

CLASSIFICATION

PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-447

1. PROJECT TITLE  Agrarian Reform Sector Support	2. PROJECT NUMBER 519-0265 Grant 519-T-032 Loan	3. MISSION/AID/W OFFICE USAID/El Salvador
	4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 86-	
<input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION		

5. KEY PROJECT IMPLEMENTATION DATES			6. ESTIMATED PROJECT FUNDING		7. PERIOD COVERED BY EVALUATION	
A. First PRO-AG or Equivalent FY <u>83</u>	B. Final Obligation Expected FY <u>87</u>	C. Final Input Delivery FY <u>88</u>	A. Total	\$ <u>78.4 M</u>	From (month/yr.)	<u>September 1983</u>
			B. U.S.	\$ <u>49.8 M</u>	To (month/yr.)	<u>September 1985</u>
					Date of Evaluation Review <u>Aug. - Dec., 1985</u>	

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
<p>The evaluation presents 74 different recommendations. There are four global recommendations listed in the Executive Summary and which are briefly mentioned in Part II of this PES. The specific principal and secondary recommendations (numbering 22 and 52, respectively) are in the body of the report. Both are repeated below (Part I - sections A. and B.) in an abbreviated form identifying the action to be taken, the specific action officer and the specific date by which action will be completed (when available). All actions result from recommendations made by the evaluation team.</p>		

<p>9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISION</p> <p><input checked="" type="checkbox"/> Project Paper    <input checked="" type="checkbox"/> Implementation Plan e.g., CPI Network    <input checked="" type="checkbox"/> Other (Specify) <u>Project Eval'u.</u></p> <p><input checked="" type="checkbox"/> Financial Plan    <input type="checkbox"/> PIO/T    <input type="checkbox"/> Other (Specify) _____</p> <p><input checked="" type="checkbox"/> Logical Framework    <input type="checkbox"/> PIO/C</p> <p><input checked="" type="checkbox"/> Project Agreement    <input type="checkbox"/> PIO/P</p>	<p>10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT</p> <p>A. <input type="checkbox"/> Continue Project Without Change</p> <p>B. <input checked="" type="checkbox"/> Change Project Design and/or <input checked="" type="checkbox"/> Change Implementation Plan</p> <p>C. <input type="checkbox"/> Discontinue Project</p>
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<p>11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)</p> <p>Kenneth C. Ellis, RDO <i>(Signature)</i> Rwithere <i>(Signature)</i> AMDO</p> <p>RLeondeVivero <i>(Signature)</i> DPPO</p> <p>Cecily Mango <i>(Signature)</i> DPP</p> <p>Susan Merrill <i>(Signature)</i> or D. Boyd, PRJ</p>	<p>12. Mission/AID/W Office Director Approval</p> <p>Signature <i>(Signature)</i></p> <p>Typed Name <u>Robin Gomez</u></p> <p>Date _____</p>
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## DEFINITION OF PROJECT-SPECIFIC ACRONYMS AND TERMINOLOGY

AIFLD	American Institute for Free Labor Development: separate OPG program support for small farmer and labor unions.
Agrotecnia	A local private sector consulting firm in agriculture under contract with BFA for several cooperatives.
BFA	Agricultural Development Bank: provides credit and specific technical assistance for credit projects to agrarian reform cooperatives and finateros.
CARA	Advisory Council for Agrarian Reform: ministerial level board to define operational policies for agrarian reform.
CENCAP	National Center for Training (MAG): provides courses in non-formal education for agricultural sector.
CENTA	National Center for Agricultural Technology (MAG): provides agricultural research and extension services.
Corte de Cuentas	National fiscal agency: office for definitive authentication of all public sector expenditures.
DGDR	Head Office for Rural Development (MAG): charged with definition of operational policies and procedures for and coordination of agricultural sector development programs.
DIECRA	Project for Integral Development of Agrarian Reform Cooperatives (OSPA): previously charged with doing cooperative-level development plans and financial studies (now part of ODER).
ENA	National Agricultural School (MAG): formal education for mid-level agricultural technicians.
FESACORA	Salvadoran Federation of Agrarian Reform Cooperatives: national federation providing services to and representing agrarian reform cooperatives.
FINATA	National Office for Agricultural Finance: implementing agency for Phase III agrarian reform land transfer.
Finateros	Name for agrarian reform Phase III beneficiaries.

**IGN** National Geographic Institute; provides information on property boundaries and soil classifications for land transfer.

**ISTA** Salvadoran Institute for Agrarian Transformation: implementing agency for Phase I agrarian reform land transfer.

**MAG** Ministry of Agriculture and Livestock.

**MIPLAN** Ministry of Planning

**OCOPROY** Office of Coordination of Projects (MAG): charged with coordination and monitoring financial and program information.

**ODER:** Office of Rural Enterprise Development (DGDR): charged with implementing PAU, PRODEA and similar project activities through central and regional MAG staff.

**OSPA** Office for Agricultural Sector Planning (MAG): charged with sector-wide planning, coordination among agencies and statistical information.

**PAU** Program for Uniform Administration System (ODER): provides uniform accounting and administrative systems to cooperatives.

**PERA** Project for Evaluation of the Agrarian Reform (OSPA): charged with specific studies and periodic evaluation of agrarian reform sector.

**PRODEA** Program for Administrative Development (ODER): provides initial selection and subsidies to cooperatives for managers and accountants.

**SETEFE** Technical Secretariat for External Finances (MIPLAN): coordinator of financial programming of public sector project institutions.

**STC** Caribbean Technical Services - a U. S. consulting firm in agriculture and related fields providing technical assistance in agrarian reform sector projects.

**TNS** Technoserve - a U. S. private voluntary organization with a locally-based office contracted by cooperatives to provide comprehensive technical assistance.

**ACTION DECISIONS APPROVED BY MISSION**

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer Responsible for Action	C. Date Action to be completed*
<b>A. <u>Principal Recommendations:</u></b>		
1. Extend the Project to the end of 1987.	John Cloutier PRJ	Completed pending GOES ratification.
2. Expedite the administrative procedures by amending arrangements.	RDO, CONT, PRJ	Completed (PACD)
3. Continue technical assistance to the end of 1987.	Rural Development Office	PACD
4. Provide massive technical assistance to cooperative members through the radio.	Rodolfo Cristales, RDO, and Carlos Rivas, SIC	PACD
5. Supply FINATA and ISTA with funds to compensate former landowners.	GOES through its PL 480 generations	PACD
6. Promote the approval of the law of liens.	Enrique Barrau, RDO	Completed
7. Support ISTA work on legal aspects.	Enrique Barrau, RDO	PACD
8. Support the National Geographic Institute (IGN).	Enrique Barrau, RDO	Completed (PACD)
9. Support the ISTA Action Plan for 1986.	Enrique Barrau, RDO	12/31/86
10. Order the PAU and PRODEFA cooperative management activities to focus on the weaker cooperatives.	Jeffrey H. Allen, RDO (through DGDR/ODER)	PACD
11. Continue AID support of MAG activities for developing managerial capacity on the cooperatives.	Jeffrey H. Allen, RDO (through DGDR/ODER)	PACD

\* Completed (PACD) - Indicates recommended action has been taken, but that the process or follow-up will continue to the PACD which is 12/31/87.

PACD - Indicates recommended action is a process which the Mission had already incorporated into implementation activities and which will continue until the PACD.

A specific date followed by (PACD), e.g., 9/30/86 (PACD) - Indicates the recommended action is to initiate a process which will continue to the PACD and the date given is the target date for having the process established.

**ACTION DECISIONS APPROVED BY MISSION**

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer Responsible for Action	C. Date Action to be completed
12. Enlarge the CENCAP training program. (Mission focus is to improve quality)	Mario Apontes, RDO	12/31/86
13. Reactivate CARA. (Only the Minister of Agriculture can do this)	Kenneth C. Ellis, RDO through MinAg	10/31/86
14. Send documents to SETEFE without prior AID clearance.	J. C. Segovia, RDO	Completed (PACD)
15. Have SETEFE analyze the documentation without awaiting AID approval.	J. C. Segovia, RDO	Completed (PACD)
16. Approve Action Plans through individual IL's for each implementing entity.		
RECOMMENDATION NOT ACCEPTED. Given the number of implementing entities (12) and inter-relationship of plans, this is an impractical recommendation.		
17. Advise implementing entities on eligible costs.	J. C. Segovia, RDO	Completed (PACD)
18. Increase the working capital fund to 120 days.		
RECOMMENDATION NOT ACCEPTED. Limit extended to 90 days.		
19. Hold periodic reviews on pending reimbursements.	J. C. Segovia, RDO (through OCCPROY)	Completed (PACD)
20. Monitor and follow-up regarding financial flows.	J. C. Segovia, RDO	Completed (PACD)
21. Accelerate applications for reimbursements in the implementing entities.	J. C. Segovia, RDO	Completed (PACD)
22. Accelerate the review and approval process by the Corte de Cuentas.	J. C. Segovia, RDO	09/30/86 (PACD)

**ACTION DECISIONS APPROVED BY MISSION**

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer Responsible for Action	C. Date Action to be completed
<b>B. <u>Secondary Recommendations</u></b>		
1. Revise the terminology in monitoring reports for land transfer.	Enrique Barrau, RDD	Completed
2. Reduce the target of definitive titles.	Enrique Barrau, RDO	Completed
3. Integrate CENTA and CENCAP services to the "finateros" and other poor campesinos.	Rodolfo Cristales, RDO	PACD
4. Evaluate in-depth the impact of CENTA and CENCAP (Recommendation requires further study. Decision to be made by date indicated).	Ken Ellis, RDO	10/31/86
5. Evaluate the "finateros" soils management.	Michael Wise, RDO (through PERA)	9/30/87
6. Promote involvement among young cooperative members.	Jeffrey H. Allen, RDO (through DGDR)	PACD
7. Regulate use of cooperative lands.	Jeffrey H. Allen, RDO	Completed
8. Increase the awareness and sensitivity of public officials regarding the agrarian reform.	Rural Development Office	PACD
9. Facilitate the implementation of preventive health programs for the cooperatives.	Jeffrey H. Allen, RDO	PACD
10. Evaluate and upgrade the social promoters.	Jeffrey H. Allen, RDO (through DGDR, TNS and Agrotecnia)	PACD
11. Design social promotion programs for the "finateros".	Jeffrey H. Allen, RDO (through DGDR)	PACD
12. Design a massive technical assistance program for the "finateros".	Rodolfo Cristales, RDO and E. Huidobro, STC	PACD
13. Develop a credit program for the "finateros".	Ana Luz Joya de Mena, RDO	PACD
14. Increase the TECHNOSERVE type of pre-investment studies and services.	Jeffrey H. Allen, RDO (through ODER)	PACD

ACTION DECISIONS APPROVED BY MISSION

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer Responsible for Action	C. Date Action to be completed
15. Discuss agricultural credit in CARA.	Kenneth C. Ellis, RDO (through implementing entities under AID Project 0263, Agrarian Reform Credit)	PACD
16. Plan for cooperative development.	Jeffrey H. Allen, RDO (through DGDR)	12/31/86 (PACD)
17. Discuss marketing issues in CARA.	Kenneth C. Ellis, RDO	12/31/86
18. Provide support for the campesino organizations.	Rural Development Office (through its OPG to TECHNOSERVE/FESACORA and the Democratic Initiatives Office through its OPG with AIFLD)	PACD
19. Reorient the support to FINATA if obstacles are not removed.	N/A	N/A
20. Pay off liens as a last resource.	RECOMMENDATION NOT ACCEPTED. Reconciliation of the lien/assessed value issue goes beyond the scope and intent of 0265.	
21. Review and revise FINATA's output targets.	Enrique Barrau, RDO	Completed
22. Procure land through FINATA.	RECOMMENDATION NOT ACCEPTED. FINATA's authorization to intervene on land holdings expired in 1984 and project efforts are directed at transferring and securing titles for those properties claimed earlier.	
23. Change performance indicators for FINATA.	Enrique Barrau, RDO	Completed
24. Consider integration of ISTA and FINATA.	GOES	12/86

**ACTION DECISIONS APPROVED BY MISSION**

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer Responsible for Action	C. Date Action to be completed
25. Promote CENCAP training programs for cooperative managers and accountants.		
<p>RECOMMENDATION NOT ACCEPTED. The requirement to have to train the "trainers" in order to undertake this activity and CENCAP's marginal performance in this regard to date argue strongly against undertaking this activity with CENCAP when other training entities are in a better position to respond.</p>		
26. Introduce the management-by-objectives approach to ISTA.	Eduardo Hipsley, RDO	Completed (PACD)
27. Conduct aggregated studies of the Phase I cooperatives.		
<p>RECOMMENDATION NOT ACCEPTED. The focus of Phase I support under the project is titling and cooperative management. The experience with DIECRA under the previous project 0262, suggests that studies are of limited applicability, costly and lengthy to implement, and do not respond in a sufficiently pragmatic manner to the changing needs of the cooperatives.</p>		
28. Administer PAU and PRODEA at the zonal and regional levels.	Jeffrey H. Allen, RDO (through DGDR/ODER)	Completed (PACD)
29. Clarify the role of the ISTA and MAG zonal and regional offices.	Jeffrey H. Allen, RDO (through MAG and DGDR)	09/01/86
30. Support the ISTA and MAG zonal and regional offices.	Jeffrey H. Allen, RDO (through MAG and DGDR)	PACD
31. Decentralize planning of the cooperative sector in ISTA.	Jeffrey H. Allen, RDO (through MAG and DGDR)	PACD
32. Perform DIECRA studies in MAG.	Jeffrey H. Allen, RDO	PACD
33. Establish ISTA data processing capacity.	Eduardo Hipsley, RDO and Felix Villamil, STC	PACD

**ACTION DECISIONS APPROVED BY MISSION**

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer responsible for Action	C. Date Action to be completed
34. Provide CENCAP with plan for training cooperatives.	Mario Apontes, RDO	Completed (PACD)
35. Prepare a MAG social development strategy.	Jeffrey H. Allen, RDO (through DGDR)	09/30/86
36. Organize the CENYA extension service regional and local committees.	Rodolfo Cristales, RDO	Completed
37. Train the CENYA technicians in CENCAP.	Rodolfo Cristales, RDO	Completed (PACD)
38. Link agricultural research and extension service in CENYA.	Rodolfo Cristales, RDO	PACD
39. Supervise the agricultural extension activities in CENYA.	Rodolfo Cristales, RDO	PACD
40. Provide support to CENYA's Seed Division.	Rodolfo Cristales, RDO	PACD
41. Nominate CENYA collectors to facilitate the use of seeds.	Rodolfo Cristales, RDO	Completed
42. Strengthen the technical secretariat (PERA) for CARA and OSPA.	Michael Wise, RDO	PACD
43. Integrate the OSPA Action Plan.	Michael Wise, RDO	12/86
44. Increase overseas training (OSPA).	J. C. Segovia, RDO	12/86
45. Have PERA perform additional studies.	Michael Wise, RDO	PACD
46. Increase salaries at the MAG data processing center to the degree permitted by GOES policy.	GOES	PACD
47. Support ENA.	Mario Apontes, RDO	PACD
48. Make ODER a direct dependency of the Minister of MAG.	Jeffrey H. Allen, RDO	12/86
49. Have ODER promote use of consultants in identifying viable enterprise activities.	Jeffrey H. Allen, RDO	PACD

ACTION DECISIONS APPROVED BY MISSION

A. List decisions and/or unresolved Issues; cite those Items needing further study.	B. Name of Officer Responsible for Action	C. Date Action to be completed
50. Promote the campesino organizations through MAG.	Jeffrey H. Allen, RDO (through DGDR and OPG with TNS/FESACORA)	PACD
51. Simplify the audit procedures under the new Administrative Arrangements.	J. C. Segovia, RDO	Completed
52. Include targets for measuring administrative efficiency in the quarterly reports for 0265.	CONT, RDO, PRJ	09/30/86

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## Part II - Summary of Mission Comments:

### A. Quality of the Evaluation:

The overall quality of the contractor's report, particularly the main document, is excellent. Evaluation findings are clearly presented, easily assimilated and in a format which systematically addresses each of the points in the scope of work. The team's recommendations are to the point, generally applicable and will serve well as a readily applicable guide for subsequent implementation actions.

The initial difficulty with the contractor's work stemmed from the large number of activities related to the agrarian reform. As evidenced by the unwieldy first draft of the report (over 300 pages), the team was not successful in discriminating how the project fits into the overall reform and, therefore, the key issues were not easily distinguishable from the many other but secondary concerns. The need to refocus the conclusions and recommendations and the subsequent translation caused substantial delay in submitting the final report, such that it was not available for use in the project redesign.

