409	274	-	-	-
110. Municipio de San Migueilito	460	460	-	460	6	-	-	-
111. Municipio de Dolega	2,650	2,650	-	-	-	2,650	355	-
112. Junta Comunal de Setegantí	3,065	3,065	-	2,095	506	970	45	-
113. Junta Comunal de Divalá	460	460	-	460	21	-	-	-

<u>Sub Total - Fondo Rotativo a Préstamos</u>				460	21	-	-	-
<u>Aprobados - Recursos B.N.P.</u>	<u>957,927</u>	<u>957,927</u>						
Municipio de Aguadulce	5,016	5,016	-	<u>702,355</u>	<u>64,893</u>	<u>255,572</u>	<u>14,287</u>	-
Municipio de Bugaba	13	13	-	5,016	-	-	-	-
Municipio de Gualaca	362	362	-	13	-	-	-	-
Municipio de David	96	96	-	362	-	-	-	-
Municipio de Chitré	1	1	-	96	-	-	-	-
Junta Comunal de El Coco	291,317	291,317	-	1	-	-	-	-
Junta Comunal de Progreso	643,144	643,144	-	291,317	17,931	-	2,049	-
Junta Comunal de Camogantí	209	209	-	387,572	46,962	255,572	12,238	-
Junta Comunal de Guarumal	5,188	5,188	-	209	-	-	-	-
Junta Comunal de Nvo. S. Juan	10,017	10,017	-	5,188	-	-	-	-
Junta Comunal de Isla Tigre	2,466	2,466	-	10,017	-	-	-	-
Junta Comunal de Carti Tupile	25	25	-	2,466	-	-	-	-
Junta Comunal de Carti Sugtupu	73	73	-	25	-	-	-	-
			-	73	-	-	-	-

76 Projects
(18 Accepted)

Cult 9 1/2

Proc 7 1/2

Fabr 9

Merc 9 1/2

Mat 15 1/2

Aseo, Eq. 11

Ap Cam 2 (elect)

Termin 7

Cabot 4

PRESUPUESTO DE COLOCACION

PLAN OPERATIVO

Detalle	Ejecutado 1976	Presupuestado 1976	Económico 1976	
<u>Bocas del Toro:</u>				
✓ Mun. Changuinola		30,000.00	Mercado 9 1/2	
<u>Colón:</u>				
✓ Donoso		53,000.00	Procesadora Coco Proyecto Matadero	
✓ Portobelo		20,000.00		
<u>Coclé:</u>				
✓ Aguadulce	222,000.00	222,000.00	Planta Carnarina	
<u>Chiriquí:</u>				
✓ Alanje	9,000.00	9,000.00	Cultivo Arroz Mercado Matadero Fábrica Ropa Apertura Caminos Ganadería de leche (cult) Equipo Rodante Equipo Aseo Siembra Café y Adquisi ción de Equipo	
✓ Barú		100,000.00		
✓ Barú	57,000.00	57,000.00		
✓ Bugaba	53,400.00	53,400.00		
✓ Boguerón		60,000.00		
✓ Boquete		130,200.00		
✓ David	85,000.00	85,000.00		
✓ Renacimiento		160,000.00		
<u>Darién:</u>				
✓ Cherigana		54,000.00		Barco Cabotaje
<u>Herrera:</u>				
Parita	41,000.00	27,600.00	Taller Artesanal	
<u>Panamá:</u>				
Capira		85,500.00	Procesadora de Frutas Matadero Fábrica Ropa	
Chame		100,000.00		
✓ Chorrera	45,000.00	45,000.00		
<u>Los Santos:</u>				
Tonosí	35,000.00	35,000.00	Apertura Caminos Cultivo de Caña	
Los Santos	20,000.00	20,000.00		
<u>Veraguas:</u>				
Atalaya		39,750.00	Proyecto Agrícola	
Total	567,400.00	1,396,450.00		

% de Ejecución

41%

9

20

9

20

171

PRESUPUESTO DE COLOCACION

PLAN OPERATIVO

Detalle	Ejecutado	Presupuestado	Act. Económica
	1977	1977	1977
<u>Bocas del Toro:</u>			
Almirante ² Changuinola		30,000.00	Mercado
Changuinola		30,000.00	Mercado
<u>Chiriquí:</u>			
Alanje		75,000.00	Adq. Equipo
Alanje		100,000.00	Cautera (Fab)
Barú		50,000.00	Mercado
Barú		30,000.00	Matadero
Barú		30,000.00	Fáb. Bloques
Boquete	75,000.00	60,000.00	Adq. Equipo
Boquerón, Bugaba y Alanje.		60,000.00	Matadero
Boquerón		60,000.00	Pdy. Lechero
David		500,000.00	Terminal Transp.
David		30,000.00	Zapatería
Dolega		50,000.00	Matadero
San Félix, Tolé			
San Lorenzo y Remedios		50,000.00	Matadero
San Lorenzo		35,000.00	Adq. Equipo
Renacimiento		80,000.00	Proy. Lechero
Renacimiento	62,000.00	40,000.00	Siembra Frijoles
<u>Darién:</u>			
Chepigana		30,000.00	Mercado
Chepigana, Pinogana		45,000.00	Equipo de Cabotaje
<u>Terrera:</u>			
Parita		20,000.00	Equipo Aseo
Chitré		400,000.00	Terminal Transp.
<u>Panamá:</u>			
Chorrera	22,000.00	80,000.00	Equipo Aseo
Chame		50,000.00	Matadero
<u>Los Santos:</u>			
Guararé		70,000.00	Fáb. Escobas
Los Santos		60,000.00	Fáb. Cepillos
<u>Coclé:</u>			
Natá		18,000.00	Equipo Aseo
<u>Veraguas:</u>			
Santiago		250,000.00	Matadero
Soná		80,000.00	Matadero
Santiago		400,000.00	Terminal Transp.
Cañazas		80,000.00	Adq. Equipo
<u>Colón:</u>			
Portobelo		40,000.00	Matadero
Portobelo		15,000.00	Siembra Plátano
Portobelo		30,000.00	Mercado
San Juan ^{Colón} ?	46,000.00	46,000.00	Taller Artesanal
Total	403,000.00	3,024,000.00	

% de Ejecución

13%

PRESUPUESTO DE COLOCACION

PLAN OPERATIVO

<i>detalle</i>	Ejecutado 1978	Presupuestado 1978	Act. Económica 1978
<u>Bocas del Toro:</u>			
Bocas del Toro		50,000.00	Eléctrico
Gualaca	7,500.00	15,660.00	Matadero
Barú		100,000.00	Mercado
Barú		90,000.00	Matadero
Bugaba		30,000.00	Matadero
Bugaba		100,000.00	Mercado
Bugaba		300,000.00	Proc. Vegetales
Dolega		30,000.00	Matadero
Renacimiento		160,000.00	^{Proc} Beneficio del Café
<u>Darién:</u>			
La Palma		40,000.00	Mejorar Muelle
<u>Herrera:</u>			
Chitré	120,000.00	200,000.00	Mejorar Aseo
Pesé		20,000.00	Terminales
<u>Panamá:</u>			
Chepo		20,000.00	Terminales
<u>Los Santos:</u>			
Los Santos		20,000.00	Terminales
<u>Colón:</u>			
Colón		100,000.00	^{Proc} Frigorifico
<u>Coclé:</u>			
Penonomé		50,000.00	Mercado Público
Natá	30,000.00	15,000.00	Aseo
Penonomé		20,000.00	Terminales
Penonomé		80,000.00	Cultivo de Frutas
<u>Veraguas:</u>			
Santiago	485,000.00	400,000.00	Matadero
Montijo		50,000.00	Planta Procesadora
<u>San Blas:</u>			
Narganá	9,000.00	10,000.00	Motor Marino
Total	651,500.00	1,890,660.00	
% de Ejecución	34%		

BORRADOR DEL PRESUPUESTO DE SUBPROYECTOS PARA 1979
(En Miles de Balboas)

Area, Provincia, Distrito	Finalidad Económica	Valor
<u>Oficina Central - Panama</u>		
Arрайján	Infraestructura Urbana (constr. de edificio público para concentrar oficinas regionales)	40
Colón	Reubicación de matadero	515
Darién/Chepigana	Infra urbana (ibid)	40
		<u>595</u>
<u>Area Occidental - Chiriquí</u>		
Boquete	Infra urbana	75
Barú	Mercado público	122.9
David	Aseo domiciliario	130
David	Remodelación de mercado público	200
Bugaba	Remodelación de matadero	90
Gualaca	Matadero	7.5
		<u>625.4</u>
<u>Area Central - Coclé</u>		
Aguadulce	Aseo domiciliario	100
Penonomé	Aseo domiciliario	75
Penonomé	Centro de acopio de artesanías	35
		<u>210</u>
<u>- Veraguas</u>		
Soná	Remodelación de Matadero	80
Montijo	Mercado público	35
		<u>115</u>
		<u><u>1,545.4</u></u>

Appendix C

Site Visits and Personal Communication

SITE VISIT REPORT

Project Name:

Located in:

Junta de:

Municipio de:

Project Activity

Date Approved

AID Loan \$

BNP Loan \$

Local Contribution \$

Project Total \$

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

AMENIDADES MUNICIPALES 1980

1. Plaza
2. Luz Pública - Bombillo
- Florecente
- Mercurio
3. Cura residente
4. Médico
5. Hospital
6. Clínicas
7. Farmacia
8. Gasolinera
9. Escuela secundaria
10. Agua potable, tipo
11. Mercado, tipo
12. Matadero, tipo
13. Basura recolección
14. Teléfonos automáticos
15. Correo/telegráfos
16. Aeropuerto
17. Extensión agrícola - oficina

18. Mecánico
19. Proyecto de FODEM
20. Vulcanizadora
21. Veterinario
22. Cine
23. Cooperativa Ahorro y Crédito
24. Banco
25. Calles pavimentadas
26. Aceras
27. Piscina
28. Club de Leones
29. Radio emisora
30. Terminal de Buses
31. Taller soldadura
32. Funeraria
33. Biblioteca
34. Bomberos
35. Guardia Nacional

Cómo se enteraron de los proyectos FODEM

Cómo se identificaron las necesidades prioritarias?

Quiénes participaron

Qué ayuda recibieron del Banco para diseñar el proyecto?

Cuánto tiempo demoró la aprobación del préstamo?

Cómo se inició el proyecto?

Qué impacto financiero ha tenido el proyecto en el municipio.

Existen algunas dificultades en pagar el préstamo?

De qué fondos están pagando actualmente? Especifique.

Cual es su ingreso principal.

Qué proyección de ingresos tiene?

Cual es su egreso principal?

Qué problemas tributarios existen?

Ha asistido a cursos de FODEM? (alguien del municipio?)

Ha visto los nuevos manuales de administración?

Existen algunas condiciones en el préstamo?

Cuántas oportunidades de trabajo creó el proyecto?

Ha preparado un plan formal para incrementar sus ingresos.

Ha implantado un nuevo sistema de presupuestos y contabilidad?

En su opinión, que serían los beneficios más importantes para su municipio.

En que otra forma el programa podría ayudar al municipio?

Qué otro proyecto sería necesario?

MATADERO

Colón Municipio

AID Loan 421,960.

BNP Loan 93,040.

Local 25,000

Total Project 540,000.

Loan term : 15 years
Grace / int : 24 months / 18 %
Int. rate : 8 %
Commission : 1/2 %
Loan balance outstanding :
No. of employees
Payroll :
Net quarterly contribution (loss) :

Date approved :

Site Visit

The present slaughter-house in Colón is located in the Central downtown area adjacent to the Free Trade Zone. It was constructed in 1950 and slaughters cattle under medieval conditions. At present the animals are led from a small confinement area to a killing-pen where they are dispatched by blows from a sledge hammer to the head. The carcass is then manually swung by a pulley system to the floor, where the head and hide are removed. Then the interior organs are removed and piled on the floor until collected and taken to a side building where they are cleaned and processed. The final halves of beef are hung in full view and reach of insects and contamination until they are loaded into trucks for delivery. Every stage of the process is fraught with the possibility of contamination of the meat and danger to the workers.

The Matadero employs 19 persons directly and others are hired as needed. An average of 45-60 head ^{of cattle} are slaughtered four days a week. Some of the meat is sold to ships' chandlers who are provisioning their boats while in port at Colón.

There is a slaughter head tax of \$4.50/head for a bull and \$5.00 per cow. This money goes to the Municipio where the animal originated. In addition, there is a \$4.95/head killing fee and \$1.00/head weighing fee.

The municipal treasurer reported that the present matadero is operating at about a 20% loss, but expected that the new Matadero would at least break even.

New Matadero

The new Matadero for Colón financed by FODEM/AID is located 9 Kms. from Colón 4 Kms. off the main road. It is on a hill and is reached by driving through a residential section known as Barrio.

The modern, clean, new building is the last word in slaughter house design and is equipped with the best coolers, electric saws, electric chain hoists, etc. The contrast between the two facilities could not be greater.

Although the new facility was inaugurated in ^{September} ~~December~~ 1981, it has not yet been put into operation because of insufficient pressure and quantity of water.