### B. Recommendations Made by the Evaluation Team: (See List of Decisions, 8A)

### C. Adequacy of the Executive Summary:

For a project as large and as complicated as this one, involving 12 different implementing entities in a dynamic, tenuous and politically charged activity, the Executive Summary is notably brief and to the point. It, nonetheless, accurately points out the principal findings of the evaluation in a succinct yet thorough manner. Other than the need to correct minor stylistic and typographical errors, no substantive revisions that would change significantly the evaluation findings are deemed necessary. As presented, the Executive Summary represents a distillation of the findings presented in three earlier drafts, the first consisting of a three-volume, 300+ pages tome. Each draft was reviewed and commented on by the corresponding AID Project Officer. There are four global recommendations in the Executive Summary under which most of the 22 principal recommendations listed in Part I are grouped:

#### Recommendation No. 1:

Extend the Project to the end of CY-1987.

Recommendation No. 2:

Reconfirm AID's commitment to support the financial viability of the beneficiaries of the agrarian reform.

Recommendation No. 3:

Renew AID's commitment to stimulate enterprises that directly support the agrarian reform beneficiaries.

Recommendation No. 4:

Anticipate the need for a new project to follow AID Project 0265.

D. Development Impact and Lessons Learned:

These two considerations were not developed separately inasmuch as this is a mid-term evaluation. Nonetheless, the Key Findings and Conclusions sections of the Executive Summary do provide a close approximation of impact and lessons learned from the project to date:

1. Development Impact (The Evaluation's Key Findings):

- A. Land transfer for both Phases I and III is far behind schedule. Lack of funding for compensation of former land owners, difficulties in clearing existing liens on properties and an antiquated property registry system are the principal obstacles.
- B. Social services to Phase I cooperatives contemplated under the project have been paralyzed because of the internal conflicts between competing campesino organizations and ISTA.
- C. The professional cooperative management activities (PAU, PRODEA and farm management) have been well received although withdrawal of ISTA's co-managers is far from complete.
- D. CENTA is providing impressive coverage of extension services to beneficiaries, but the unfulfilled demand is still high.
- E. CENCAP has trained 123% of the campesino leaders targeted for the LOP and the courses appear to be highly regarded. Demand is substantially higher than expected. Training of CENTA's 140 extensionists has not yet started, and radio, TV, and pamphlet communication programs are far behind schedule.

- F. ENA will be adding the six new professors as planned and has incorporated 5 new courses versus the 3 originally planned.
- G. REDO (ODER) has been established but no studies or enterprises have yet been produced.
- H. After a groundswell of interest and attention directed at the agrarian reform during the first months of the new administration, the GOES has not followed through in effectively mobilizing the support necessary to continue the momentum.
- I. Project funding has been adequate (except for compensation), but cumbersome disbursement procedures and increasing the absorptive capacity have resulted in long delays.
- J. The technical assistance component has been carried out relatively well and has provided a link of continuity during a period characterized by substantial institutional change.

2. Lessons Learned (The Evaluation's Conclusions):

A. Necessary Conditions to Complete the Land Transfer Activities:

- 1) GOES efforts which resulted in new leadership in ISTA and AID actions to support titling while transferring other activities from ISTA were good management decisions;
- 2) Legislative action addressing the problems of registering properties with liens and enactment of the "Folio Real" system of land registry is needed;
- 3) Funds for compensation are needed;
- 4) Continued pressure from AID will be necessary in order for ISTA and FINATA to accelerate the titling process.

B. Necessary Conditions for Providing Support to Beneficiaries:

- 1) Relatively strong Phase I cooperatives must be emancipated from co-management oversight by ISTA;
- 2) Weaker cooperatives must be the focus of priority attention for the activities centered on strengthening cooperative management with the intent to "wean" them as quickly as possible, from subsidized and paternalistic public sector support.

- 3) Reasonably normal conditions (political, macroeconomic, climatic, etc.) in the reform sector, as well as the traditional sector, are necessary if improvement in the productive, financial and social situation is to take place;
- 4) Special attention must be given to reforming the existing marketing structure to provide adequate incentives to producers.

Necessary Conditions to Stimulate Private Sector Enterprises:

- 1) Profitable opportunities must exist to attract investors. Government policy toward private sector involvement must tolerate a pluralistic environment in which various groups, campesinos, entrepreneurs, traditional and reform cooperatives are interacting in the market free of government control;
- 2) Support and stimulation of private investment beyond that provided by REDO (ODER) is necessary to attract substantial private sector involvement.

D. Other:

- 1) The objective of accelerating the process of agrarian reform should be achieved without creating further dependency of the beneficiaries on the public sector, nor in turn, of the GOES on AID, for the resolution of policy and operational matters.

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EVALUATION COST DATA

USAID/ EL SALVADOR or Bureau/Officer \_\_\_\_\_

Form completed by CLEMENCE J. WEBER RDO 07/29/86  
Typed Name Office Date

1. No. and Title of Project/Activity: 519-0265  
(or Title of Evaluation Report) Agrarian Reform Sector Support

2. Date of Evaluation Report: February 1986  
Date of PES (if different): July 1986

3. Mission Staff Person Days involved in this Evaluation (estimated):  
- Professional Staff 30 Person Days  
- Support Staff 5 Person Days

4. AID/W Direct-Hire or IPA TDY support funded by Mission (or office) for this evaluation:

<u>Name</u>	<u>Period of TDY (Person-Days)</u>	<u>Dollar Cost: (Travel, Per Diem, etc)</u>	<u>Source of Funds*</u>
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5. Contractor Support, if any, for this evaluation:\*\*

<u>Name of Contractor</u>	<u>Contract #</u>	<u>Dollar Amount of Contract</u>	<u>Source of Funds*</u>
Clapp and Mayne, Inc.	PDC-1406-I-00-4098-00	\$184,162.00	IQC

\*Indicate Project Budget, PD&S, Mission O.E. or Central/Regional Bureau funds

\*\*IQC, RSSA, PASA, PSC, Purchase Order, Institutional Contract, Cooperative Agreement, etc.

## Evaluation Scope of Work

### I. OBJECTIVE

The overall objective of the work described below is to provide AID and the Government of El Salvador (GOES) with an evaluation of the Agrarian Reform Sector Support Project, a three-year project initiated in September, 1983. Specifically, this mid-term evaluation will assess, in both descriptive and prescriptive terms, AID's and GOES' collaborative efforts toward achieving the purpose of the project, namely, to increase the efficiency and effectiveness of the agrarian reform by accelerating the land transfer process, improving the ability of the GOES to provide resources and services to reform beneficiaries, while increasing the managerial capacity of agrarian reform cooperatives, and expanding private sector investment in enterprises directly related to the agrarian reform.

### II. SCOPE OF WORK

The implementation of agrarian transformation can be broken down into three distinct stages which may or may not be sequential and which often have undefined time horizons. The first stage, the de jure process, encompasses land acquisition, compensation of former land owners (if applicable), titling, registration, and so forth. The second stage, consolidation, is the period during which the properties and people affected by the reform are integrated or reintegrated into the country's economy through the provision of technical, technological and financial services. The final stage, acceptance, occurs when the reform is a political, economic and social reality as evidenced by the actions of the public and private sectors at large.

The evaluation of the Agrarian Reform Sector Support Project should be performed on the basis of what impact (positive or negative) specific project objectives and implementation actions have had on the three stages of the reform. The following aspects in particular should be evaluated by the Contract team in the process of arriving at their final conclusions:

- A. Assess progress toward achieving the objectives set out in the Project Paper for Project 519-0265, paying special attention to the Logical Framework Section.
- B. Assess the appropriateness and timeliness of the technical assistance being provided under the project to the various agriculture sector institutions.
- C. Assess the adequacy of the funding level for accomplishing the objectives of the project.

- D. Assess the impact of the services provided by the non-reform institutions (such as the Centro Nacional de Tecnología Agrícola (CENTA); Centro Nacional de Capacitación Agrícola (CENCAP); Oficina Sectorial de Planificación Agropecuaria (OSPA); and Oficina Coordinadora de Proyectos MAG-AID (OCOPROY)) on the reform. Are these institutions committed to their role as change agents for the agrarian reform? Is funding adequate for these institutions to carry out their expected role?
- E. Assess the impact of the reform institutions, ISTA and FINATA, on affecting the process stage of the reform. Are financial and human resources adequate? Do they have adequate equipment and material to support their work?
- F. Assess whether the services envisioned by the project to be provided through implementing institutions are relevant to the expectations of the reform beneficiaries. Compare the services envisioned in the project paper to those being provided by the implementing institutions. Are the appropriate services being provided? Is there effective coordination among the various entities servicing the agrarian reform sector?
- G. Assess whether the services of the participating institutions are being provided in a timely manner and at adequate levels to achieve the project objectives.
- H. Assess the effectiveness of the policy-setting Consejo Asesor de la Reforma Agraria (CARA) and its role in the three steps of the reform.
- I. Assess the exogenous and endogenous factors which have affected project implementation, e. g., elections, the social pact, intra- and inter-institutional ideological struggles.
- J. Assess the USAID/GOES administrative arrangements for project implementation (e.g., AID administrative approval of loan and PL 80 disbursements, role of OCOPROY, SETEFE, and the Corte de Cuentas).

The Contractor will make specific recommendations on each of the elements mentioned above related to improving implementation of the project activities. The recommendations should be directed at both the implementing institutions and USAID.

D.D. 1020-0011-701

PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

Life of Project:  
From FY 83 to FY 86  
Total U. S. Funding 34,330,700  
Date Prepared: April 1983

Project Title & Number: AGRARIAN REFORM SECTOR SUPPORT - No. 219-0265

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><b>Program or Sector Goal:</b> The broader objective to which this project contributes:</p> <p>To expand rural employment, raise incomes and provide secure tenure rights for agrarian reform beneficiaries.</p>	<p><b>Measures of Goal Achievement:</b></p> <p>Increase in rural incomes. Increase in rural employment. Increase in the agricultural sector's contribution to the GDP.</p>	<p>Surveys and special studies Employment and Income Data Ministry of Agriculture rural production data.</p>	<p><b>Assumptions for achieving goal targets:</b></p> <p>A sufficient degree of political stability is achieved.</p>
<p><b>Project Purpose:</b></p> <p>To increase the efficiency and effectiveness of the Agrarian Reform Program by: accelerating the land transfer process; improving the ability of the GOES to provide essential resources and services to reform beneficiaries; increasing the managerial capacity of agrarian reform cooperatives and expanding private sector investment in enterprises directly related to the agrarian reform.</p>	<p><b>Conditions that will indicate purpose has been achieved: End of project status.</b></p> <p>Reduction in the time required to complete the land transfer process. Increased level of credit and essential inputs reaching agrarian reform beneficiaries. Increased level of technical assistance (extension) being provided to agrarian reform beneficiaries. Increased number of Phase I cooperative enterprises financially viable.</p>	<p>ISTA and FINATA records.</p> <p>Project Evaluator</p> <p>Rural Employment Data</p>	<p><b>Assumptions for achieving purpose:</b></p> <p>That the GOES will continue to support the agrarian reform process.</p>

Life of Project:  
From FY 63 to FY 66  
Total U.S. Funding \$34,930,700  
Data Prepared: April 1963

Summary of Project Outputs

COMPONENT	IMPLEMENTING INSTITUTIONS	SPECIFIC ACTIVITY	1963	Annual Output		EOPE
				1964	1965	
I. Land Transfer		Provisional Titles	20,000	15,000	-	75,000
A. Phase III	FINACA	Definitive Titles	9,700	15,000	15,000	41,000
B. Phase I	ISTA	Acquisition Process Completed	161	22	-	389
		Cooperative (Production)				
		100 Titles Adjudicated	151	201	-	315
II. Support Services						
A. Management	BFA/ISTA/RESACORA	Private Sector Managers	200	-	-	200
		Managers	200	-	-	200
B. Technical Transfer	CENSA	Regional Committees	4	-	-	4
		Local Committees	59	-	-	59
	CENSA/CENCAP/ENL	New Agents*	80	60	-	140
	CENSA	Non-Traditional Crop Packets	-	20,000	20,000	40,000
	CENSA	Groups Solidarios organized	500	1,000	2,500	3,500
C. Training and Communications	CENCAP/ENL	New Agents Trained	90	60	-	140
	CENCAP	Competitive Leaders Trained	10,000	10,000	10,000	30,000
		Radio Programs	100	100	100	300
		Television Programs	10	20	20	50
		Phasplets & Other Materials	20	30	30	70
	RFA	New Professors	1	-	-	1
		New Courses	3	-	-	3
III. Agro-Industry	ACE	New Entity Established (REDO)	1	-	-	1
		Feasibility Studies Completed	5	-	-	5
		New Enterprises Established	3	12	10	25

\*Inter-institutional activities - See Detailed Description, 2, 5 and 6.

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PROJECT DESIGN SUMMARY  
LOGICAL FRAMEWORK

Life of Project  
From FY 83 to FY 86  
Total U.S. Funding 34,930,700  
Date Prepared: April 1982

Project Title &amp; Number: AGRARIAN REFORM SECTOR SUPPORT No. 515-0245

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS		MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
	Inputs	Outputs		
<b>1. A.I.D.</b>	Loan	Grant	Controller Records	Assumptions for achieving outputs: Timely availability of funds
<b>a. Land Transfer</b>				
FINATA	10,140.9	489.3		
ISTA	142.2	1,709.3		
	(10,283.1)	(1,220.0)		
<b>b. Support Services</b>				
ISTA (Support Serv.)	430.5	-		
ISTA (Coop Mgt.)	4,702.2	-		
CENTA	6,693.5	1,361.7		
CENCAP	1,965.3	251.5		
ENA	805.0	60.0		
OSPA	215.1	242.6		
	(13,296.5)	(1,715.2)		
<b>c. Rural Enterprise</b>				
ASI	409.5	-		
	(409.5)	-		
Contingency	26,190.1	-		
TOTAL	3,802.9	-		
	29,993.0	1,229.7		
<b>2. GOCS</b>				
<b>a. Land Transfer</b>				
FINATA	7,225.0	-		
ISTA	225.0	-		
	(7,450.0)	-		
<b>b. Support Services</b>				
ISTA (Support Serv.)	2,744.7	-		
ISTA (Coop Mgt.)	7,475.0	-		
CENTA	1,617.0	-		
CENCAP	2,526.0	-		
ENA	205.0	-		
OSPA	1,800.0	-		
	(16,832.7)	-		
<b>c. Rural Enterprise</b>				
ASI	95.4	-		
	(95.4)	-		
TOTAL	24,362.3	-		

**MID-TERM EVALUATION OF PROJECT 0265  
AGRARIAN REFORM SECTOR SUPPORT PROJECT  
OF EL SALVADOR**

**EXECUTIVE SUMMARY OF THE FINAL REPORT**

**MARCH 17, 1986**

**CONTRACT PDC 1406-I-60-4098-00 WORK ORDER 60**

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**ALL REPORTED OPINIONS, CONCLUSIONS AND RECOMMENDATIONS ARE  
THOSE OF THE AUTHORS AND NOT NECESSARILY THOSE OF THE AGENCY  
FOR INTERNATIONAL DEVELOPMENT**

MID-TERM EVALUATION OF THE EL SALVADOR  
AGRARIAN REFORM SECTOR SUPPORT PROJECT (0265)

EXECUTIVE SUMMARY  
OF THE FINAL REPORT

Purpose: This is a midterm evaluation of the El Salvador Agrarian Reform Sector Support Project (519-0265) a three year project that began in September 1983. It assesses AID's and GOES's collaborative efforts toward increasing the efficiency and effectiveness of the agrarian reform (the purpose of the project) including accelerating the land transfer process, improving GOES ability to serve the reform beneficiaries, increasing managerial capacity of the agrarian reform cooperatives, and expanding private sector investments in enterprises directly related to the agrarian reform.

Methodology: The evaluation was done by Clapp and Mayne, Inc. in September-November of 1985 with an evaluation team that included an agricultural economist, a sociologist, a management analyst, and two lawyers. The team interviewed AID and GOES personnel in San Salvador plus managers in 17 agrarian reform cooperatives and 197 agrarian reform beneficiaries.