Also the access road which was to have been paved has not yet been reconditioned. It is hoped that these deficiencies will be rectified by May 1982 and that the plant can begin to operate.

Initially, a capacity of 125 head/day is planned, but the plant is capable of processing up to 400 head ^{daily}. In contrast to the old Matadero, the new facility has a separate provision for slaughtering hogs. This provides an added benefit to the new project.

Twenty-two workers will be employed by the new Matadero.

Social Impact

All of Colón will have clean ^{and safe} meat to consume. Some new jobs will be created and local production of cattle will be stimulated. The potential for exporting some meat was mentioned in the field visit.

Slaughter House Recommendations

- Water Supply. ↗

Water Supply

Provide 50,000 gal. of storage so variations of pressure in municipal supply will not affect operation, or provide small filtration plant to supply water from nearby lake.

- Fence entire area.

Move electrical boxes indoors or protect them from rain better.

Persons interviewed:

Vice-Alcalde

Secretaria

Tesorero

Caretaker of New Matadero

AGR:03/18/82

/mn

Fábrica de Bloques

Puerto Pilón -

Junta Comunal

Monto Total: 29,800.
AID 16,000
GOP 12,000
Total 1,800

loan term : 4 years
Grace period : 4 mo / 5%
int. rate : 4 mo / 5%
Interest rate: 8%
loan balance outstanding :
No of employees : 13
Monthly payroll :
Net operating income (loss) :

Fecha concedida:

account

The block factory is off the main Panamá-Colón highway by about 4 km. in the middle of a developing residential area. The factory was in full operation when we arrived, ^{production} and was averaging 1800 blocks/day ^(200 less than originally planned.) Four main styles of block were being made 4x8x18; 6x8x18, a hollow rectangle, and a 12"x12" decorative filler block. On the average, profit is 5-7¢ /block.

Thirteen persons were employed in the enterprise which had already paid back a substantial portion of ^{its} ~~their~~ loans.

Physical equipment included a shed/building and office, three dump trucks, and two vibrator type block-making machines. A system of moving the blocks on pallets to a shady area had been devised. After 6 days in shades, the blocks were moved to the yard area in the sun and daily sprayed with water until sold - a curing process which ensures stronger blocks. In fact, samples of the blocks had been sent to the University of Panamá for testing and showed uniformly good results.

The factory has had a series of contracts from the Ministry of Education for school construction and from the Municipal government of Colón for various building projects. It seemed to be a viable, useful project which was fulfilling a local need.

SITE VISIT REPORT

Place: CATIVA
Pertaining to
Municipio of: Colón
Loan solicited by: Junta Comunal
Project: Purchase dump truck to collect garbage
AID:
BNP:
Self:
Total Project:
Date approved:

The dump truck was needed to collect trash and garbage in the community. ~~This activity was particularly important during the local fiesta week, when tourists from all over Panamá come to celebrate the Black Christ. Clean streets will enhance the attractiveness of the area to tourists.~~

The truck, a blue Ford D.6000., arrived in Cativa on
and has already traveled km.

The garbage collection system is _____.

Garbage is collected times a week and the route is km
long.

Previously, the community had to depend on the generosity of the Municipio of Colón to loan one of their dump trucks on a sporadic basis to pick up the trash.

The Junta Comunal is able to pay off the loan by - - - -

Persons interviewed:

Junta Representante

Truck driver

Local resident

Available ~~to~~ ^{for} ~~the~~ ^{the} BNP regional Rep. visited by Art and Peter
 Aeropuerto
Western Projects 3/24
 3/25

Municipios

AID \$

✓ 6	Daniel	1976	aseo	150,000
✓ 3	Dolega	1980	Mataclero	70,000
X 5	Gualaca	1979	Matadero	10,250
✓ 12	Boquete	1979	Equipo volqueta	70,000
✓ 1	Bugaba	1979	Matadero	120,000
✓ 7	Bugaba	1976	Camino	40,400
X 9	Renacimiento	1977	Cultural	<u>74,593</u> cancelado.
✓ 4	Baru	1979	Mercado	170,000
✓ 8	Baru	1979	Fab. mueb.	70,000

Juntas Comunales

✓ 16	Progreso	1976	Fab Ropa	121,000
✓ 14	Divala'	1979	Mataclero	12,182
17	Guaramal	1976	Cultural	7,000

Reminiscences -

Project Agrícola per Porotas
beans.

Project was successful for
2 crop years but had to be
discontinued for the following
reasons:

The crops proved that the
area was suitable for beans
production - But so many
of the participants wanted
to take possession of the
land that the municipio
decided that the project
was better handled in
private hands. Therefore
they - sold the land -
check on print.

The loan was fully paid
back on _____.

MUNICIPIO OF DAVID PROJECT ¹

ASEO

In 1976 the municipality of David received a substantial loan to buy two garbage compacting collection trucks and modernize their garbage collecting system. The trucks (GMC/LEACH) were in excellent condition and working when the PRAGMA team visited David. An efficient plan for covering the city had been worked out and the streets were clean. A \$2/month charge was instituted for residential customers, but unfortunately, only about 75% of the customers paid. This has led to a deficit in the garbage collection municipal account: the service costs the municipio about \$150,000/year but they only collect \$94,000. The municipio has tried to unite their garbage-bills with the water bill through an agreement with IDAAN; the national water board. So far, they have not had success with this, although a precedent for such common billing exists in Panama City. The city auditor reported that the project had created no new jobs since the previous garbage-workers- had simply moved over onto the new equipment.

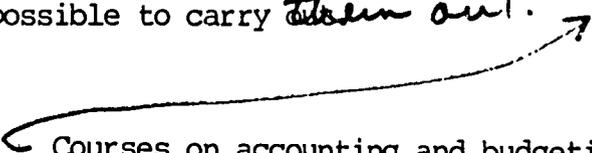
One positive feature of the new compaction collection system was that it allowed the municipio to switch to a land fill dump system instead of just dumping the trash over a cliff. The land fill, however, suffered from the need of a bulldozer to cover the trash at the end of each day.

1 David is designated by 60P as a growth center.

MUNICIPAL MANAGEMENT

In the interview with the David Municipal Auditor, three major problem areas - for the future were outlined:

1. Garbage collection service
2. Revision of tax system
3. Municipal administration

These are precisely the areas which the FODEM project was to address. The difficulty, according to the auditor, is that although the municipal officials have tried to ^{implement changes in} ~~improve~~ these areas, it has been politically impossible to carry ~~them out~~. 

Courses on accounting and budgeting have been given in David by FODEM staff, and in 1977 a revision of the taxing system was attempted unsuccessfully.