Key Findings:

1- Land transfer is far behind schedule with Phase One cooperatives having zero definitive titles (September 1985) out of 321, and Phase Three beneficiaries having 3,252 definitive titles (9/85) inscribed in the registry out of 45,000 to be registered by the end of the project. The key problems are the lack of funds to compensate former owners, difficulties clearing liens against the properties, and an obsolete property registration system. AID is supporting efforts to get funds for compensation, to reform GOES legislation regarding the liens, and to shift to a modern "folio real" land registration system and is optimistic about the prospects to solve these problems in time to complete land titling transfers by the end of 1987 if this project is extended to the end of 1987.

2- Social development services to the Phase One cooperatives through ISTA were paralyzed by internal conflicts between the UCS and other campesino organizations competing for the loyalty of the cooperatives and their members. GOES replaced the UCS leaders of ISTA and AID shifted its economic support for the functions not required for titling from ISTA to the Ministry of Agriculture (MAG) where plans were proceeding (in November, 1985) regarding organization and approach.

3-The program for placing professional management in 280 cooperatives (PRODEA) has been well received; 128 cooperatives have managers and 113 have accountants. The cooperatives without managers and accountants generally are the weaker cooperatives with greatest need to become financially viable. The stronger cooperatives have not yet been emancipated from co-management by ISTA.

4- CENTA is providing impressive coverage for extension services to beneficiaries but the unfulfilled demand is substantially greater. 140 extension positions have been filled (out of a life of project target of 140) and 2,368 borrowers groups were formed (compared to the LOP target of 3,500). Approximately 1/3 to 2/3 of the initial LOP targets for improved seeds and fruits have been distributed in the first two years of the project. The four proposed regional committees and 59 local committees have not been created yet but are planned for 1986.

5. CENCAP has trained 37,141 campesino leaders (vs the LOP target of 30,000) and the courses appear to be highly regarded. Demand is substantially higher. Training for 140 extensionists of CENTA has not yet happened and the radio, TV, and pamphlet programs are far behind schedule.

6. ENA (The agricultural school) has added six new professors as planned and 5 new courses (compared to 3 that were planned).

7. The program to stimulate new enterprises through a new unit in the Ministry of Agriculture (REDO) has belatedly led to creation of the REDO unit but no studies nor enterprises have yet emerged (compared to LOP targets of 5 studies and 25 enterprises.)

8. GOES support for the Agrarian Reform is much stronger now under the administration of President Duarte than it was under the ARENA government. The "Social Pact" created a coalition leading to the election of the Christian Democratic party. The campesino organizations got leadership roles in the agricultural sector institutions like ISTA, FINATA, the Ministry of Agriculture and the Bank for Agricultural Development. CARA created a national dialogue on agrarian reform there was great enthusiasm from

September, 1984 to the conference in January 1985; however, CARA has done nothing since then. President Duarte has publicly proclaimed that the land titling must be completed by the end of 1986 but GOES has not mobilized the support necessary to pass the legislation on liens and the land registry nor has it found funds for compensation and overcome cumbersome administrative procedures that slow the process. The Salvadorean constitution provides many safeguards for expropriated landowners and the constitutional government moves more slowly than its non-constitutional predecessors which causes frustration for AID and the campesinos.

9. Funding: The level of funding has been adequate. The procedures for disbursement have been cumbersome leading to long delays (e.g. at FINATA). Lack of funds for compensation of expropriated landowners has been a key problem. Additional funding will be necessary if the project 0265 is to be extended for the end of 1987.

10. Impact on Sector Support Institutions: CENTA and CENCAP appear to be working effectively on their respective tasks today. Demand for extension and training are substantially higher than current operations and substantial expansion of services in the conflict zones appears to be feasible if not oriented toward export crops. The Ministry of Agriculture is moving much more actively to become the leader and coordinator of the program, taking over functions of support from ISTA, starting the REDO office, and continuing the PERA, CSPA, and OCOPROY work.

11. Beneficiary Perceptions: The program providing managers and accountants (PRODEA) is well regarded. CENTA and CENCAP services are appreciated where they are provided and missed where they are unavailable. FINATA is appreciated for help in securing access to the land. Many beneficiaries ("finateros") feel abandoned by the government in their efforts to obtain secure titles to the land, credit, ability to sell their production on a fair basis, etc.

The highest priorities for Phase One beneficiaries were secure employment, access to the land, and secure titles with somewhat lower priority for access to credit, and other services (e.g. medical, literacy, cooperative development). Even lower came technical assistance and finally social programs.

The highest priorities for Phase Three beneficiaries were secure tenure, access to credit, and assessment of the land. The other services came next, generation of employment, technical assistance, comercialization, and access roads. Social programs came last.

12. Technical Assistance: The technical assistance has been relatively well done. Servicios Tecnicos del Caribe (STC) has managed most of the technical assistance, provided a valuable link of continuity during a dynamic period, and provided a team of advisers who are generally respected and appreciated by the GOES organizations they serve. CLUSA has done studies of "carrying capacity" and ISTA/FINATA management.

## CONCLUSIONS

### Conclusion 1: Overall Project Status and Prospects:

The Project is behind schedule and will not be able to achieve the original output targets by the September of 1986. It is reasonable to expect that the project will accomplish its major output targets by the end of 1987 if AID approves an extension of the project and provided key assumptions discussed below are realistic.

The target for definitive titles under Phase 3 are estimated at 45,000 which is substantially lower than the 58,000 estimate in AID's monitoring documents. The difference reflects properties that will not be transferred due to exclusions for small landlords who are dependent on the land, defective titles, land in the conflict zones, etc. Actual performance may end up anywhere between 42,000 and 48,000 depending on the actual problems encountered in processing the land documents.

Some of the support systems for the reform beneficiaries can perform substantially the original targets if project 0265 provides continued support for continued distribution of fruit plants, training of campesino leaders, and support for ENA.

The number of new enterprises established with REDO assistance is likely to be 8 rather than the 25 originally anticipated.

### Conclusion 2: Necessary Conditions to Complete Land Titling Transfers

2.1 GOES actions to bring new leadership to ISTA and AID actions to support titling activities while removing everything else from ISTA were good management in a tough situation.

2.2 Legislation regarding liens against the expropriated properties is necessary for passing clear titles to many beneficiaries.

2.3 The "folio real" system for land registration is needed to facilitate legal transfers of property.

2.4 Funds compensate expropriated landowners are necessary to complete the transfers.

2.5 ISTA and FINATA will have to work harder which probably will require continued pressure from AID as well as funding of the tasks related to an accelerated titling effort.

**Conclusion 3: Necessary Conditions for Providing Support Services to make the Reform Beneficiaries Financially Viable**

3.1 The Phase One cooperatives that are relatively strong must be emancipated from co-management ("co-gestion"), promptly returning them to an independent status with government supervision only to protect against abuses and to provide assistance desired by the coops. This will reduce dependence of the cooperatives on GOES and GOES on AID.

3.2 The cooperatives that are not yet strong enough to be emancipated must be weaned as quickly as possible, beginning with the recruitment of managers and accountants, use of the PAU standardized accounting system, and technical assistance to strengthen them economically. Many of the necessary services must come from outside project 0265- credit, marketing, and development of self-confidence.

3.3 Reasonably normal conditions for the agricultural sector are necessary in the reformed sector as in the traditional agricultural sector: no major escalation of violence, reasonable growing conditions, and some progress in reforming the marketing structure to provide adequate prices for all producers.

**Conclusion 4: Necessary conditions to stimulate private sector enterprises directly serving agrarian reform beneficiaries.**

4.1 There must be profitable opportunities to attract investors. This implies relatively normal conditions regarding violence, growing conditions, prices that are profitable, etc. Government policy must be relatively supportive of non-governmental organizations playing an active role within the agricultural sector and tolerance of a pluralistic structure with a place for campesino organizations, private sector farming, private intermediaries buying and selling, traditional cooperatives, and agrarian reform cooperatives that are freed from government control. This orientation, which may appear to be cliches to some Americans, may not be fully embraced by GOES and other Salvadoreans.

4.2 Support to private investments and stimulation from outside REDO will be necessary to attract substantial investments. A few REDO people doing and managing studies can help but it is not enough.

**Conclusion 5: Administrative and Financial Management of the Project must be improved. The procedures today are too slow; the multiple checks by several Salvadorean and AID offices are excessive and unnecessarily burdensome.**

**Conclusion 6: Avoiding Excessive Dependence in the  
Agricultural Sector**

A key issue for the project today is balancing the desire for rapid progress in supporting the agrarian reform against creating an undesirable and perhaps permanent dependence on GOES by the beneficiaries of the agrarian reform.

A related issue is how to avoid creating an unintended dependence of the GOES institutions on large scale assistance from AID over the medium to long term.

## RECOMMENDATIONS

The full evaluation report contains many recommendations and suggestions organized as they fit into the terms of reference. Selected important recommendations follow.

Recommendation 1- Extend Project 0265 to End of 1987.

There is sufficient reason to believe that the project can achieve its main outputs by the end of 1987 if given continued support from AID and given satisfactory legislation on liens, "folio real" and given money for compensation and continued close management by AID and GOES. The outputs continue to be valid and appropriate for achieving the "purpose" of the project - namely to improve the efficiency and effectiveness of the agrarian reform. The agrarian reform still appears to be an appropriate means to the stated "goal" of the project - namely to expand rural employment, increase income, and provide secure titles for the beneficiaries.

### 1.1 Adjust the Output Targets to Realistic Levels

Adjust the target for Phase 3 definitive titles to 45,000 and other targets to reflect the best available information.

### 1.2 Ensure that Funds are Available for compensation of Expropriated Landowners

This does not necessarily imply the funds should be provided through project 0265 but the funds must be forthcoming or the targets will not be achieved.

1.3 Continue to press for legislation on liens and the "folio real." Also provide financial and technical assistance as necessary and management pressure to move ahead with dispatch on titling.

1.4 Continue to provide technical assistance for those tasks where outside advisers are necessary to sustain an efficient operation. Also provide TA where it will be helpful for preparing for subsequent initiatives to help El Salvador's rural poor including those who were not beneficiaries of Phase One and Phase Three of the current Agrarian Reform.

1.5 Modify the administrative procedures to eliminate the excess controls and cumbersome procedures that are hampering implementation. Specific suggestions appear in Chapter J of the report.

Recommendation 2- Reconfirm AID's commitment to supporting the Financial Viability of the beneficiaries of the Agrarian Reform.

2.1 Provide continued support to CENTA and CENCAP and ENA to expand their services to "finateros" and other small farmers with similar problems. Support an "integrated approach" which does not try to develop a parallel system serving exclusively the "finateros" at high unit cost while GOES is forced to neglect other poor farmers of the traditional agricultural sector.

2.2 Continue PRODEA and PAU to strengthen the management of the Phase 1 cooperatives. Increase the emphasis on getting good management for the weaker cooperatives, including subsidizing professional managers 100% for the first year.

2.3 Continue to analyze other problems of the agricultural sector that reduce the profitability of the producers in the reformed sector such as the agricultural marketing policies and institutions that reduce the income to Salvadorean producers.

Recommendation 3- Renew AIDs Commitment to Stimulate Enterprises that Directly Support the Agrarian Reform Beneficiaries.

3.1 REDO will be inadequate to make a major contribution to this objective from within the Ministry of Agriculture with a few technicians but REDO will ensure that there is a voice on behalf of the reform sector in decisions about what to study and what to stimulate. AID has other projects (e.g. with FUSADES) also available.

3.2 Do not focus these efforts exclusively on beneficiaries of the agrarian reform. The intent of the reform is not to create a "new elite" among the campesinos and there are many other poor campesinos who also need employment and income generating opportunities that can come from new enterprises and a reactivated agricultural sector.

3.3 Interpret private sector stimulation to include a broad range of non-governmental entities typical of pluralistic societies and agricultural sectors in other countries. Specifically, include privately owned agriculture and agribusinesses of all sizes, intermediary businesses buying and selling to farmers, traditional cooperatives and mixed enterprises that may evolve from the production cooperatives that were created in the Agrarian reform, campesino organizations such as FESACORA, ACOPAI, and UCS, etc. Foster competition among organizations based on providing valuable services for campesinos at reasonable prices rather than being power brokers among political groups.

**Recommendation 4: Anticipate the Need for a New Project to follow project 0265.**

The broader objectives of project 0265 are to reactivate the agricultural sector of El Salvador and support a more equitable distribution of income and opportunities. AID support for the beneficiaries of the agrarian reform through 0265 is creating opportunities but there may be problems if there is no further AID assistance after 0265.

4.1 Expanding CENTA, CENCAP, ENA, etc makes good sense if they will have funds to continue serving the agricultural sector after the end of 0265. GOES is in a period of austerity now and is not likely to have funds to sustain them in 1988 despite the need for their services. AID can support a transition period for reintegration of the reformed and traditional parts of the agricultural sector to give GOES a chance to increase revenue or make other adjustments; the alternatives are slowing down now before the targets of 0265 are achieved or setting up a potential crisis situation for 1988.

4.2 ISTA and FINATA plans must be made for the period after 0265. Both institutions receive major AID assistance for their roles in land titling under Phases 1 and 3 respectively. These roles will come to an end in 1987; new roles should be developed and blessed, such as expediting the acquisition of land by other campesinos, or an orderly phase-out should be planned.

4.3 Reactivate CARA if possible to serve as a forum for constructive dialogue and policy discussions about the agrarian reform and the future of the agricultural sector. Attention should be focused on the "consolidation" of the agrarian reform, taking into consideration the legitimate concerns of the interested parties. Attention should be given to the concerns of campesinos who are beneficiaries of the reform's Phase 1 and Phase 3 and attention should also be paid to those who did not benefit directly.

TABLE A-1. TARGETS FOR THE PROJECT FOR 1986 AND 1987

A C T I V I T I E S	INITIAL TARGET 1/	ACHIEVED BY SEPTEMBER OF 1985	P R O J E C T E D 1986	1987
<b>I. LAND TRANSFERS</b>				
PHASE ONE				
-Acquisition process completed	389	277	467	467
-Titles adjudicated to coop	315	126	321	321
-Definitive titles registered 2/		0	321	321
PHASE THREE				
-Provisional titles	75,000	65,712	65,712	65,712
-Acts elaborated 3/	41,000	15,835	25,000	45,000
-Definitive titles registered	41,000 2/	3,252	20,000	45,000
<b>II. SUPPORT SERVICES</b>				
A. ADMINISTRATION				
-Managers	280	128	218	280
-Accountants	280	113	203	280
B. TRANSFER OF TECHNOLOGY				
CENTA: Regional committees	4	0	4	4
CENTA: Local committees	59	0	59	59
CENTA/CENCAP/ENA: NEW EXTENSIONISTS	140	140	140	140
CENTA: Non-traditional packets 4/	40,000	0	0	0
Basic grain seeds -lbs.	11,700	4,480	8,480	12,480
Fruit & Vegetable Seeds -lbs.	11,100	6,374	8,374	10,374
Fruits & plants - units	600,000.	439,000	639,000	839,000
CENTA: Campesino groups	3,500	2,368	2,918	3,468
C. TRAINING AND COMMUNICATIONS				
CENCAP/ENA: New extensionists trained	140	0	80	140
CENCAP: Campesino leaders trained	30,000	37,141	59,141	81,141
CENCAP: Radio programs	700	56	80	180
CENCAP: TV programs	50	10	10	30
CENCAP: Pamphlets & other materials	80	40	66	84
ENA: New professors	6	6	12	12
ENA: New courses	3	5	10	10
<b>III. AGROINDUSTRY</b>				
MAG: New entity - ODER	1	1	1	1
Feasibility studies completed	5	0	5	10
New enterprises established	25	0	3	8

1/ Project Paper for 0265, page 161

2/ Not from the project paper; these are land titles inscribed in the Property Registry

3/ These are "acts of adjudication;" source: Arnoldo Flores of USRID Rural Development Office, January 22, 1986.

4/ Replaced by the three following indicators.

XD-ANA-749-B

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MID-TERM EVALUATION OF PROJECT 0265  
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FINAL REPORT

CONTRACT PDC 1406-I-60-4098-00 WORK ORDER 60

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MID TERM EVALUATION OF PROJECT 0265  
AGRARIAN REFORM SECTOR SUPPORT

FINAL REPORT

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MID-TERM EVALUATION OF THE EL SALVADOR AGRARIAN REFORM  
SECTOR SUPPORT PROJECT (0265)

FINAL REPORT

O. INTRODUCTION

This report is a mid-term evaluation of the El Salvador Agrarian Reform Sector Support Project (0265) for the Government of El Salvador and USAID. This three-year project started in September 1983. Our task is to assess in a descriptive and prescriptive way the GOES and USAID efforts to achieve the project objectives; i.e. to increase the efficiency and effectiveness of the agrarian reform through an accelerated land transfer process, thus improving the ability of the GOES to provide resources and services to reform beneficiaries while increasing the managerial capacity of the agrarian reform cooperatives and expanding private sector investment in enterprises directly related to the agrarian reform.

This evaluation complies with the Project Paper requirement that 18 to 20 months after signing the loan agreement (September 21, 1983), USAID would contract a team to evaluate the progress toward and continued validity of the project objectives.

USAID hired Clapp and Mayne, Inc. and the team started the evaluation on September 2, 1986. The Team was composed of the following professionals:

Alejandro Seminario, Agricultural Economist,  
Team Leader  
Rafael Grant, Sociologist  
Silverio Vasquez, Systems  
Ricardo Castaneda, Lawyer  
Hugo Flores, Lawyer  
Lawrence Posner, Ph.D., Economist, Advisor

Messrs. Castaneda and Flores from the Salvadorean law firm, Castaneda Salinas y Asociados Law Firm, shared one professional position assessing the legal aspects of land transfer from a Salvadorean legal perspective and including that perspective in the evaluation. An excellent legal analysis of the agrarian reform legislation was prepared in Spanish and delivered to AID as a separate working paper

since it was too long and too different in style to be an integral part of this report.

During the first two weeks of September 1985, Dr. Lawrence Posner, Vice-President for Development of Clapp and Mayne Inc., directed the development of a work plan based on the terms of reference which appear in Annex A, and taking into consideration our interviews with GOES and USAID representatives in El Salvador. The work plan approved by USAID appears in Annex B. Since soil conservation is not in the terms of reference but was a concern at the time of the Project Paper and planning for this evaluation, Dr. Posner's comments and recommendations have not been developed but appear for future reference in Annex H.

An important feature of the methodology was interviewing the agrarian reform beneficiaries who supplied observations and recommendations to improve the project. Our team interviewed the administrative councils of 17 agrarian reform cooperatives, and 196 beneficiaries who were members of the cooperatives, and small farmers known as "finateros."

The progress report presented both orally and in writing in late October was a fruitful way to obtain GOES and USAID observations on the Team's early findings, tentative conclusions, and possible recommendations. This started a useful dialogue concerning the evaluation among the interested parties in order to create a consensus about the status of the project with practical recommendations to help achieve the project objectives.

The many valuable observations on the progress report from USAID and GOES were taken into consideration in the first draft of the Final Report delivered on December 2, 1985. The evaluation team sincerely thanks USAID and GOES officials for the observations and support they offered, while naturally our team takes responsibility for any remaining mistakes and omissions.

The second draft was presented on January 3, 1986 and completely reorganized the report making it shorter and focused on the questions in the terms of reference. The chapters were identified "A" to "J" to follow exactly the topics of the terms of reference. Following the guidance of USAID/El Salvador, we oriented the report to the officers working directly with the project 0265, eliminating the explanations and background material of the first draft.

A third draft of the Final Report on February 7, 1986 included USAID/El Salvador comments on the January 3rd draft. This Final Report is further edited, incorporates

some of the observations from USAID in January, 1986 and has been translated from Spanish to English. A short Executive Summary in Spanish and English has been bound separately and submitted.

**A. PROGRESS IN ACHIEVING THE OBJECTIVES ESTABLISHED IN THE "PROJECT PAPER"**

Chapter A presents the progress in achieving the objectives established in the "Project Paper" for the El Salvador Agrarian Reform Sector Support Project (519-0265), giving special attention to the Project Logical Framework section regarding the output level and the projected targets.

**1. General Overview of the Project Objectives: Initial Targets and Actual Performance as of September 1985**

The initial project output targets are presented in Table A-1 on the following page. These "output targets" are a means to attain the "project purpose" of improving the agrarian reform efficiency and effectiveness. The indicators of achievement of the project purpose are the following:

- a) Accelerate the land transfer process;
- b) Improve the GOES capacity to deliver resources and services to the beneficiaries and the managerial capacity of the agrarian reform cooperatives; and
- c) Expand the private sector investments directly related to the agrarian reform.

Achievement of this project purpose is a means to reach the project goal of increased rural employment and income, and obtain secure titles for the beneficiaries.

Comparing the initial project targets with the achievements of September 1985, we observe differing advances in the three project components.

The first component to accelerate land transfer, which is most important as it has 48% of the project budget, has been disappointing. Phase One of the agrarian reform is governed by Decrees 153 and 154; it covers farms of more than 500 hectares. In Phase One of the agrarian reform, zero definitive property titles have been registered in favor of the cooperatives and only 126 titles have been adjudicated compared with the target of 315.

Phase Two covers farms from 240 to 500 hectares and has not yet become effective.

Phase Three of the Agrarian Reform is governed by Decree 207 and covers rental lands; it is a "land to the tillers" redistribution. In Phase Three of the Agrarian Reform, only 3,252 definitive registered titles have been awarded to the

TABLE A-1. PROJECT TARGETS FOR 1986 AND 1987

ACTIVITIES	INITIAL TARGET <sup>1</sup>	ACHIEVED BY SEPTEMBER 1985	PROJECTED	
			1986	1987
I. LAND TRANSFERS				
PHASE ONE				
-Acquisition process completed	389	277	467	467
-Titles adjudicated to co-op	315	126	321	321
-Definitive titles registered <sup>2</sup>		0	321	321
PHASE THREE				
-Professional titles	75,000	65,712	65,712	65,712
-Acts elaborated <sup>3</sup>	41,000	15,835	25,000	45,000
-Definitive titles registered	41,000 <sup>2</sup>	3,252	20,000	45,000
II. SUPPORT SERVICES				
A. ADMINISTRATION				
-Managers	280	128	218	280
-Accountants	280	113	203	280
B. TRANSFER OF TECHNOLOGY				
CENTA: Regional committees	4	0	4	4
Local committees	59	0	59	59
CENTA/CENCAP/ENA: New extensionists	140	140	140	140
CENTA: Non-traditional packets <sup>4</sup>	40,000	0	0	0
Basic grain seeds (lbs.)	11,700	4,480	8,480	12,480
Fruits & vegetable seeds (lbs.)	11,100	6,374	8,374	10,374
Fruits & plants (units)	600,000	439,000	639,000	839,000
CENTA: Campesino groups	3,500	2,368	2,918	3,468
C. TRAINING AND COMMUNICATIONS				
CENCAP/ENA: New extensionists trained	140	0	80	140
CENCAP: Campesino leaders trained	30,000	37,141	59,141	81,141
Radio programs	700	56	80	180
TV programs	50	10	10	30
Pamphlets and other materials	80	40	66	84
ENA: New professors	6	6	12	12
New courses	3	5	10	10
III. AGROINDUSTRY				
MAG: New entity - ODER	1	1	1	1
Feasibility studies completed	5	0	5	10
New enterprises established	25	0	3	8

<sup>1</sup>Project Paper for 0265, page 161

<sup>2</sup>Not from the project paper; these are land titles inscribed in the Property Registry

<sup>3</sup>These are "acts of adjudication," source: Arnoldo Flores of USAID Rural Development Office, January 22, 1986.

<sup>4</sup>Replaced by the three following indicators.

"finateros" (i.e. small scale farmers who have received land through FINATA), and 15,835 land transactions been prepared ("actas elaboradas") compared with the target of 41,000 definitive titles to be registered, according to the September 30, 1985 monitoring report. However, Engineer Arnoldo Flores, of the USAID Rural Development Office reported us on January 22, 1986 that since September 30, 1985 significant advances have been made in official registration of definitive titles in the Land Registry.

The second component of Project 0265 for Technology Transfer and Support Services to the Beneficiaries received 51% of the project budget. The following important advances have been made: (a) 140 extension agents have been hired satisfying exactly that initial target, (b) 2,380 borrower groups ("grupos solidarios") were formed compared with the LOP (Life of Project) target of 3,500, and (c) CENCAP has trained 37,141 campesino leaders compared with the LOP target of 30,000.

The third component for Agroindustry and Rural Enterprise Development is relatively modest with 1% of the project budget for a small scale experiment. In June, 1985 GOES and USAID/El Salvador agreed to implement the third component, announcing the budget in October 1985 in the Diario Oficial (the Official Government Newspaper) and thereby officially initiating the Office of Rural Enterprise Development (ODER). ODER is expected to manage these activities.

## 2. Projected Targets

The Evaluation Team considers that the objectives of Project 0265 are still valid and that it is possible to achieve the "output" targets" if the project is extended until the end of 1987, and if the complementary efforts explained in Chapter G are implemented.

### 2.1 Project 0265 Output Targets for 1986 and 1987

The structure of the project can continue with its three components and the same implementing agencies, except that ISTA responsibilities will be restricted to land transfers and other functions transferred to the Ministry of Agriculture (MAG). (See Chapter G.)

The institutional efforts are now oriented to achieve the 1986 targets which take into consideration the evaluation results and the assumptions discussed later. In some cases the up-dated targets for 1986 were set together with the GOES implementing agencies and USAID/El Salvador in close coordination. Table A-1 also estimates what targets could be achieved in 1987.

In the following paragraphs we present the main output targets for 1986 and 1987.

### 2.1.1 Land Transfer Projected Targets

#### 2.1.1.1 Phase One (Decree 153)

ISTA is preparing a 1986 action plan to achieve the target of completing the purchase and adjudication of its properties, i.e.:

- (1) Complete the acquisition and compensation for 467 properties, which is higher than the initial target of 389 because of subdivision of some original properties.
- (2) Adjudicate the above properties to 321 cooperatives with some cooperatives getting more than one property.
- (3) Inscribe the 321 definitive titles in the Land Registry.

#### 2.1.1.2 Phase Three (Decree 207)

FINATA has two main obstacles for its land transfer program: the lack of funds to compensate expropriated landowners and the liens ("gravámenes") that prevent the definitive adjudication of properties with the subsequent inscription in the Land Registry.

Assuming that funds for compensation will be available, the targets that Engineer Arnaldo Flores expects will be accomplished by the end of 1986 are the following:

- (1) Compensation of 1,290 proprietors
- (2) Prepare 8,000 transfer and adjudication transactions ("actas")
- (3) Present to the Land Registry 1,560 property transfer to FINATA, 14,000 adjudications of property to beneficiaries, and 12,000 mortgage guarantees.

FINATA still will be far away from the final LOP target of 45,000 definitive titles. It will take all of 1987 to complete the land transfer program, assuming that funds for compensation will be available and the lien problem is solved.

FINATA presents a difficult and special situation for 1986 and 1987 which should be reviewed and dealt with. The solution of the problem of liens through the legislation which is under study will take time. The possibility of canceling the debts through compensation with government

funds will take a long time, especially if it requires legislation. If the compensation funds do not come, the adjudication and definitive titles could be paralyzed and all the institutional support would be wasted.

GOES and USAID must examine FINATA plans considering the probability of the necessary actions taking place. USAID should communicate its intention to continue its present degree of support to FINATA after the land transfers have been completed (or not to do so) so FINATA and GOES can take the necessary measures.

With respect to the previous targets, we recommend revising the land transfer terminology presently used in the AID project monitoring system to provide a more realistic assessment of the progress achieved and to avoid confusion. This is the case with "definitive titles issued" which appear in reports now but are really "acts prepared". The term "definitive title" should be used only when title has been registered in the Land Registry as shown in Table A-1. Also, the Life of Project (LOP) target of 58,700 definitive titles in the monitoring reports should be changed to 45,000 in Table A-1 according to the best available information. The target of 45,000 definitive titles is a better estimate, with a range of 42,000 to 48,000 titles. The final number of titles do not depend so much on the effort by FINATA as much as on the number of applications with problems and defects which will show up after each application has been well examined; it is not just a matter of FINATA trying harder.

## 2.1.2 Projected Targets for Support Services to the Agrarian Reform Beneficiaries

### 2.1.2.1 Improved Administration of Phase One Coops - ISTA (MAG)

One extra year (1987) will be needed to reach the target of 280 managers and 280 accountants.

The management and accountants program evaluation in Chapter G indicates that it will be difficult to achieve the original target of hiring 280 managers and 280 accountants by December of 1986. Assuming that from October 1985 to December 1986 the project hires 90 managers and accountants, as proposed by the MAG Rural Development Director, that would represent 75% of what was accomplished in two years from September 1983 to September 1985. There would still remain 62 cooperatives without managers and 77 cooperatives without accountants; inevitably there will also be resignations requiring replacements.

The cooperatives still without managers today are likely to present the most difficulty because of their economic

problems or location in violence zones. Moreover, the program transfer from ISTA to MAG which started in October 1985 will have to overcome the administrative adjustment period that occurs in reorganizations.

During 1987 the 62 managers and 77 accountants needed in the remaining cooperatives must be hired.

#### 2.1.2.2 Technology Transfer - CENTA

The original plan was to establish 4 regional committees and 59 local committees for agricultural extension work. Due to a lack of clear project directions and an implementation agreement, these committees were not established. Recently plans have been made to start these committees in 1986 or at the beginning of 1987, in which case the original target would be reached.

The target of hiring 140 extension agents and 8 regional supervisors was accomplished in 1985.

The original target to produce 40,000 packages of seed and planting material was replaced because it was impractical to satisfy the diverse demands of farmers and complex to maintain reliable records. The indicators were changed in 1984 to "quintales" (46 kgs) of basic grains, pounds of vegetable seeds, and to a determined number of fruit plants.

The revised target is to produce 11,700 "quintales" of basic grains seeds if the project is extended through 1987. In 1986 production will be only 8,480 "quintales" of basic grains seeds. The target of producing 11,000 lbs of vegetable and fruit seeds will be reached if the project is extended to 1987, when 10,374 lbs, around 93% of the target, will be produced. In 1986, 8,454 lbs of vegetables and fruit seeds will be produced. For 1986 the target of producing 600,000 nursery fruit plants will be reached. The production of planting material should continue to satisfy the farmers' demand.

The original target of the Extension Service Division, to create 3,468 organized groups, is a reasonable target for the end of 1987, based on discussions between the extension division and the evaluation team. At the end of 1986 approximately 83% of the original target will have been achieved.

The private sector extension service will achieve its targets in 1986. The Evaluation Team recommends support for this innovative activity. It was not considered originally in the project because technical-financial information was required to attract and develop private companies willing to supply technical services for consolidating the agrarian reform.

The Evaluation Team concludes that the project support to CEN TA should continue so CEN TA can achieve its targets for serving the agrarian reform beneficiaries.

### 2.1.2.3 Training and Communications

#### a) CENCAP

The CENCAP/ENA target to train 140 extension agents was not accomplished in 1986, but could be achieved in 1987 if CENCAP and CEN TA would renew their institutional coordination as we recommend (Recommendation G-27.) ENA plans to offer an Agricultural Extension Course in 1986, as recommended by the Evaluation Team (Recommendation G-37) and CEN TA should coordinate efforts with ENA about the training of extensionists.

CENCAP surpassed its original target to train 30,000 campesino leaders and trained 37,141 leaders by September 1985. CENCAP prepared 4 new training centers to make a total of 11 centers and increased its training staff by more than 50%, thereby doubling the original target. In response to the unsatisfied demand from agrarian reform beneficiaries and small farmers, CENCAP will increase its training capacity and targets. The target for 1986 is to train 63,000 and then increase even further beyond the original targets in 1987 with support from the project.

CENCAP proposes to serve Region IV (east) --an area with considerable violence-- to satisfy the demand for training of agrarian reform beneficiaries who were not attended earlier for lack of facilities and resources. CENCAP plans to increase its personnel to 22 instructors.

The radio and T.V. programs planned in the project depended upon the San Andres Communication Center which was supposed to be completed in 1983 with IDB financing but actually was delayed until the beginning of 1985. This project has still not been provided with the essential equipment and materials from the USA for radio and TV production. Due to these difficulties CENCAP has modified its targets and if the equipment arrives in 1986 CENCAP could work during part of 1986 and all of 1987 to achieve 50% of the target for TV production and 25% of the target for radio production in 1987. Immediate action is needed to at least partially achieve the targets of this component.

The initial target of 80 pamphlets and other materials has been only half achieved so far, and could increase to 66% in 1986 and 84% by the end of 1987 if the project is extended.

## b) ENA

The project target to hire 6 professors and add 3 new courses by ENA has been surpassed with 6 professors and 5 new courses. With the project support it would be possible to hire 6 new professors in 1986 and 1987 and double the courses to 10.