The major source of municipal income is from the sale of license plates and their largest expense item is garbage collection. Since the total David municipal budget is _____ and the FODEM loan, large as it is, forms only a small percentage of the total, the amount of leverage FODEM can exert seems to be corresponding by small. Perhaps one lesson out of this ^{is that a significant} ~~is~~ by FODEM on municipal administration is more likely to occur in the smaller municipios.

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SITE VISIT REPORT

Project Name: *ITSECO*

Located in:

Junta de:

Municipio de: *DAVID, Cárquez*

Project Activity

Date Approved *1976*

AID Loan \$ *150,000*

BNP Loan \$ *25,000*

Total " *235,000*

Local Contribution \$ *416,070*

Project Total \$ *651,070*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed: *54*

Weekly payroll:

Net operating profit (or loss)

*Mice Alcalá
Ricardo Cordero
Interview with Auditor
H. Carrero*

MUNICIPIO DE DOLEGA

Project

Matadero

The old matadero in Dolega was located in a residential area beside a stream. This created both neighbor and sanitation problems. The new matadero is well out of town and needs only the inside equipment like rails, saws, etc. to become operational. The new facility is supposed to create 5 new jobs in addition to the nine workers who are already employed, and will be able to handle up to 20 head of cattle daily. It was not clear, however, if there was a local market for that much meat.

Municipal Management

The FODEM project and related training activities seemed to have made a great impact on the Dolega municipio. The Mayor had attended six seminars and other staff had also participated. They are reviewing their schedule of taxes program by program with the help of SICAP and reviewing their budgeting process as well.

At the present, their greatest ^{source} ~~source~~ of revenue is license plates and the cattle transfer and slaughter tax, but in October 1983 this municipio, also, will start to receive a \$100,000 annual fee from the pipeline company.

In spite of all the management training activities which have gone on, the municipio has a problem collecting fees from bodegas and cantinas — \$11,000 annually.

In Dolega, the team met with Alcalde Adalberto Iglesias, who was extremely forthcoming and in possession of municipal facts. He had attended 6 FODEM seminars along with other municipal staff.

He said that municipal priorities were arrived at by majority vote in the concejo after discussion.

The Dolega Matadero project had been delayed for various reasons, but was constructed and only awaited the pulley ^{and rail} equipment which was being imported from the United States.

The ^{major} reported that the municipio is working on a new system of budgeting and accounting program by program. He said that the FODEM program was useful for both the train^{ing} and the money it made available - they really went together -- "you need them both."

In summary, the FODEM project has made a positive impact on the administration and operation of this municipio. The use of a ^{FODEM} project as a vehicle to review and improve their ^{management} procedures was a success.

SITE VISIT REPORT

Project Name: *Construction of Matadero*

Located in:

Junta de:

Municipio de: *DOLEGA*

Project Activity

Date Approved

AID Loan \$ ~~70,000~~ *70,000*

BNP Loan \$ *5,000*

Total *75,000*

Local Contribution \$ *2,000*

Project Total \$ *77,000*

Loan Term: *8 years*

Grace Period: *12 mos @ 4%*

Interest Rate: *8%*

Commission: *.5%*

Payments 12 mos @ \$65.10; 69 mos @ \$556.17

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

1

MUNICIPIO OF BOQUETE

Project

Dump truck and pipe

Boquete is a delightful mountain resort town which received a loan for garbage collection and pipes to improve its water supply. A dump truck was purchased and the garbage collection service and payment for it are proceeding well because the garbage fee is attached to the water bills.

This is possible because the water system is municipally owned. In spite of no fee collection problems the project was not paying for itself because it did not raise enough revenue from the garbage service. The other use of the dump truck - renting it out for various private jobs, was competing with private contractors and therefore underutilized.

Municipal management

In terms of municipal administration, Boquete is fiscally sound with 97% of its budget covered by revenues, the major sources being the water system and license plates. They reviewed their entire tax schedule in 1981 and are about to institute a coffee export tax. In general, their revenues are gradually rising.

The municipal staff has participated in training programs, but the loss of this expertise at election time is recognized and lamented. There is support for some kind of civil service. FODEM itself was criticized for being too bureaucratic and paper pushing.

Nevertheless, Boquete is another example of a tangible project being the vehicle whereby the municipal administration itself can be strengthened by using the project as the opening wedge.

7. Boquete is a GOP service center.

SITE VISIT REPORT

Acquisiteria

Project Name: *Equipamiento para Recolección de Basura y Publicación*

Located in:

Junta de:

Municipio de: *BOQUETE, Provincia Pinar del Rio*

Project Activity

Date Approved '79

AID Loan \$ *70,000*

BNP Loan \$ *5,000*

Total Loan \$ *75,000*

Local Contribution \$ *10,000*

Project Total \$ *85,000*

Loan Term: *6 years incl. grace*

Grace Period: *6 mos @ 5%*

Interest Rate: *8%*

Commission: *.5%*

Payments *6 mos @ \$136.67; 66 mos @ \$1422.12*

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

agradable

1

MUNICIPIO OF BUGABA (Concepción)

Projects

Caminos Vecinales

In 1976 the Municipio of Bugaba was granted a loan to buy equipment - a dump truck and a back hoe - to improve roads out to the corregimientos in its district. A Brazilian Ford dumptruck and a U.S. John Deere back hoe were purchased by competitive bidding. At the same time the municipio purchased a Toyota dumptruck, which, over time, has proven to be far more reliable. The municipal engineer reported that the equipment was in constant use - when it was not "down" for repair, and that all the corregimientos had benefitted from it. Spare parts seemed particularly hard to locate for the back hoe and the need for them may actually have been caused by the machine being used for jobs beyond its capacity. The engineer did not see the equipment as a money maker for the municipio, but rather a service project. In the opinion of the Pragma team, such road projects might better be left to the Ministerio of Obras Públicas (MOP) whose expertise in equipment and proper use of it is far greater than a municipios. The project did create three new jobs in the municipio.

Matadero

A much more positive experience was recounted for the slaughterhouse project in Bugaba. In 1979 a loan was granted to expand and modernize the municipios matadero. By Spring of 1982 the "new" matadero was in full and impressive operation. Production had risen to nearly 400 cattle a week processed and there was a prospect for starting exportation of meat to the U.S. in May. The plant was clean and orderly. All the equipment was functioning properly and

7 Concepción is a GOP service center

the exidation lagoon for liquid wastes was in good condition. On its own, the municipio had purchased the necessary equipment to make bone meal out of the unused portions of the cattle. They had also expanded the corral area. The matedero was currently employing 35 workers and that number would increase if exportation actually started. The matadero was a vital, economic, well run enterprise.