### 2.1.3 Targets for the Agro-industry Component

It is estimated that by December 1986 the project will have launched three enterprises, completed 15 investment profiles, 8 prefeasibility studies, 6 feasibility studies and 4 projects at engineering design levels to be executed by 1987. The feasibility studies are expected to cost approximately C/200,000. It is estimated that projects will be developed with a total investment cost of 2 million colones.

### 2.2 Key Assumptions to Achieve the Project Outputs

The following paragraphs present the key assumptions of the project strategy about what is needed to achieve the projected outputs for each of the three project components.

The project assumptions according to the 1983 project paper logical framework were the following: political stability, GOES support to the agrarian reform process, and timely availability of resources.

The 1986 and 1987 projected output targets take into consideration that the agrarian reform is a dynamic process that affects and is affected by the political, economic and social variables in El Salvador as described in Chapter I. The project has suffered from lack of funds for compensation to expropriated property-owners, inadequate agrarian reform legislation on liens and land registration, long delays to get funds even after approval of the project by the Legislative Assembly, the complicated GOES and USAID administrative procedures, and the political fights among the campesino organizations within ISTA.

#### 2.2.1 Assumptions to Achieve the Land Transfer Targets

- a) Approval of the legislation regarding liens ("gravámenes");
- b) Approval of the "folio real" legislation (i.e., a modern approach to land registration);
- c) Availability of funds for compensation to expropriated landowners; and

d) A plan to accelerate the work of FINATA, ISTA, and Registry to achieve the targets by the end of 1987.

### 2.2.2 Assumptions to Achieve the Targets for Support Services to the Beneficiaries

a) Push the "self-management" process ("auto-gestion") for the phase one cooperatives starting immediately with the coops that could obtain and repay production loans and other short term loans; and

b) Adequate services for the efficient development of the agricultural sector including the reformed sector regarding marketing, credit, research, extension, and security against the violence.

### 2.2.3 Assumptions to Achieve the Targets for Rural Enterprises Development

Complementary efforts will be needed to develop the rural enterprises in addition to the efforts funded through project 0265 such as the FUSADES work with the traditional part of the agricultural sector.

### 2.3 Policies to Achieve the Project Goal

To achieve the 1986 and 1987 project goal of increasing rural employment and income and providing secure titles to the beneficiaries, AID and GOES should embrace the following policies in addition to the assumptions above:

a) Continue the pressure to complete the land transfers soon;

b) Renew the commitment to establishing financially viable cooperatives and "finatero" farms to prevent future problems;

c) Renew the commitment to independently managed cooperatives and pluralistic institutions to serve farmers. Develop alternative channels outside of MAG to serve the agrarian reform and avoid a reformed agricultural sector that is permanently dependent on the GOES. The services could be supplied by campesino organizations, the private sector, traditional cooperatives, etc.

d) Solve the GOES and USAID financial and administrative problems.

## B. TECHNICAL ASSISTANCE

Chapter B evaluates the technical assistance to the agrarian reform beneficiaries and Salvadorean agricultural sector institutions through the project 0265. The technical assistance was supplied mainly by Servicios Tecnicos del Caribe (STC). CLUSA also performed two analytical studies.

The technical assistance was financed by the United States Government with a grant of 6.2 million dollars. The STC technical assistance is summarized in Table B-1, and its distribution by institutions through time is summarized in Table B-2.

The evaluation team considers that overall the STC technical assistance has been appropriate and timely, giving continuity and direction and an institutional memory to the agrarian reform process since STC participated in the predecessor project 0262 as well as project 0265. The continuity provided by STC helped the new officials of AID who have been rotated into El Salvador and also helped GOES officials as the frequent changes took place on their side.

During the evaluation the team interviewed the heads of the GOES departments and divisions that received technical assistance. The team also interviewed the advisors who were available and asked them to complete a questionnaire about their activities, their perception of the impacts on the institutions advised, problems encountered during their technical assistance and suggestions for improving the situation. The evaluation team also interviewed appropriate USAID officers and the STC team leader to discuss the same topics.

The evaluation focused on how the technical assistance was being used and suggestions about how to improve it, attempting to document and analyze the principal technical assistance actions and recommendations. The following paragraphs summarize the main features of the technical assistance.

### 1. ISTA - Support to Improve the Management of the Phase One Cooperatives

The technical assistance designed and developed: (a) the methods and procedures to select managers and accountants for the cooperatives (PRODEA), (b) the adoption of a uniform system for the administration and accounting procedures (PAU), (c) the methods of farm management, (d) assistance to the ISTA regional and local offices, and (e) improvement of the capacity to analyze the progress of the cooperatives with automatic data processing.

TABLE B-1

S.T.C  
PERSON MONTHS OF TECHNICAL STAFF SERVICE FOR CONTRACT  
519-0265

POSITION - NAME	F R O M	T O	PERSONS MONTHS USED Sept. 1/83 to Sept. 30/85	REVISED PERSON MONTHS PROJECTED Sept. 1/83 to June 30/86
1. Chief of Party - Pedro Negrón Ramos	Sept. 1/83	Sept. 30/85	25	34
2. Deputy Chief of Party - José A. Santaella	Sept. 1/83	Sept. 30/85	25	34
3. Senior Agrarian Reform Advisor: - Howard Harper - Pedro Urrea V.	Sept. 1/83 March 10/85	Feb. 21/84 Sept. 30/85	5 2/3 6 2/3	5 2/3 15 2/3
4. Farm Accountant Spec. - Pedro Souss	Sept. 1/83	Sept. 30/85	25	25
5. Management & Org. Specialist - P.García	Sept. 1/83	Sept. 30/85	25	25
6. Computer Prog. Analyst (ISTA): - Oscar Pereira - Felix Villamil	May 4/84 June 11/85	Aug. 25/84 Sept. 30/85	3 3/4 8 2/3	3 3/4 15 1/4
7. Cooperative Ent. Dev. Sp. - Jeffrey Nash	Sept. 1/83	Sept. 30/85	25	34
8. Farm Management Sp. - Jaime Rodríguez C.	April 12/84	Sept. 30/85	17 1/2	26 1/2
9. Coop. Social Dev. Sp. Félix A. Bravo	Sept. 1/83	May 31/85	21	21
10. Chief Data Processing Sp. - V. Suárez	Nov. 3/83	Sept. 30/85	23	32
11. Computer Program Analyst (FINATA): - Cristóbal Colón - Víctor Dávila Cintrón	Sept. 1/83 May 14/84	Nov. 30/83 Aug. 14/85	3 15	3 15
12. Agricultural Planning Spec. C. Camacho	Sept. 1/83	Sept. 30/85	25	34
13. Research & Ext. Spec. - Eduardo Hidobro	March 7/85	Sept. 30/85	6 2/3	15 2/3

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TABLE B-1 (page 2)

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POSITION - NAME	FROM	TO	PERSON MONTHS USED Sept. 1/83 to Sept. 30/85	REVISED PERSON MONTHS PROJECTED to June 30/86
14. Small Farm Systems Spec. Julián Vélez:	May 5/84 Feb. 24/85 May 15/85 Sept. 2/85	Dec 23/84 March 25/85 July 13/85 Oct. 30/85	7 1/2 1 1/4 1 2	7 1/2 1 1/4 1 2 5 1/4
15. Extension Communication Sp. Carlos Rivas	March 1/85	Sept 30/85	7	12
16. Communication & Audiovisual Sp. Rodrigo H. Rodríguez	Jan. 3/84	Jan 2/85	12	12
17. Training & Adult Education:  Pedro Urrea Veloso Vacant	Sept. 1/83	March 9/85	18 1/3	18 1/3 8
18. Curriculum Dev. Specialist:  Felipe Rodríguez Vacant	Jan 4/84	Jan 30/85	13	13 8

TOTAL =====	323 ===	427 5/6 =====
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NOTE: 1. Computer program Analyst (ISTA) Termination Date is March 18/86	TOTAL PERSON-MONTHS PROGRAMMED	472
2. Extension Communication Specialist Termination Date is Feb. 28/86	TOTAL REVISED PERSON MONTHS PROJECTED	<u>427 5/6</u>
	AVAILABLE PERSON-MONTHS FOR EXTENSIONS	<u>45 5/6</u> =====

S.T.C.

TABLE B-2

Resumen de la Asistencia Técnica Proyectada, Ejecutada y Planeada a  
Junio 30/86 a Nov.30/85

Instituciones	Proyectada 1/ Jun.1/83 a Jun.30/86		Contratada 2/ Sept.1/83 a Jun.30/86		Ejecutada 3/ Sept.1/83 a Nov30/85		Planificada 4/ Dic1/85 Jun30/86		Total Proyectada Sept1/83 a Jun30/86	
	Meses	Por ciento	Meses		Meses		Meses		Meses	Por ciento de contratado
MAG/AID	111	22.6	102		69		21		90	88.26
ISTA	121	24.6	138		132		19		151	109.42
FINATA	38	7.7	19		18		-		18	94.74
CENTA	101	20.6	76.5		33		24		57	74.51
CENCAP	77	15.6	70.0		44		14		58	82.86
ENA	5	1.0	-		-		5		5	100.00
PERA	37	7.5	34.0		27		7		34	100.00
OSPA	2	.4	32.5		25		7		32	98.46
TOTAL	492	100%	472		348		92		445.	94.22

1/ Página 187 del p.p.

2/ Sólo se contrataron 472 meses de A.T, a largo plazo. La asistencia a corto plazo se dejó para el I.Q.C. que STC hizo pro-  
puesto pero quedó pendiente.

3/ A Nov.30/85 se han servido 348 meses o sea el 73.73% de lo contratado.

4/ En el período que resta se pueda llegar a 445 meses o sea el 94.22% de lo contratado.

Excellent experience was obtained through the design and development of the methods to select the cooperatives managers and accountants. The coop members and committees could decide about the coop managers and accountants to be hired. This procedure should be continued at the level of a farm-level accounting specialist who could also handle the management and organization through December 1986, and also a farm management specialist through December 1986. In the case of the accountant, it is necessary to hire as soon as possible, while in the case of the farm level manager, only an extension of the contract is needed since the specialist has been hired through June 1986.

The head of ISTA's data processing department considers that the data processing technical assistance should end in December of 1986 since the department's personnel will be trained by then.

## 2. CENTA - Support for Technology Transfer

The technical assistance in extension during more than 7 months has developed a coherent model for technology transfer, which defines the operative norms for the development of demonstration farms for the farmers. STC has also advised regarding training for extension agents and improving the ENA academic curriculum.

The technical assistance in communications, also over seven months, advanced the organization of the Communications Technical Unit within the Extension Service Division, and also the preparation of radio and T.V. programs with four mobile broadcasting units.

Technical assistance to the Research Division concentrated in integrated production systems, forming teams for research and validation of the production systems, and assisting in the design and establishment of field trials.

The division heads and technicians say that the technical assistance provided on the last three occasions has been effective and useful. However, the head office of CENTA considers that the technical assistance arrived too late for the desired development of the project and that it will not completely fulfill its objectives.

The Division of Research wants technical assistance on integrated production systems to be provided full-time because they plan to expand the work to a wider area. It appears that this is not feasible as the current advisor can only stay intermittently, every three months for personal reasons. Hiring an equally qualified new advisor would take a long time and could be difficult due to the El Salvador political situation.

The evaluation team recommends continuing the technical assistance to CENTA for its expected contribution to the project objectives.

### 3. CENCAP - Technical Assistance Regarding Training

The project technical assistance for the development and coordination of programs, curricula, radio and TV education were useful and well received. Unfortunately, this assistance was timed badly; during the first half of 1984, during the presidential elections and there were unclear administrative direction in CENCAP during that period.

The team recommends to extending the technical assistance to CENCAP to update its resources and enable it to serve the agrarian reform and the project objectives more effectively. The remaining 8 months of technical assistance should be used toward these goals.

The team also recommends more technical assistance to prepare radio and TV manuals and guides for use by MAG personnel and campesino groups.

ENA has received little technical assistance from the three advisors of CENTA on regard to seminars, conferences, extension service, and communications. The team recommends short technical assistance to review the ENA academic curriculum and adapt it to the agrarian reform needs according to the project purpose.

### 4. OSPA (PERA) - Technical Assistance to the Agrarian Reform Planning and Evaluation

STC provides an advisor to PERA for the identification and design of studies to evaluate and supervise the agrarian reform. This has had a positive impact on PERA, helping them become able to perform surveys and research for policy development and for preparing data and analysis to measure the progress of the agrarian reform. This assistance has been well received and we recommend continuing it until the end of the project.

### 5. Land Registry

The land registry has received short term technical assistance in organization and legal aspects and training of personnel; they have proposed a draft of a law to change the actual "folio personal" to a modern "folio real", which is under consideration by the Legislative General Assembly. This assistance has been well received by the Land Registry officers, who recommend additional technical assistance on the "folio real" and legislation regarding property liens.

### 6. MAG and USAID Top Management

The STC Chief and Deputy Chief direct and monitor the project advisors on behalf of USAID and MAG. Also by request of the Minister of Agriculture and Livestock, STC has provided an advisor to reactivate CARA (Chapter H) and to help organize seminars about the agrarian reform at the national and regional levels. This assistance has been well received by MAG and USAID and we recommend continuing it until the end of the project.

#### 7. CLUSA - Cooperative League of the USA

CLUSA has done two studies with funds from 0265. The first analyzed ISTA and FINATA capacity to perform their roles during the agrarian reform process. Important recommendations were given to ISTA and are being used in the reorganization of ISTA and MAG. The study recommends that ISTA be responsible for only the land procurement and transfer functions. A new Vice-Minister of Agricultural Extension and Rural Development in MAG takes responsibility for all the GOES support to the agrarian reform cooperatives. In the case of FINATA, the recommendations are not yet carried out regarding the need for funds for compensation to ex-owners, legal reforms regarding land liens, and some legal changes to deal with mortgaged properties and revision of the land registry regulations.

CLUSA's second study was completed in October of 1985. The study recommended establishing the cooperative members' rights and duties with regard to membership legal rights, social insurance, education, agriculture debt, and cooperative net income. This proposal could help solve the cooperative members "carrying capacity issue" (cabida), since there are some cooperatives with plenty of resources and few members and elsewhere there are poor cooperatives with too many members.

## C. ADEQUACY OF FUNDING

Chapter C evaluates the adequacy of project 0265 funding to achieve the project objectives.

### 1. Adequacy of Funds

The evaluation team considers that project 0265 had adequate funds to achieve the outputs proposed by the project. It does not appear that a shortage of obligated funds has been a problem to reach the project objectives.

### 2. Financial Problems

When judging from a broad perspective, despite the adequacy of the funds obligated, there have been important financial problems hindering achievement the project objectives, namely achieving the stated project "purpose" and project "goal."

The problems are the following:

- a) Lack of funds to compensate the expropriated landowners is a serious obstacle to transfer of land titles; however, it was never anticipated that the funds from 0265 would be used for this specific use.
- b) Funds for an additional year in 1987 will be needed to attain the key project targets;
- c) Slow disbursement and complicated administrative procedures have been serious problems even when there was enough money obligated;
- d) The budgets of key institutions for the project are tight because of a lack of GOES resources, generating an understandable pressure to use project resources to support the activities that are not exclusively focused on the project 0265 targets.

The USAID project officers focus their attention on the project objectives and avoid the use of 0265 funds for "institutional support" or "institutional strengthening." In this spirit, they try to control abuses such as excessive personnel hiring or uses of 0265 resources in activities that not related to, the project as happened in ISTA.

These controls could be self-destructive if they are carried too far. For instance, supplying resources only to the "finateros" could be very inefficient in the sense that the cost per beneficiary would be high.

The impact on rural poverty would be higher if the same funds were used in an integrated extension and training program serving both the "finateros" and the campesinos of the traditional (non-reformed) agricultural sector who share the same problems;

e) The project 0265 objectives depend on complementary activities that are not funded from project 0265 such as credit and marketing of inputs and products;

f) The continuation of some subprojects should be budgeted even though they are not essential to achieve the output targets of project 0265. This project is part of a wider program to reactivate the agricultural sector and support the process of a more equitable distribution of income and opportunities in the sector. These wider objectives suggest that when the project 0265 targets are reached, the GOES and USAID will wish to define new initiatives to support further evolution in the agricultural sector. The following are examples:

i) programs to help small farmers to purchase land (and crop it successfully) not only through expropriation, but also through voluntary direct purchase; AID would help design and expedite a market for land that would make it easier for farmers to acquire land;

ii) treat the agrarian reform debt in a way that will be manageable for the beneficiaries;

iii) stimulate employment opportunities for the farmers not included under the current agrarian reform (decrees 153 and 207); and

iv) avoid the collapse of MAG, CENTA, CENCAP, ENA and FINATA which could occur if all USAID support (including from PL480) were cut off abruptly.

#### D. IMPACT OF SERVICES OF THE AGRARIAN REFORM INSTITUTIONS: CENTA, CENCAP, OSPA AND OCOPROY

Chapter D evaluates the "impact" of the services of the agrarian reform institutions, their roles as change agents, and the adequacy of their funding to carry out of their expected roles. We have evaluated the "impact" of these institutions with regard to their contribution to achieving the project "purpose" and project "goal."

##### 1. CENTA

The project 0265 changed the CENTA orientation. Lic. F. Cristales, a USAID officer, indicated that the funds delivered by GOES to CENTA since 1980 and the resources delivered by project 0265 to CENTA since 1983 have been directed primarily to the agrarian reform beneficiaries, leaving the farmers of the non-reformed sector with less resources than before 1980.

Project 0265 initiated a special effort to help the "finatero" farmers, trying to solve their problems derived from basic grains agriculture by switching to diversified cropping. The project has improved the GOES ability to supply resources and services to the agrarian reform beneficiaries.

CENTA is achieving its main output targets (Chapter A), contributing directly to the agrarian reform, developing farmers who are equipped with better technology and possibilities to increase their production. The use of improved seeds for grains, fruits, and vegetables is increasing the food production. However, the CENTA services, although valuable, do not nearly cover the finateros' demand. Chapter G presents a more complete analysis of CENTA.

The analysis of CENTA shows that it lacks an explicit strategy for managing the poor soils of the "finateros", and alternatives for research, extension, and training through other organizations in addition to CENTA and CENCAP. It is still not clear whether it is feasible or advisable to use the campesino organizations, TECHNOSERVE, AGROTECNIA, or a combination of them to face these problems (Annex H).

##### 2. CENCAP

Project 0265 has also directed CENCAP activities towards the finateros and achieved the main performance targets. Presently, CENCAP has trained extension agents and campesino leaders who should bring about higher production yields and levels of living. The finatero demand for CENCAP services

is higher than the present supply. Chapter G presents a more complete analysis of CENCAP.

### 3. OSPA (PERA)

Project 0265 support has been concentrated in PERA, producing many monitoring and evaluation studies of the agrarian reform (Annex I), which have served as a sound basis for policy formulation and for discussions in CARA about the agrarian reform problems (Chapter H). PERA has generated data that help us understand better the agrarian reform and improve future decisions. We conclude that PERA has contributed indirectly to the project purpose by improving the GOES capacity to provide resources and services to the beneficiaries.

### 4. OCOPROY

OCOPROY was created to coordinate the administration of project 0265 and help the institutions involved in the project to present their reimbursement applications, prepare action plans, and help with administrative monitoring and follow-up.

In general, the institutions have a positive attitude toward the OCOPROY work, considering that it has contributed to improving the purpose of the project and improving the effectiveness and efficiency of the agrarian reform. This has indirectly improved the GOES capacity to provide resources and services to the beneficiaries.

### 5. Institutional Commitment as Agrarian Reform Change Agents

The institutions discussed in this chapter appear committed to the agrarian reform process, based on our interviews with diverse GOES institutions and individuals (Annex C) and also based on analysis of their plans for 1986 (Chapter G). An exception in the past was CENCAP during the electoral period of 1984 when it lacked clear administrative direction.

### 6. Adequacy of Budgets to Carry Out their Roles

As it has been explained in Chapter C, the funds obligated to do the project activities have been adequate. The problem was getting the funds when they were needed.

## E. ISTA AND FINATA IMPACT ON THE AGRARIAN REFORM PROCESS

Chapter E evaluates the impact of ISTA and FINATA on the "process stage of the reform" and the adequacy of their human, financial, material, and equipment resources to perform their work.

### 1. ISTA and FINATA Impact on the Agrarian Reform Process

The scope of work for the evaluation clarified the intent of this section as follows:

"The implementation of agrarian transformation can be broken down into three distinct stages which may or may not be sequential and often have undefined time horizons. The first phase, the 'de jure' process, encompassed land acquisition, compensation of former land owners (if applicable), titling, registration, and so forth..."

The project expected ISTA to transfer land (i.e. registered definitive titles) to the Phase One cooperatives growing out of Decrees 153 and 154 and FINATA to transfer title to the "finateros" who qualified under the Phase Three legislation (Decree 207). The results have been very modest so far (Chapter A, Table A-1). ISTA has not delivered even one definitive registered title out of the target of 321 titles. FINATA has only delivered 3,252 definitive titles (September 30, 1985) compared to an initial target of 41,000 titles.

The facts are clear: very few definitive titles have been delivered by the "de jure" process although project 0265 was expected to improve the efficiency and effectiveness of that process in order to accelerate the land titling. Getting the titles registered in the Land Registry is crucial to the goal of delivering secure titles to the beneficiaries and their cooperatives.

The weak impact in delivering titles should be a source of concern but does not signal defeat for the project. There should be concern because the entire land transfer component will remain fragile and subject to reversal until the definitive titles have been registered. The financial institutions should require definitive titles for approving loans, although in practice they have not required definitive titles. The lack of definitive titles creates uncertainty for the beneficiaries about their rights and about how much they should invest in properties they are using without definitive titles. Delays in titling also retard the later tasks of improved beneficiary financial viability and carrying out other measures to help the other poor farmers and reactivate the agricultural sector.

The lack of immediate impact should not be interpreted as a signal of defeat. It appears that the definitive titles will be transferred although at a later time and at a higher cost than was originally planned. The present government sympathizes with the agrarian reform and is pressing to accelerate the land titling process. ISTA and FINATA have processed many properties but cannot complete the titling due to the lack of compensation funds, problems with liens, and the obsolete land registration system. Actions are being taken to solve these problems.

## 2. Adequacy of Human and Financial Resources

The FINATA and ISTA personnel generally have adequate qualifications to accomplish the work in their annual work plans. However, the ISTA social workers hired with GOES funds for cooperative development generally are not qualified for the complex functions they must perform. These functions require technicians with qualifications and experience in social work, as in the case of experienced applied sociologists who are professional social workers, able and sensitive enough to work effectively on the complex tasks involved in the challenging field of community development.

Financial resources obligated for project 0265 have been adequate for the activities of the project, as explained in Chapter C. The financial problem has been availability of funds when needed. The biggest financial shortage has been funding for compensation of expropriated landowners which has prevented achieving the targets anticipated for the land titling process managed by ISTA and FINATA (Chapter A).

## 3. Adequacy of Equipment and Materials

Equipment and materials have generally been adequate, although there have been serious problems in the efficient assignment of vehicles for the activities required of the officials. In ISTA particularly, priority was not given to transportation for field staff and others for whom transportation was an indispensable tool in achieving the work targets.

## F. BENEFICIARY EXPECTATIONS

Chapter F presents evaluation results pertinent to section I of the scope of work which follow:

" Assess whether the services envisioned by the project to be provided through the implementing institutions are relevant to the expectations of the reform beneficiaries. Compare the services envisioned in the project paper to those being provided by the implementing institutions. Are the appropriate services being provided? Is there effective coordination among the various entities servicing the agrarian reform sector?"

This chapter analyzes interviews with the administrative council members of 17 cooperatives and 95 members of 16 Phase One cooperatives as well as interviews with 101 beneficiaries of Phase Three ("finateros"). The informants were selected in consultation with PERA with the purpose of providing information from the cooperatives in the accessible regions of El Salvador, including the most important types of cooperatives. The 17 cooperatives are a sub-sample of a sample used in a previous PERA study. The selection was not a rigorous, random sample that could provide valid statistical inferences about all the Salvadorean agrarian reform cooperatives and beneficiaries.

Additional notes about the methodology are presented in Annexes E, F, G, and K with profiles of the findings at the 17 cooperatives and the findings about the 196 beneficiaries interviewed. A summary of the beneficiary priorities is presented in Table F-1; a profile of the characteristics used to select the sample of Phase One cooperatives appears in Table F-2. A summary of the results of the beneficiary interviews appears in Table F-3.

### 1. Perceived Relevance of the Services Provided with Support from Project 0265

The ISTA program supplying managers and accountants to the Phase One cooperatives has been well received by the 12 cooperatives of the west. Only one coop indicated that it did not need a manager because it already had a good administrator and accountant. The cooperative of finateros has a part time accountant and does not want a manager; this cooperative depends on CENTA support.

The ISTA services have met with mixed reception. The co-managers ("co-gestores") are criticized because of the following: a) lack of full-time support since they have to assist two or more cooperatives, and b) lack of knowledge with regard to the specific crops.

TABLE F-1

SUMMARY OF THE BENEFICIARY PRIORITIES

Beneficiaries of Decree 153 (Phase One)

List of Priorities	No. Interviewed 95	% Responses
1. Employment Security	94	99%
2. Access to Land	93	98%
3. Security of Land Use	93	98%
4. Access to Credit	67	71%
5. Institutional Promotion	60	65%
a. Medical Services		
b. Cooperative Orientation		
c. Technical Assistance		
d. Literacy Training		
6. Housing	43	45%
7. Social Programs for Youth	24	27%
8. Cottage Industries	23	25%
9. Potable Water	6	7%
10. Latrines	3	3%

Beneficiaries of Decree 207 (Phase Three)

List of Priorities	No. Interviewed 101	% Responses
1. Security of Land Tenure	101	100%
2. Access to Credit	99	98%
3. Property Appraisal	98	97%
4. Institutional Programs	82	81%
a. Housing		
b. Medical Services		
c. Social Development		
5. Employment Generation	81	80%
6. Technical Assistance	71	70%
7. Marketing	50	50%
8. Road Repair	45	45%
9. Literacy Training	21	21%
10. Potable Water	5	5%
11. Latrines	2	2%

Source: Clapp and Mayne, Inc. survey of September 1985

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TABLE F-2. SELECTION CRITERIA FOR THE PHASE ONE COOPERATIVES SAMPLE

COOPERATIVE	PRINCIPAL ACTIVITY	QUALITY OF ACCESS	NUMBER OF MEMBERS	AREA IN MANZANAS	EVALUATION OF ECONOMIC STATUS	PAU-PRODEA PARTICIPATION	ISTA OR FINATA COOPERATIVE	REGION
1. Las Colinas	Coffee	Very poor	86	322	Good	No	ISTA	Western
2. La Labor	Coffee, cane, rice	Excellent	817	3,200	Good	Yes	ISTA	Western
3. El Cortijo	Livestock, corn	Poor	146	230	Average	No	ISTA	Western
4. Cara Sucia	Cane, melon, corn, etc.	Excellent	296	2,800	Good	Yes	ISTA	Western
5. El Socorro N 2	Corn	Very poor	37	383	Poor	Yes	ISTA	Central
6. Taquillo	Milpas	Excellent	93	1,451	Very poor	Yes	ISTA	Central
7. Tonalá	Cotton, cane, livestock	Excellent	138	800	Good	Yes	ISTA	Western
8. Ataisí	Coffee, cane, livestock	Excellent	770	5,001	Very good	Yes	ISTA	Western
9. San Andrés	Coffee, cane, livestock, etc.	Excellent	838	3,189	Good	Yes	ISTA	Central
10. Santa Emilia	Cotton, cane, rice	Good	54	410	Average	No	ISTA	Paracentral
11. Astoria	Cotton, corn, livestock	Good	149	1,292	Average	Yes	ISTA	Paracentral
12. La Nueva Fe	Cotton	Good	40	196	Very good	N/A	FINATA	Paracentral
13. Divina Providencia	Henequen	Good	27	366	Poor	No	ISTA	Eastern
14. La Marañonera	Cashews	Good	108	2,950	Average	Yes	ISTA	Eastern
15. San Ramón	Cotton, henequen	Good	80	4,080	Average	Yes	ISTA	Eastern
16. Obrajuelo	Cotton, henequen	Good	114	1,233	Good	Yes	ISTA	Eastern
17. La Ceiba	Livestock, rice, corn	Good	85	987	Good	Yes	ISTA	Eastern

STATISTICAL SUMMARY

CRITERIA	NUMBER OF COOPERATIVES	CRITERIA	NUMBER OF COOPERATIVES
1. PRINCIPAL ACTIVITY		5. EVALUATION OF ECONOMIC STATUS	
1.1 Export Crops	6	5.1 Very Good	2
1.2 Traditional Crops	4	5.2 Good	7
1.3 Combined Activities	7	5.3 Average	5
2. QUALITY OF ACCESS		5.4 Poor	2
2.1 Excellent	6	5.5 Very Poor	1
2.2 Good	8	6. PAU-PRODEA PARTICIPATION	
2.3 Poor	1	6.1 Participating	12
2.4 Very Poor	2	6.2 Not Participating	4
3. NUMBER OF MEMBERS		6.3 Not Applicable	1
3.1 Less than 50	3	7. ISTA OR FINATA COOPERATIVE	
3.2 From 50 to 100	5	7.1 ISTA	16
3.3 From 100 to 500	6	7.2 FINATA	1
3.4 More than 500	3	8. REGION	
4. AREA IN MANZANAS		8.1 Western	6
4.1 Less than 500 mz.	6	8.2 Central	3
4.2 From 500 to 2,000 mz.	4	8.3 Paracentral	3
4.3 From 2,000 to 4,000 mz.	5	8.4 Eastern	5
4.4 More than 4,000 mz.	2		

SOURCE: Criteria and selections effected by Ing. Jose Luis Arana of PERA (OSPA).  
The selection of the five cooperatives from the eastern region was done by Ing. Carlos Bermudez, who also interviewed the leaders.

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**TABLE F-3 SURVEY SUMMARY C&M-SEPTEMBER 1985**

	Número de encuestados	<u>101</u>	<u>95</u>
		0.207	n. 153
		<u>% de Respuestas</u>	
1. Tenencia Tierra 1/	Título definitivo 1/	39%	
	" Provisional 1/	61%	
	Boleta 1/	6%	
2. Suelo Parcela	Bueno	7%	50%
	Regular	57%	50%
	Malo	36%	0
3. Topografía Suelo	Inclinado	47%	14%
	Medio Inclinado	39%	43%
	Plano	14%	43%
4. Conservación Suelo	Necesita	92%	57%
	No Necesita	8%	43%
5. Crédito	No tiene	41%	29%
	Tiene	59%	71%
5a. Fuente Créditos	BFA	77%	30%
	Otros	23%	coop. 70%
5b. A tiempo	Sí	77%	80%
	No	23%	20%
5c. Cantidad Suficiente	Sí	75%	70%
	No	25%	30%
6. Asistencia Técnica	Recibe	39%	57%
	No recibe	61%	43%
6a. Calidad Asistencia Técnica	Buena	56%	88%
	Regular	42%	12%
	Mala	2%	0
6b. Instituciones Participantes:	MAG-CENTA	19%	47%
	BFA	28%	6.6%
	FINATA	45%	6.6%
	ISTA	4%	20%
	ACOPAI	-	6.6%
	UCS	-	-
	Cooperat.	-	6.6%
	Partic.	4%	6.6%
7. Cultivos % Parcela Utilizada	Maíz	40%	58%
	Maicillo	16%	15%
	Frijol	15%	15%
	Arroz	2%	6%
	Pasto	11%	-
	Otros	4%	6%
	No cultiva	12%	-

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7a. Venta de Producción	IRA	23%	27%
	Particulares	77%	73%
8. Ingreso Anual (\$)	\$1000	41%	
	\$2000	26%	64%
	\$2000	33%	36%
9. Vivienda	Propia	68%	71%
	No Propia	32%	29%
9a. Tipo de Vivienda	Unifamiliar	99%	86%
	Pieza en Mesón	1%	14%
9b. a) Techo	Teja	62%	64%
	lámina	27%	36%
	Duralita	11%	0
b) Paredes	Adobe	25%	43%
	Madera	20%	21%
	Bahareque	37%	-
	Otros.	23%	36%
c) Piso	Tierra	82%	64%
	Ladrillo	9%	21%
	Otros	9%	15%
9c. Servicios a) Agua	Propia	25%	43%
	Pública	75%	57%
b) Sanitario	Tiene	38%	50%
	No tiene	62%	50%
c) Combustible	Electricidad	8%	29%
	Gas Propano	2%	4%
	Kerosene	37%	21%
	Leña	53%	46%
10. Servicio Salud	Hospital	82%	69%
	Particular	18%	31%
10a. Mejora alimentación a familia	Si	54%	50%
	No	46%	50%
10b. Incorporación nuevos alimentos a los acostumbrados	Si	38%	50%
	No	62%	50%
10c. Alimentación Después Reforma	Mejor	36%	43%
	Igual	60%	43%
	Peor	2%	14%
11. Participación Social			
11a. Pertenece Agrupación Campesina	Si	15%	14%
	No	85%	86%
11b. Grupo solidario	Si	24%	57%

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11c. pertenecer en alguna Agrupación Campesina	Si	47%	71%	34
	No	19%	7%	
	No Saben	34%	21%	
11d. Partic. en Asoc. Coop.	Producción	17%	93%	
	Servicios	5%	-	
	Ahorro	1%	-	
	Ninguna	77%	7%	
12. Beneficiados por Decreto 207	Si	88%		
	No	12%		
12a. Beneficiados del Decret. 207	Acceso Tierra	56%		
	Más Trabajo	26%		
	Más Ingreso	18%		
12b. Después de la adjudicación han realizado.	Construcción de Casa	15%	15%	
	Instalación servicio eléctrico	4%	15%	
	Instalación de Agua	4%	3%	
	Instalación de Sanitarios	11%	9%	
	Cursos de Producción	20%	13%	
	Cursos de Organización	26%	19%	
	Cursos de Administración	11%	13%	
	Cursos de Alfabetización	9%	13%	
13. Beneficios que reciben de la Cooperativa beneficiarios 0.153 <sup>2/</sup>	Transporte caso enfermedad	7%		
	Servicio Médico	7%		
	Pago Profesores	8%		
	Préstamo en insumos	10%		
	Obras Agua Potable	3%		
	Alimentos	1%		
	Obras Eléctricas	6%		
	Parcela vivienda	15%		
	Ayuda construcción	3%		
	Planificación Familiar	4%		
	Vacaciones anuales	-		
	Salario Enfermedad	11%		
	Aguinaldo	3%		
	Dividendos	1%		
	Medicinas	8%		
Dinero en Préstamo	13%			

1/ Los datos no son confiables debido a que la información ofrecida por los finateros no fué precisa.