Municipal government

The municipal engineer whom we interviewed was an enthusiastic, capable, and committed individual. He knew the municipal accounts and was thoroughly up-to-date on the aims of the FODEM projects. Although he acknowledged some shortcomings in the collection of municipal taxes, the municipio had initiated a program of re-inscription or reassessment of taxes. The municipio did not have a written development plan for the future, but the engineer showed us a zoning map they had prepared for guiding development up to the year 2000. He and other personnel had participated in FODEM courses and it was evident that it had been useful.

The engineer commented that FODEM should have more field staff who could help in development planning and municipal finance and organization. In this municipio, the FODEM project had scored two hits -- created a viable economic enterprise in the matadero and provided needed training in municipal government which had been well aprovechado.

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SITE VISIT REPORT

Project Name: *Remodeling of Matadero and Acquisition of
Transportation for Meat*

Located in: *Concepción*

Junta de:

Municipio de: *BUGALIA*, *Chiriquí Province*

Project Activity

Date Approved

AID Loan \$ *120,000.*

BNP Loan \$ *35,000.*

155,000

Local Contribution \$ *71,850.*

Project Total \$ *226,850*

Loan Term: *10 years*

Grace Period: *1-year, 4%*

Interest Rate: *8%*

? Commission: *.5%*

Payment Term: *12 mos @ \$294.46; 108 months @ \$2,056.73*

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

*interview with Omar Montero
mun. engineer*

SITE VISIT REPORT

Project Name: *Cameras ocultas*

Located in:

Junta de:

Municipio de: *BUCARABON, Clarique*

Project Activity *Feeder roads*

Date Approved *1976*

AID Loan \$ *40,400*

BNP Loan \$ *13,000*

Total " *53,400*

Local Contribution \$ *10,000*

Project Total \$ *63,400*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed: *3*

Weekly payroll:

Net operating profit (or loss)

*Problem of who
get. -
also fixed
charge
also need
more
magazines
todas juntas
na utilities
forcing backbone
to work too
hard.*

7

MUNICIPIO OF BARU - 3 sub-loans

PROJECTS

MERCADO PTO/ARMUELLES

With the building of the new trans-Panama pipeline terminus near Puerto Armuelles, that town is sure to experience a great deal of growth. The municipio is well aware of this and therefore planned a large central market as a BNP/AID project. The new building will be a tremendous improvement over the few stalls that are currently available, but it is unlikely that the stall rents in the new mercado will be able to maintain the building, much less pay off the loan. In this case, the FODEM project can be said to have served as a vehicle for the municipio to think about priorities and to get its financial house in order. This is especially necessary so that the municipio will spend wisely the \$100,000 ^{annual} ~~annual~~ transit fee the pipeline will bring them. *Construction on the new market is now suspended until the cold room equipment arrives.*

FURNITURE FACTORY

On the outskirts of Puerto Armuelles is a furniture factory which had been started as a municipal enterprise in 1970. When the factory went broke in 1978, it was decided to apply for a FODEM loan to inject some new capital into the business. The loan was granted and some new equipment purchased. *The loan was principally used to purchase a large motorized saw unit to prepare their own wood.*

7 Puerto Armuelles in Baru district is designated by GOP as a service center

150

The factory works solely in teak wood which is grown locally. Unfortunately, some incentive or initiative seems to be lacking at the factory for only 13 people were working and the place had a half abandoned look about it. The furniture and doors that were being made, however, were well constructed and should have a good market.

The main-stay of the business seemed to be government contracts for items such as school desks; but between these contracts business is sparse.

Although a primary motive for the municipio to take on this project was to create employment, the factory was not working up to capacity and seemed unlikely to reach capacity under present management. One possibility would be to give the manager a commission incentive so that he would reap a tangible benefit from increased efforts. Also, a showroom area could be created in the front area of the shop.

CLOTHING FACTORY

Although this project was proposed by the Junta Comunal of Progreso it was countersigned by the municipio of Barú (as are all Junta Comunal loans). Again, the idea of a municipal enterprise of this nature is to create employment, but the factory when visited was working at only 1/3 capacity when it was visited. ^(30 women were employed) The factory had 76 sewing machines and was clearly under-utilized. The BNP loan, however, is being repaired.

A major problem was getting government contracts for school uniforms which had been the main source of business in the past. The factory was well equipped although it appeared a little disorganized. In general terms, it would seem difficult for such a factory to compete in the private sector clothing business where they must sell ^{working on} between government contracts. Panama imports a great deal of clothing from Korea and Taiwan so that local clothing factories have to be extremely efficient to stay in business. One possibility to increase efficiency in Progreso would be for the manager to be a some kind of commission contract. This would provide a direct incentive to get more contracts and work harder to keep the factory operating at full strength.

MUNICIPAL GOVERNMENT

The Alcalde of Baru municipality was well aware of the challenges his administration had to face and was very familiar with the municipal budget figures. He and his staff had participated in FODEM seminars and clearly had benefitted from them. This was one case which could be cited that although the AFD/BNP projects themselves were not outstandingly successful, the process of being involved in thinking rationally about budgets and future needs was beneficial to the municipio. As was pointed out earlier, this is especially important in the municipios of Baru, Bugaba, and Dolega since, they will be receiving the windfall of \$100,000/year each from the oil pipeline company.

SITE VISIT REPORT

Project Name: *Construction of Public Market*

Located in:

Junta de:

Municipio de: *BARRU, Cheriqui Province*

Project Activity *F*

Date Approved *1/79*

AID Loan \$ ~~200,000~~ *170,000*

BNP Loan \$ *10,000*

TOTAL " *200,000*

Local Contribution \$ *30,000*

Project Total \$ ~~200,000~~ *230,000*

Loan Term: *15 years incl grace*

Grace Period: *2 years @ 0%*

Interest Rate: *8%*

Commission: *1/2%*

~~payments: 1st installment @ \$3,000, 156 @ \$4,617.00~~

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

*talk with Alcalde
Erick Acosta.*

SITE VISIT REPORT

Project Name: FABRICA DE MUEBLES

Located in:

Junta de:

Municipio de: BARRU, Chiriqui Province

Project Activity

Date Approved:

AID Loan \$ ~~70,000~~ (working capital)

BNP Loan \$ 5,000

Local Contribution \$ 75,000

Project Total \$ ~~150,000~~ 125,000

Loan Term: 5 years

Grace Period: 5 months @ 4%

Interest Rate: 6%

Commission: 5%

~~Repayments: 5 months @ 4%, 55 months @ 6%~~
Loan balance outstanding:

No. Persons directly employed 12

Weekly payroll:

Net operating profit (or loss)

SITE VISIT REPORT

Project Name:

Located in: *Progreso*

Junta de: *Progreso*

Municipio de: *Itzamal*

Project Activity: *clothing factory*

Date Approved: *1976*

AID Loan \$ *121,000*

BNP Loan \$ *11,000*

Total Loan \$ *132,000*

Local Contribution \$ *28,350*

Project Total \$ *160,350*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed: *98 30*

Weekly payroll: *5-8 weeks, 76 weeks*

Net operating profit (or loss)

155

visited by Peter 3/28

Central Projects

3/30

Municipios

Aid \$

✓ 31	Chitré	1978	aseo	100,000
✓ 33	Chitré	1980	mataadero	47,000
✓ 27	Pese	1979	aseo	26,000
✓ 29	Sta. Maria	1980	aseo	30,000
x 21	Ocu	1980	Mataadero	14,000
✓ 19	Montijo	1979	Mercado	64,000
✓ 18	Santiago	1978	Mataadero	440,000
✓ 32	Aguadulce	1979	Aseo	40,000
✓ 23	Aguadulce	1976	Carnarina	180,000
✓ 40	Parita	1976	taller carp.	41,400
✓ 41	El Barrero	1979	Caminos Vec.	33,000
x 42	Guacimo	1976	Caña Azuc.	10,000

discontinued

MUNICIPIO OF CHITRÉ

Project

Garbage trucks

In 1978, a loan was approved for the municipio of Chitré to acquire two compacting type garbage trucks with the understanding that the municipality would be able to revise its money collection procedure for the garbage service since the service would be substantially improved.

In actuality, although the collection of garbage has improved, the municipio has been unable to collect its money for the garbage service any better. In fact, the municipal treasurer reported that the garbage service costs \$94,000 per year to operate and they are only able to collect \$16,000. For two years the municipio has tried to arrive at an agreement with IDAAN to unite the garbage charge with the water bills. This has been unsuccessful mostly because IDAAN says that they will not be able to recover their administrative costs. The treasurer said that they couldn't unite the charge with license plates, either, because people would then go to other municipios to buy their plates and Chitré would lose its principle source of revenue. In sum, there doesn't seem to be any way for Chitré to make garbage collection into a self-paying operation. Finally, the municipal garbage incineration system needs to be improved and the policy of dumping garbage in the mangrove swamps by the sea should be reviewed.

Matadero

The municipal matadero in Chitré was modernized with a loan from FODEM in 1980. The building was rebuilt, rails and pulleys installed and an oxidation lagoon built to treat the wastewater. When the site was visited,

the day's slaughter had been completed. The interior of the building appeared clean and well maintained. Outside, however, a number of skulls and horns were piled up which were covered with buzzards. The oxidation lagoon was not in use and the intestines and organs were being washed rather crudely with a hose. That day 24 head had been slaughtered which was below the capacity of the facility. Chitré had hoped to increase its daily kill to make more income by upgrading the machinery etc. Apparently, this is not happening as yet.

Municipal Management

The treasurer of the municipio of Chitré seemed to be rather pessimistic about the long-range future of their finances. Their garbage collection account is a bad loser and they have problems collecting liquor and other commercial taxes. This official felt that the municipalities needed more specific taxing authority and a legal department with some means of enforcing collection. The municipio staff has participated in various FODEM training programs which they said were good and useful. They have a review plan for all their taxing categories and they go through them every two years. Unfortunately, because of "political pressures" no significant changes have been made.

For the future, Chitré would like to create a mixed capital business with the slaughterhouse and its by-products like the Carnarina plant in Aguadulce. They are also interested in a shrimp processing business. These would supposedly be revenue producing operations, not services like most of the municipal activities.

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SITE VISIT REPORT

Project Name: *Chitré*

Located in:

Junta de:

Municipio de: *Chitré*

Project Activity *aseso*

Date Approved *1978*

AID Loan \$ *100,000*

BNP Loan \$ *20,000*

Local Contribution \$ *20,000*

Project Total \$ *140,000*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

(13) 6 actual

FORD 8000

3 working

6 deep wk.

Ready

E 2 bay

127,000 Km.

3 yrs.

SITE VISIT REPORT

Project Name: *chitré*

Located in:

Junta de:

Municipio de:

Project Activity *mataclero*

Date Approved *1980*

AID loan \$ *247,000*

BNP Loan \$ *3,000*

Local Contribution \$ *48,117*

Project Total \$ *98,117*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed *(15)*

Weekly payroll:

Net operating profit (or loss)

*24 head slaughtered
on March 30, 1982 -
reported to be
decreasing*

MUNICIPIO DE PESÉ

Project

Dump truck

The loan was approved in late 1979, but the truck was not actually delivered until 1981, which used up the grace period. At the present time, the truck is used to pick up garbage in the town of Pesé twice a week for a charge of only \$4/year per household. The rest of the time, the truck is rented out to the 8 juntas comunales of the district for road work or hauling construction materials. The municipio also recently negotiated a contract to rent out the truck to haul fill for the new landing strip being constructed for the state owned AZUERO sugar mill located nearby. One hundred hours at \$10/hour have been signed up.

The municipio has had problems with maintenance on the truck and has found it difficult to obtain spare parts - such as a starter motor.

Interestingly enough, one of the juntas in the district (El Barrero) also negotiated a loan for a dump truck and they have not had such difficulty in finding work for their truck. It was also contracted for work on the sugar mill airstrip.

Municipal Management

The alcalde in Pesé only began his term in November of 1981, but the secretary and treasurer continued from the previous mayor's term. The new alcalde felt that the dump truck loan was an impossible drain on his budget - payments of \$518.08 per month. The municipio has income from all of the traditional sources, but has not reviewed its schedule of taxes recently and, indeed, feels that this would be counterproductive because it might discourage local businesses. Pesé is the site of one of the largest distilleries in the country, yet the

municipio gets nothing of the \$5,000,000 in taxes that the company pays to the national government annually. The alcalde suggested that even 2% of the tax would be a great help to the municipio.

Although the financial picture~~d~~ seemed somewhat bleak, the mayor was not so pessimistic that he didn't want to contemplate future projects. He mentioned a city hall, an ambulance, and a crematory (incinerat~~or~~) to burn garbage. He also raised the interesting question that since the town had no sewer system, they needed technical help with making septic tanks work. The municipio seemed to want to serve the people, but had not yet arrived at the management capability to do it well.

A final note on municipal management for Pesé is that the municipio did not have a phone installed because they found that in the past they could not control the cost of long distance calls. This would seem to be an indicator of the need for some better cost accounting system or at least a logging of expense~~s~~ sheet.

SITE VISIT REPORT

Project Name: *Pese*

Located in:

Junta de:

Municipio de: *Pese*

Project Activity *ases*

Date Approved *1979*

AID Loan \$ *26 000*

BNP Loan \$ *4 000*

Local Contribution \$ *2 500*

Project Total \$ *32,500*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed *(3)*

Weekly payroll:

Net operating profit (or loss)

SITE VISIT REPORT

Project Name: *El Barrero*

Located in:

Junta de: *El Barrero*

Municipio de:

Project Activity *carreteras vecinales*

Date Approved

AID Loan \$ *33,000*

BNP Loan \$ *2,000*

Local Contribution \$ *3,000*

Project Total \$ *38,000*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed *(1)*

Weekly payroll:

Net operating profit (or loss)

MUNICIPIO OF SANTA MARIA

Project

Dump truck

The garbage collection/dump truck project in Santa Maria seems to be a success story. In the 14 months the truck has been in service, it has covered 63,000 miles and the municipio has had no problems in making the loan payments each month. The truck collects garbage one day a week in the cabecera town and the rest of the time is rented out on projects. The representante of Santa Maria said that 25 access road projects had been completed as well as a number of other projects. The truck is driven by a chofer/mecánico who keeps it in first class condition mechanically and cosmetically. He even requested a manual in Spanish so he could service it better. In addition to the chofer, the truck supports three ayudantes (helpers) who are each paid \$120/mo. There is a potential difficulty in this project that by the time the loan is paid off, the truck will be worn out, but at least good use will have been made of it in the meantime.

Municipal Management

The Alcalde was out of town so we interviewed the treasurer and the elected representative from the town. They were both pleased with the project and said that it had not caused them much financial problem. Their chief source of revenue is license plates. They did report some difficulties in collecting some of the taxes on commercial establishments, but said there was no problem with the garbage payments. If a family did not pay, then their garbage was simply not picked up. Pressure from the neighbors then usually produced the payment.

Administratively, the municipio had reviewed their tax structure and they said that they did have a plan to increase their revenues. In terms of training, however, the report was somewhat negative. ~~Some~~ municipal officials had gone to FODEM training courses because the municipio would not pay their expenses. This short-sightedness would seem to be an area to work on in the future. The next project the municipio would like to work on is a remodeling or rebuilding of the municipal matadero.

Overall, Santa Maria seems to demonstrate that asejo projects can work even in small municipios and certainly provides an interesting precedent for places like Pesé where the dump truck project was not paying its way.

SITE VISIT REPORT

Project Name: Sta. Maria

Located in:

Junta de:

Municipio de: Sta. Maria

Project Activity: ases

Date Approved:

AID Loan \$ 30,000

BNP Loan \$ 2,000

Local Contribution \$ 2,000

Project Total \$ 34,000

1 año de meses.
63,000 miles

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed (3)

Weekly payroll:

Net operating profit (or loss)

Tesorera

~~W~~ Wilson De Leon

representante de Sta Maria

mes. { 170 choper
120 ayud.
120
120

MUNICIPIO OF MONTIJO

Project

Mercado

Montijo is a small municipio about 20 Km southwest of Santiago. Although there are several small shops scattered through the town which sell groceries and fresh vegetables, the municipal council decided to apply for a FODEM loan to rebuild the municipal market.

The new market is located three blocks off of the main street. It is a pleasant, airy, building, but unused except for one man who sells meat. He said that the design of the vegetable stalls is wrong, the fees too high, and the market too out of the way to be successful. It was hard to argue with his logic.

Site visit comments

The municipio matadero was also visited and found to need supervision and maintenance. Further, the town was pumping its water with a large single cylinder diesel engine which might well be replaced with a more efficient and cheaper-to-operate electric pump.

Municipal Management

The alcalde was away for the day so the municipal auditor was interviewed. He said that the market project had a negative impact on municipal finances and that they viewed it as a service project. Their principle income was from the cattle head tax and license plates and they were using these funds to pay off the market loan. In general, the auditor said that their finances were in pretty good shape except for some problems in collecting fees from the cantinas in town. This was reported to amount to about \$500 out of a total budget of \$55,000. Some municipal officials had participated in FODEM training courses

and they were studying ways of increasing municipal revenues. In 1981 they moved to a new system of budgeting and accounting. The overall opinion of the FODEM project was that the town now had a better market, but that the community needed more motivation to use it and other civic improvements.

In the future, Montijo could identify a need for a municipal dump truck that could also be used to collect garbage. It would seem that the FODEM project was successful here to the extent that it was a way to get the municipio to think more carefully about its budgeting and revenue. Unfortunately, the technical details of construction were such that the market project itself was not of much benefit to the municipio.

SITE VISIT REPORT

Project Name: *Montijo*

Located in:

Junta de:

Municipio de: *Montijo*

Project Activity *mercado*

Date Approved *1979*

AID Loan \$ *20,460*

BNP Loan \$ *4,540*

Local Contribution \$ *2,000*

Project Total \$ *27,000*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed *(3)*

Weekly payroll:

Net operating profit (or loss)

*55,000
total budget*

*bad situation
off the main
street - not
patronized - not
one meat
seller
\$5.00/day
rent*

MUNICIPIO OF SANTIAGO

Project

Matadero

The new matadero for Santiago is located well out of town, east on the Interamerican highway. It was functioning well when visited although the oxidation lagoon was dry and there was an open dump for skulls and unused bits of the animals 100 yards from the plant where buzzards congregated.

The matadero was a great financial success, generating \$388,300 in income and only costing \$281,000 to operate. This made it the largest revenue producer for the municipio. The new matadero created work for 8-10 more people, but more importantly, these were for more highly skilled people such as could use mechanical meat saws etc.

Municipal management

The matadero project seemed to be the spark which had gotten the Santiago municipio to start to get moving. Their annual budget in 1981 was \$729,000 and in 1982 it was \$929,000. They had problems with collecting the money for their garbage service, but were making some progress with it by having inspectors go house-to-house and also by tying the garbage fee to the license plates fee. That is, you couldn't pick up your license plates without showing a receipt that you had paid your garbage bill.

The municipio had reviewed all its accounts in 1981 and was working on a new system of budgeting and accounting. They felt that the matadero project had benefited the municipio with more work, more sanitary slaughtering conditions, and an improvement of their administrative ability.

In the future they could see a need for improving the garbage service and for a new market. (The present one is well located, but too crowded. They plan to add a second story to double its capacity).

In this case, the FODEM loan seems to have fulfilled all expectations.