2/ Decreto 153 solamente

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RESUMEN DE MANO DE OBRA

<u>C O N C E P T O S</u>	<u>Decreto 207</u>	<u>Decreto 154</u>
	<u>%</u>	<u>%</u>
<u>T R A B A J O S</u>		
1- Por cortes de café	17.4	16.2
2- Por cortes de caña	2	5.3
3- Por cortes de algodón	0.5	2.7
4- Por otros trabajos agrícolas	18.4	20.0
5- No Agrícolas, por negocios propios	3.5	3.8
6- Por trabajo no agrícola	5.5	4.6
7- Envios del exterior	4.5	4.6
8- Ventas de ganado	2.5	3.0
9- Otros Ingresos	2.5	4.2
10- Trabajos agrícolas en parcela	43.2	35.6
	<u>100%</u>	<u>100%</u>

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DECRETO 207

	Total General	%
Edad de las encuestas: 20 - 30 años	7 =	7.4%
31 - 40 años	12 =	12.6%
41 - 50 años	53 =	55.8%
51 - 60 "	14 =	14.8%
61 a más	8 =	8.4%
No aparece reportado la edad	1 =	1.0%

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DECRETO 154

	Total	%
Edad de los encuestados : 20 - 30 años	4 =	28.6%
31 - 40 "	2 =	14.3%
41 - 50 "	4 =	28.6%
51 - 60 "	3 =	21.4%
61 a más	1 =	7.1%
No aparece reportada la edad		

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The zone chiefs supervise the cooperatives and help them to get assistance from ISTA as, for example, the acquisition of livestock or participation in seminars. The criticism is that they are responsible for too many cooperatives.

The courses offered by CENCAP are known and appreciated by the participating cooperatives, especially the courses in administration, accounting and organization of cooperatives. The main criticism is the desire for more training because of the unfulfilled demand for training. Other courses with good reception have been in livestock, artificial insemination and project planning. There exists skepticism about the strategy of teaching literacy through training selected cooperative members who will in turn teach the other members.

Five of the interviewed cooperatives knew CENTA and valued CENTA's technical help to control cotton diseases. Other cooperatives mentioned the lack of assistance.

FESACORA is perceived as a valuable source for services like fertilizers, farm equipment, technical assistance, and training in a broader sense, including cooperativism.

Three cooperatives knew about the struggle between FESACORA and UCS. The finatero coop was affiliated with ACOPAI and was satisfied with the services received. Four of the five eastern cooperatives had recently become affiliated with FECORAO and did not have yet an opinion about FECORAO services.

The problems the cooperatives have are often under the jurisdiction of institutions outside of the project 0265 umbrella; for example,

- Credit problems were important for 13 cooperatives. They complained that interest was high, loans were little, purchase of high cost inputs at inconvenient locations were required by BFA, and they could not borrow now because of previous loans outstanding or bad service.

- Lack of cooperative consciousness was considered a problem in 8 cooperatives, including the lack of clarity about the obligations and rights of members, lack of work discipline, and lack of training in a broad sense, and low participation.

- Employment is a problem in five coops; i.e. low salaries and inadequate activities to provide paid employment. The assignment of "milpas" (small plots of land used to raise food crops) was important because the "milpa" provides work and food security.

- Agricultural marketing was considered a problem in 7 coops, which reported late payments from INCAFE and COPAL, low prices for coffee, IRA unwillingness to purchase all the rice production, difficulty to sell "marañon", and difficult access due to the poor road conditions.

- Poor social services were mentioned in 5 cooperatives with respect to health services, drinking water, housing, education, and electric power supply.

TECHNOSERVE, which is not financed by project 0265, was known by three cooperatives: two of them appreciated its high quality and low cost studies; the third coop reported that TECHNOSERVE stopped visiting because of the coop's serious problems.

The finateros appreciated FINATA's assistance to obtain secure access to the land they were working. Frequently, the finateros were frustrated because they felt abandoned by the government in obtaining secure land titles, credit, marketing channels for their products in a fair way, and for information and opportunities to undertake other economically feasible activities.

## 2. Priorities of the Beneficiaries

The survey of the beneficiaries gives a clear picture of the priorities of the 95 Phase One beneficiaries (Decree 153), and of the 101 Phase Three beneficiaries (Decree 207). Table F-1 summarizes the results for both groups.

### 2.1 Phase One Beneficiaries

The top priorities for almost all the Phase One beneficiaries were secure employment (99%), access to land (98%), and secure land titles (98%). Secondary priorities were access to credit (71%), and institutional strengthening (65%), which includes medical services, cooperative guidance, technical assistance and education. The social programs were far behind: housing (45%), youth recreation (27%), cottage industries (25%), drinking water (7%), and latrines (7%).

During the interviews with the Phase One beneficiaries the following interesting but anecdotal observations about the services were noted:

- the beneficiaries often perceive the officers and social workers as if they were the former landowners who visited and then disappeared;

- when the promoters taught the coop members to upgrade their cooperative consciousness it sometimes generated friction with the cooperative management, especially if they kept their jobs longer than allowed by the cooperative regulations. The leaders started to reject the promoters;
- in some cases the beneficiaries complained about promoters who did not know enough;
- the CENCAP courses are well received;
- assistance from the Ministry of Agriculture was well received although there was criticism regarding cases when the interests of the beneficiaries had not been protected regarding the acquisition of cattle;
- the advice on reforestation and resource conservation was well received.

## 2.2 Phase Three Beneficiaries

The top priorities for the 101 Phase Three beneficiaries interviewed were: secure land titles (100%), access to credit (98%), and land appraisal (97%). Secondary priorities were institutional strengthening (81%) and generation of employment (80%). Other less important aspects were: technical assistance (70%), marketing (50%), feeder roads (45%), literacy (21%), potable water (5%), and latrines (2%).

During the interviews some noteworthy but anecdotal opinions were expressed, such as the following about services provided by the implementing agencies:

- FINATA is appreciated for the assistance provided in the adjudication of land, but the finateros would like additional assistance in obtaining loans, and technical assistance in marketing to free themselves from the intermediaries ("coyotes").
- BFA, which is not part of project 0265, is a very well known institution. It was perceived as very frustrating due to the inconvenient geographical locations, long disbursement delays, and unfavorable conditions to procure inputs;
- 61% of the interviewed finateros stated that they have not received technical assistance from CENTA, but the ones that have received it were satisfied.

### 3. Adequacy of the Services

#### 3.1 Land Transfer

The land transfer services have been adequate. The problems are lack of money for compensation, liens, the land registry system, slow disbursement of funds, and the continuing need for pressure to continue the advance.

It is advisable to plan now regarding the land transfer work after phases one and three of the Agrarian Reform have been completed; i.e. plan a land distribution to the small farmers at lower cost to the GOES, USAID and Salvadorean society. The most promising alternatives probably are the voluntary purchase and sale of land without the adversary aspects of the expropriation process. USAID is presently studying these alternatives.

#### 3.2 Services for Financial Viability

The self-management program is necessary and deserves support. PRODEA and PAU should be directed toward self-management by the cooperatives in order to reduce their dependence on and domination from GOES and USAID. Some cooperatives are likely to fail; it is necessary to accept this fact and treat these losses realistically. Large disguised subsidies to cooperatives that will inevitably fail should be discontinued.

The organizational model of the production cooperative creates "lack of work discipline" problems which could interfere with the cooperatives financial viability. It would be beneficial to study other organization models and analyze the possibility of evolution for many of the production cooperatives into "mixed enterprises" more suited to modern agriculture.

AID support of the extension and training programs through CENTA and CENCAP is appropriate and successful. Increased use of radio and TV mass media is necessary. The central issues are organizational:

a) It would be more cost-effective to integrate the finatero program with other small farmer programs (less cost per farmer served) than making programs exclusively for the finateros.

b) The use of private sector sources like TECHNOSERVE has been effective. FESACORA, ACOPAI and UCS could supply services which complement MAG programs. This could create a parallel service structure which would foster pluralism and increase effectiveness.

c) Traditional coops could offer as many valuable services to the campesinos as they do in other countries.

Improved credit and marketing services could be provided through other projects.

### 3.3 Services for Rural Enterprise Development

This effort has begun only recently. It is naive to expect that a small unit within MAG, even with aggressive work, will have an important impact on the development of rural enterprises and generation of employment. Nonetheless, ODER could serve as spokesman for the reformed sector and the rural underemployed in discussions with private sector institutions (FUSADES) working for the development of rural enterprises.

### 3.4 Coordination Between Entities Serving the Reformed Sector

Serious deficiencies in coordination have been analyzed in various chapters.

- ISTA has suffered from political struggles between UCS and other campesino organizations. As a result, USAID transferred its funding for several ISTA functions to MAG for improved efficiency (chapters F and G).

- The CENCAP training programmed for CENTA workers was not implemented. This should receive more effort and be more successful. (chapter G, section 2.3.1)

- The coordination through financial control has been a problem. Work has diminished due to long delays in obtaining funds. (chapter J)

- CARA was very active in coordinating policies toward the end of 1984. Since February of 1985 however, CARA has remained virtually inactive (chapter H).

## G. SERVICES RENDERED AND ACTIONS PROPOSED FOR THE IMPLEMENTING AGENCIES

Chapter G evaluates the services provided by project 0265's implementing agencies in relation to the institutions' ability to achieve project targets in Table A-1 for 1986 and 1987 considering the assumptions and policies mentioned in Chapter A.

### 1. Timeliness and Adequacy of the Services in the Land Transfer Component

#### 1.1 Services Rendered by ISTA and Actions Proposed for Phase One

The ISTA services that required specialized IGN support have not been adequately provided; i.e., technical aspects of property boundary delimitation, measurement, soil classification, investigation of titles and liens, valuation of land and other assets, and establishment of "reserve rights." IGN could not pay for perdiems, gasoline, tires, photographic material, payment of extra time for laboratory work, etc. without corresponding funds from the project.

The services for the legal or notary phase of the land procurement process provided by ISTA's Legal Department are inadequately equipped because this department is also responsible for all the other legal services for ISTA. This problem was considered in the 1986 project action plan. A reorganization was proposed of the land acquisition and adjudication component which would incorporate the operational functions of clearing land titles from the technical and legal points of view, including the notarization and registration of titles in the Land Registry. ISTA also carried out promotion work to gain acceptance among the former landowners and cooperatives of ISTA's technical determinations regarding "reserve rights" the objective is to win the landowners' and cooperatives' acceptance of transferring the land holdings on the basis recommended by ISTA.

The new ISTA action plan will cost 6.5 million colones in 1986 which is higher than the present cost but provides a more comprehensive program including all the necessary elements. It should be mentioned that some ISTA properties are affected by liens while others remain abandoned. It is expected that a new law regarding liens will be approved to remove this obstacle. However, approval of this law is still uncertain and will likely be delayed; it is possible that the land acquisition and adjudication program and inscription in the Land Registry will have to be extended through 1987.

## 1.2 Services Rendered by FINATA and Actions Proposed for Phase Three

As with ISTA, FINATA services could be grouped into technical and legal services. The technical services are well advanced --receiving the beneficiary applications, land measurements, and evaluations-- and have been implemented adequately and promptly. It is the legal services culminating in the registration of land titles with the Land Registry that present serious problems. This is due to the existence of liens and the lack of funds for compensating former landowners.

FINATA is preparing its action plan for 1986 within the above framework based on projects and activities. It is assigning 52 full-time employees and 120 temporary employees who in the future will be absorbed by FINATA. FINATA will also make a small increase for reinforcing the legal work and for reorganization. An upgrading program is also being considered for equipment, materials, and non-personnel services.

The funds needed to pay for 1,290 properties in 1986 are estimated at 23.5 million colones in cash. Lic. Arnaldo Flores of USAID informed us (January 22, 1986) that approximately C/13.4 million of this sum is to pay for the land and C/10.1 million to pay for interest on bonds and for redemption of bonds.

## 2. Timeliness and Adequacy of Services for the Support Services Component

### 2.1 Administration - ISTA and MAG: Services Rendered and Actions Proposed

As of October of 1985 the PRODEA and PAU activities were transferred from ISTA to the Ministry of Agriculture (MAG). This was to improve the efficiency of the support services rendered to the beneficiaries and to focus ISTA on the acquisition and adjudication of land, which is important for increasing the efficiency of project 0265.

The program of managers and accountants (PRODEA) is an important contribution from project 0265 for the consolidation of agrarian reform. It pushes the cooperatives to choose their own managers and accountants according to selection criteria, assessing their functions, provides economic incentives (subsidies) for hiring, and strengthens managerial capacity to increase productivity.

It appears that the PRODEA program is not giving sufficient priority to the weaker cooperatives that are behind in their payments and most need management assistance. Moreover, PRODEA support does not clearly initiate the cooperative

"self-management" phase or eliminate government co-management as it should according the project.

The uniform administration and accounting system (PAU), which is being introduced through the PRODEA program is an important management tool for the cooperatives and for GOES supervision and control monitoring.

The regional and local ISTA offices have not fulfilled their commitment to withdraw from direct co-management of the cooperatives as new managers and accountants are hired for the cooperatives.

The target is to provide 90 additional cooperatives with managers and accountants between October 1985 and December 1986, but very little is likely to be achieved in the last quarter of 1985 and the bulk of the work will begin in January of 1986. The new Office of Rural Development is preparing its action plan for 1986 with a preliminary budget of C/14.6 million, including C/7.2 million to subsidize managers and accountants; i.e., salaries, materials, supplies, equipment and machinery, and current transfers for social benefits. This budget covers PRODEA, PAU, DIECRA, and Promotion and Organization (20 enterprise promoters), which, together with ODER (Office of Rural Enterprise Development) and the offices of Marketing, Administrative Management, self-management, and Micro-enterprises would form the new Division of Enterprise Development of the Office of Rural Development.

There are currently (November 25, 1985) uncertainties concerning the project's organization, work program, and the methods used to achieve project targets. These issues are still under discussion and decisions are pending by officials and advisors, as well as at the higher management level of MAG and USAID. For example, it is not decided whether to include ODER in the Office of Rural Development since ODER needs independence to do its job and follow the agreement signed between USAID and the GOES.