SITE VISIT REPORT

Project Name: *Santiago*

Located in:

Junta de:

Municipio de:

Project Activity *matadero*
Date Approved *1978*
AID Loan \$ *440,000*
BNP Loan \$ *120,000*
Local Contribution \$ *36,000*
Project Total \$ *596,000*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed *(12)*

Weekly payroll:

Net operating profit (or loss)

MUNICIPIO DE AGUADULCE

Projects

Bone Meal Plant

In 1976, one of the first loans under the AID/BNP FODEM program went to the Municipio of Aguadulce to set up a processing plant for slaughterhouse by-products. The plant was to employ 14 people and have a production of 25 hundred-pound sacks of meal a day. The plant actually employs six workers and is producing 32 qq. of meal a day. The plant could use some more vigilant maintenance and clean-up, but it certainly was operating and paying its way. Incidentally, the processing plant utilizes by-products from both the Santiago and Aguadulce mataderos, making ^{both of} them more cost effective. The plant appears to be an unqualified success.

Garbage Collection

Aguadulce received a loan in 1979 to purchase two dump trucks to collect garbage. For this service, a home-owner is charged \$4/year. Both the mayor (newly elected) and the treasurer (for 13 years) said that the service was uneconomical and that FODEM should charge special low rates for social projects like this. They complained that they had no way of making the garbage service pay and that the trucks weren't heavy duty enough to rent out for special hauling jobs. They were having to pay the garbage loan back with money from other accounts.

^{municipio was}
They ~~were~~ both burning the garbage and making a land fill with it, but they could identify a need for a more sanitary incineration system.

Municipal Management

Aguadulce seemed to be in the unusual position of participating in a financially successful project (bone meal) but not being able to translate that success into management skill with other municipal responsibilities. They had not reviewed their schedule of municipal taxes and were only beginning to take a look at their budgeting system. They considered the FODEM project to be a help financially and, with training, providing better health and social conditions for the town. At the same time, the alcalde and treasurer recognized the need for and suggested a stable municipal civil service so that administrative skills gained by training would not be lost each election day.

Further, the municipal leaders of Aguadulce suggested that FODEM should have staff members trained in development assessment who could help the municipios set priorities and carry out projects. In this case, it seems as if more intensive FODEM supervision could help the municipio to track more steadfastly on management objectives.

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SITE VISIT REPORT

Project Name:

Aguadulce

Located in:

Junta de:

Municipio de:

aguadulce

Project Activity

Carnarina

Date Approved

1976

AID Loan \$

180,000

BNP Loan \$

42,000

Local Contribution \$

24,000

Project Total \$

246,000

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed

(14)

6

Weekly payroll:

\$180/month

Net operating profit (or loss)

*\$ 11.40 / ~~off~~
bone meal*

SITE VISIT REPORT

Project Name: *Aguadulce*

Located in:

Junta de:

Municipio de: *Aguadulce*

Project Activity *aseo*

Date Approved *1979*

AID Loan \$ *40,000*

BNP Loan \$ *10,000*

Local Contribution \$ *5,000*

Project Total \$ *55,000*

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed *(12)*

Weekly payroll:

Net operating profit (or loss)

MUNICIPIO DE PARITA

Project

Furniture Factory

In 1976 a substantial loan was made to the junta comunal of Parita to construct and equip a furniture factory. Although the manager was not, at the factory when we arrived, his assistant was able to answer some of the operational questions. The factory was employing eleven workers (four of whom were there on the Monday afternoon we stopped by) whose salaries ranged from \$140/month to \$200/month. By doing piece work, some of the carpenters were able to clear \$100/week. The problem of getting contracts also plagued this factory, but at the moment they were working on 500 blackboard units for the Ministry of Education at \$58 apiece. The manager's assistant did not know what the actual production cost was. The assistant reported that they paid about \$50/month electric bill and that they have had some problems in making the loan payments *to the municipality.*

The factory had received some second hand equipment and tools from the Nuevo San Juan project which folded, but the entire operation had a kind of lackluster look which tighter management could possibly straighten out.

Municipal Management

The alcalde was unavailable for interviewing, but the BNP area representative was able to report that he had experienced great difficulties in getting the factory to operate properly. In fact, for awhile he said that he had to go out to the factory personally each morning to get the workers started. Clearly, in this case, municipal supervision and management capabilities were not adequate for the sophisticated task of running a complex business.

SITE VISIT REPORT

Project Name: Parita'

Located in:
Junta de: Parita

Municipio de:

Project Activity taller carpentry
Date Approved 1976
AID Loan \$ 41,400
BNP Loan \$ 31,600
Local Contribution \$ 34,532
Project Total \$ 107,532

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed (3) 4 actually, including
and one accountant
Weekly payroll:
Net operating profit (or loss)

SITE VISIT REPORT

Project Name:

Located in:

Junta de:

Municipio de:

Project Activity

Date Approved

AID Loan \$

BNP Loan \$

Local Contribution \$

Project Total \$

Loan Term:

Grace Period:

Interest Rate:

Commission:

Loan balance outstanding:

No. Persons directly employed

Weekly payroll:

Net operating profit (or loss)

In Dolega, the team met with Alcalde Adalberto Iglesias, who was extremely forthcoming and in possession of municipal facts. He had attended 6 FODEM seminars along with other municipal staff.

He said that municipal priorities were arrived at by majority note in the concejo after discussion.

The Dolega Matadero project had been delayed for various reasons, but was constructed and only awaited the pulley ^{and rail} equipment which was being imported from the United States.

The ^{currently} mayor reported that the municipio is working on a new system of budgeting and accounting program by program. He said that the FODEM program was useful for both the train^{ing} and the money it made available - they really went together -- "you need them both."

In summary, the FODEM project has made a positive impact on the administration and operation of this municipio. The use of a ^{FODEM} project as a vehicle to review and improve their ^{management} procedures was a success.

MUNICIPIO DE DOLEGA

Project

Matadero

The old matadero in Dolega was located in a residential area beside a stream. This created both neighbor and sanitation problems. The new matadero is well out of town and needs only the inside equipment like rails, saws, etc. to become operational. The new facility is supposed to create 5 new jobs in addition to the nine workers who are already employed, and will be able to handle up to 20 head of cattle daily. It was not clear, however, if there was a local market for that much meat.

Municipal Management

The FODEM project and related training activities seemed to have made a great impact on the Dolega municipio. The Mayor had attended six seminars and other staff had also participated. They are reviewing their schedule of taxes program by program with the help of SICAP and reviewing their budgeting process as well.

At the present, their greatest ^{source} ~~service~~ of revenue is license plates and the cattle transfer and slaughter tax, but in October 1983 this municipio, also, will start to receive a \$100,000 annual fee from the pipeline company.

In spite of all the management training activities which have gone on, the municipio has a problem collecting fees from bodegas and cantinas ~~—~~ \$11,000 ₇₇ annually.

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