MAG and USAID should analyze alternative strategies and organizational structures to achieve self-management for as many cooperatives as possible in a short time. The cooperatives can be divided into two big groups: the first "self-managing group" would include the cooperatives that could immediately become independent from GOES control and co-management. With self-management, the cooperatives could program their own activities, apply to banks for loans, pay their agrarian debt, and contract for private consulting services to solve their technical and administrative problems and diversify production. GOES support would be minimized and would serve mainly as a catalyst with twice-yearly supervision similar to audits performed annually in private sector companies for informing and protecting the

owners. In this case, reports would go to the GOES to protect the public interest.

This program should also promote the private sector channels for services to the cooperatives such as administration, technical assistance, extension, marketing, purchasing of inputs, and credit. This would enable the cooperatives to reduce dependence on GOES and USAID resources and make the agricultural sector more self-sufficient thus reducing the risk of suffering a mortal blow at the end of project 0265.

The strategy of promoting non-government channels for services is oriented toward replacing services offered exclusively by CENTA and CENCAP with new channels paid for by the cooperatives themselves. GOES could then concentrate its effort on weaker coops and small farmers. The ODER program should play an important role with respect to managerial issues. Campesino organizations like FESACORA could provide services for a fee in accordance with the demand for cooperative and community development training. It is assumed that the campesino organizations have an advantage over other organizations for training as their campesino origin makes them more credible for the beneficiary-trainees.

The second group of cooperatives, the "pre self-management" coops, would include those cooperatives that are not ready for immediate self-management due to their economic, financial and social situation. In this case the program would be oriented toward providing the support needed by the cooperatives so that these cooperatives resolve their problems in the shortest possible time and assume the responsibilities and risks of self-management. The possibility of providing the cooperatives with more economic incentives to hire their own managers and accountants should be analyzed.

USAID should continue its support to ODER for enterprise development. ODER should obtain the necessary team to assist the weak "pre self-managing" group of cooperatives. ISTA could take responsibility for supervising the "self-managing" group through periodic audits as mentioned earlier. ODER and the campesino organizations could promote the supplementary channels for services outside of MAG.

## 2.2 Technological Transfer - CENTA: Services Rendered and Actions Proposed

CENTA has significantly changed its operational methods to comply with the requirements outlined in the project's logical framework and to preferentially serve the beneficiaries of Decree 207 (finateros).

The extension service component has emphasized the work through campesino groups (grupos solidarios). However, there exists no clear definition of targeted beneficiaries for the purpose of programming activities and for measuring the project's impact.

The idea of a seed "package" to be distributed to the farmers was modified because it was impractical for serving the diverse farmers. Instead, targets were set in quintales (or pounds) of seeds and the number of fruit or other plants distributed.

The evaluation team held several work sessions with the division heads, planners, and administrative officers to consider the resources necessary to meet 1986 targets, and estimated the total cost to be 8.1 million colones.

## 2.3 Training and Communications - CENCAP and ENA

### 2.3.1 CENCAP Services Rendered and Actions Proposed

As a result of project 0265, CENCAP reoriented its services toward the finateros. CENCAP surpassed its target of setting up four additional training centers and it had to increase outside training due to high institutional demand. CENCAP's activities were reduced in the first half of 1984 as a result of the political situation during the election campaigns. The finateros in Region IV (Oriente) are underserved relative to other regions and Region III is relatively overserved.

The National Training Committee (Comite Nacional de Capacitación) was not activated to establish program priorities and to provide a basis for understanding with the institutions demanding training services: MAG, BFA, ISTA, and FINATA. Moreover, there was no coordination with CENTA for training new extension officers, an important aspect in the transfer of technology.

Although the beneficiaries were satisfied with the CENCAP courses (Chapter F), most of the courses are the same ones offered before the agrarian reform. Table G-1 shows the training courses offered and the number of participants in those courses in 1985. Further planning to improve course curriculum is needed.

CENCAP lacked communications equipment and materials as the radio and TV facilities financed by the Interamerican Development Bank in San Andres were not completed until recently in 1985. The technical assistance could not be provided even after completion of the facilities since the equipment still had not arrived.

TABLE G-1

C E N C A PCURSOS DE CAPACITACION Y PARTICIPANTES 1985

<u>I- Area Socio Educativa</u>					
<u>Cursos</u>	<u>Total Eventos</u>	<u>Total Partc. D. 153</u>	<u>Total Partc. D. 207</u>	<u>Total Partc. Técnicos</u>	<u>Total Partc. Por Evento</u>
Educación Empresarial Asociativa	86	3540	705	10	4255
Organización y Promoción Social Campesina	55	1750	-	490	2240
Promoción Social II	2	70	-	10	80
Organización Social	24	680	140	80	900
Organización para la producción	69	2425	895	60	3380
Organización de Coop. y Empresas Comunitarias	34	1210	405	-	1615
Organización de Cooperativas	4	110	80	-	190
Cooperativismo	29	1070	-	30	1100
Interpretación Auténtica del Dec. 207	2	-	80	-	80
Aspectos legales del Dec. 207	3	-	65	40	105
Proceso de Enseñanza-Aprendizaje	1	20	-	20	40
Ortografía y Redacción	1	30	-	10	40
Sociología Rural	19	560	190	30	780
Evaluación y Programación Institucional	1	-	40	-	40
<b>AREA I TOTALES-----</b>	<b>330</b>	<b>11465</b>	<b>2640</b>	<b>780</b>	<b>14885</b>

TABLE G-1 (page 2)

<u>II Area Económica Admistrativa</u>	<u>Total</u> <u>Eventos</u>	<u>Total Partic.</u> <u>D. 153</u>	<u>Total Partic.</u> <u>D. 207</u>	<u>Total Partc.</u> <u>Tecnicos</u>	<u>Total Partc.</u> <u>Por Evento</u>
Admón. y Manejo de Cafetales	7	180	20	60	260
Admón. de Empresas Ganaderas	12	440	60	40	540
Admón. de Cooperativas Pesqueras	3	40	80		120
Admón. Empresarial Agropecuarias	22	890	-	140	1030
Admón. Agrícola	6	210	-	30	240
Admón. Rural I	88	2957	240	480	3682
Admón Rural II	26	630	-	200	830
Control Gestión Empresarial	8	180	-	110	290
Contabilidad	6	150	80	-	230
Contabilidad I	12	440	40	-	480
Contabilidad Agrícola	4	80	-	40	120
Contabilidad Agropecuaria	5	190	-	30	220
Registros Contables	3	110	-	-	110
Comercialización	3	100	20	-	120
Comercialización Productos Agrícolas	6	160	10	70	240
Comercialización de Granos Básicos	4	70	20	30	120
Planificación Agrícola	3	60	-	30	90
Pequeños Proyectos Productivos	1	20	20	-	40
Generalidades sobre crédito Agropecuario	7	195	70	25	290
<b>TOTALES AREA II</b>	<b>226</b>	<b>7102</b>	<b>660</b>	<b>1290</b>	<b>9052</b>

TABLE G-1 (page 3)

<u>III Area Tecnologica</u>	<u>Total</u> <u>Eventos</u>	<u>Total Partc.</u> <u>D. 153</u>	<u>Total Partic.</u> <u>D. 207</u>	<u>Total Partc.</u> <u>Técnicos</u>	<u>Total Partic.</u> <u>Por Evento</u>
Análisis del Suelo	1	20	10	10	40
Conservación del Suelo	32	415	655	170	1240
Riego y Drenaje	1	30	-	10	40
Control de Plagas y Enfermedades del Suelo	6	120	-	60	180
Cultivos Anuales	2	40	40	-	80
Control de Plagas	1	20	20	-	40
Técnicos en Preparación de tierras para Algodón	3	160	-	20	180
Control Integrado de Plagas del Algodón	5	205	-	35	240
Cultivo y Manejo de Caña	4	180	20	-	200
Control de Plagas y enfermedades en Maíz y frijol	23	50	910	-	960
" " " " " " Maicillo y arroz	7	-	280	-	280
" " " " " " Maicillo y ajonjolí	9	-	360	-	360
" " " " " " Frijol	4	80	-	40	120
Almacenamiento y conservación de granos y semillas	20	380	330	75	785
Plagas y enfermedades del cafeto	5	110	20	50	180
Roya del Café	6	180	-	40	220
Broca del grano del Cafeto	9	320	40	25	385
Horticultura	3	136	-	-	136
Huertos Caseros	7	-	280	-	280
Apicultura	7	190	40	50	280
Piscicultura	3	90	-	30	120

TABLE G-1 (page 4)

	<u>Total</u> <u>Eventos</u>	<u>Total Partic.</u> <u>D. 153</u>	<u>Total Partic</u> <u>D. 207</u>	<u>Total Partic.</u> <u>Técnicos</u>	<u>Total Partic</u> <u>Por Evento</u>
Cultivo de Peces	2	30	-	50	80
Manejo de Estanques Piscícolas	1	30	-	10	40
Técnicas de Avicultura	8	250	60	40	350
Producción de Ganado Porcino	1	20	20	-	40
Inyectología Animal	1	20	20	-	40
Ganadería	8	245	-	75	320
Técnicas en Manejo de Hato Lechero	4	240	-	-	240
Técnicas en el Manejo de Pastoreo	2	120	-	-	120
Sanidad Animal	10	330	90	30	450
Nutrición Animal en Bovinos	5	200	20	40	260
Inseminación Artificial	11	460	90	20	570
Mejoramiento del Hato	1	40	-	-	40
Producción Lechera	1	40	-	-	40
Registros Agropecuarios	7	347	-	-	347
Calibración y Mantenimiento de Maq. y Eq.	4	140	-	20	160
Uso, Manejo y Selección E. Aspersión	4	140	-	20	160
TOTALES AREA III	228	5378	3305	920	9603
TOTALES AREAS I, II, III	784	23945	6605	2990	33540
DE CAPACITACION					

To meet its 1986 targets, CENCAP has prepared a preliminary budget of 2.4 million colones. The budget provides for the hiring of 20 new instructors and the construction of a rural training center in Morazan (Region IV).

### 2.3.2 ENA: Services Rendered and Actions Proposed

ENA hired 6 new professors and added more than three courses, thus meeting and surpassing project targets. Nonetheless, ENA needs short term technical assistance to analyze and improve the training programs it has used for the last ten years.

The 1986 action plan has a budget of 3.2 million colones to cover the cost of 6 additional professors and new courses in agrarian reform, agricultural extension, sociology, agricultural economics, mathematics and agriculture. Two million colones are included for laboratory, agricultural, and audio-visual equipment

### 3. Adequacy and Timeliness of Services in the Agroindustrial and Enterprise Development Component

The GOES and USAID signed an agreement in June 1985 to implement this project component (Implementation Letter Number 27). The budget allotment was published in the Official Daily in October 1985, thereby officially beginning the existence of ODER.

ODER is part of the Enterprise Development Division of MAG's Rural Development Office (Dirección de Desarrollo Rural). Considering the specific project functions assigned to ODER, it is not appropriate to have ODER subordinated to a division of the Rural Development Office. ODER's 1985 action plan states that ODER will be attached directly to the office of the Minister of Agriculture because of its functional characteristics and its need for functional flexibility. This is appropriate as ODER's purpose is to facilitate and promote private sector investment in such a way that it directly or indirectly benefits agrarian reform and its beneficiaries. For this same reason ODER is organizing a multisector executive committee led by a MAG delegate and including representatives of the private sector and campesino organizations. This committee will assess ODER's function and will be responsible for the interinstitutional coordination necessary to achieve the project objectives. If ODER is not directly attached to the Minister's office (Despacho Ministerial) at MAG, ODER will have difficulty getting high level representatives to attend the committee meetings, thereby failing in the objective of intersectoral facilitation and coordination.

ODER will also administer a fund to contract for project studies including selection and contracting of consulting firms. This process requires a quick approval process which would be complicated by locating ODER within a "line" division.

ODER support to cooperatives in the self-management phase must include covering the real demand for studies regarding diversification of production, creation of agroindustries, etc. This demand was confirmed in interviews with cooperative leaders (Chapter F). ODER could make an important contribution toward stimulating the creation of consulting firms for supplying services similar to those offered by TECHNOSERVE and CENTA. The GOES could then orient its efforts toward small farmers and "finateros."

ODER plans to register 20% to 25% more consulting firms by December 1985. However, ODER has had to stop its dissemination campaign and its move to rent offices until ODER clarifies its final organization structure and the placement of ODER in relation to the new structure for the MAG Rural Development Office.

ODER has prepared a C/. 1,423,000 colones budget for 1986 to reach the Table A-1 targets. The budget includes 413,000 colones left over from 1985. The 1986 budget includes 900,000 colones for studies, 300,000 colones for salaries and personal services, and the rest for materials, maintenance, machinery, and equipment. Aside from the chief and the three unit officers already working, three new technical assistants will be hired. The sources of funds will be from GOES (C/. 235,000), loan (C/. 775,000), and the remainder of the 1985 funds (C/. 413,000).

## H. COUNCIL OF AGRARIAN REFORM ADVISORS (CARA)

### 1. Introduction

This chapter presents findings related to Section H of the evaluation scope of work: "Assess the effectiveness of policy-setting Consejo Asesor de la Reforma Agraria (CARA) and its role in the three steps of the reform."

The three steps of the reform are described in the scope of work as follows in Article III of Work Order 60:

"The implementation of agrarian transformation can be broken down into three distinct stages which may or may not be sequential and which often have undefined time horizons. The first stage, the de jure process, encompasses land acquisition, compensation of former land owners (if applicable), titling, registration and so forth. The second state, consolidation, is the period during which the properties and people affected by the reform are integrated or reintegrated into the country's economy through the provision of technical, technological, and financial services. The final stage, acceptance, occurs when the reform is a political, economic and social reality as evidenced by the actions of public and private sectors at large."

The methodology for this evaluation consisted of a complete review of CARA meeting minutes and interviews with key people, including the chief of PERA and the STC advisor who works most closely with CARA. We made various unsuccessful attempts to interview Dr. Antonio Morales Ehrlich, Executive Secretary of CARA.

CARA was founded under the Basic Law of Agrarian Reform in March 1980 as an advisory organization and intersectoral coordinator. The law says CARA can count on the participation of the campesino organizations and the following officials: the Minister and Vice-Minister of Agriculture and Livestock, and Ministers of (a) Coordination and Planning for Economic and Social Development, (b) Labor and Welfare, (c) Defense and Public Security, (d) Treasury, and (e) Economics. Also included are representatives of the Central Bank, the Agricultural Development Bank (BFA), ISTA, and FINATA. The campesino organizations are ACOPAI, ANIS, CCS, FESACORA, and UCS. Others represented in CARA are the General Manager of IRA; a representative of the private sector; and the Executive Secretary of CARA.

**CARA's objective is to advise the Minister of Agriculture and Livestock (MAG) in the following activities:**

- 1) Formulation of policies and strategies that facilitate the agrarian reform process;
- 2) Establishment and improvement of the operational and coordinating mechanisms of the services provided to the beneficiaries, avoiding duplications and contradictions, and favoring optimal use of the available resources;
- 3) Consolidating the participation of the campesino organizations in the various levels of the decision-making process in coordination with the authorities responsible for policies and the government agencies associated with this task;
- 4) Generating economic, social, organizational, production and education alternatives which would assist in resolving the problems confronting agrarian reform;
- 5) Improved implementation, supervision, monitoring, and evaluation mechanisms of the agrarian reform within a context of coordination with the campesino organizations and institutions.

CARA has two levels of organization:

- 1) The assembly of campesino leaders and officials; and
- 2) The Executive Secretary, responsible for monitoring and following up on agreements.

The CARA secretary is supported by a Technical Committee consisting of a MAG advisor and the directors of PERA and DIECRA. PERA is presently serving as the CARA secretariat.

## 2. Actions Executed and Present Status

CARA was created under the Basic Law of Agrarian Reform and functioned from 1981 until April of 1982. When the government of President Duarte assumed power in 1984, the Minister of Agriculture and Livestock (MAG) decided to reactivate CARA as the principal advisory institution in the development of the agrarian reform policies.

The first meeting of CARA during its reactivation period took place on September 20, 1984. From then until February 1985 CARA was very active; 15 meetings were held at an average of three meetings per month. The main focus was on discussion and approval of the following ten policies:

- 1) Social welfare and organization among campesinos in the cooperatives of Phase One of the agrarian reform;
- 2) Training;
- 3) Enterprise development;
- 4) Credit;
- 5) Marketing of inputs and agricultural products from the reformed sector;
- 6) Technical assistance;
- 7) Increasing the number of beneficiaries;
- 8) Social Development;
- 9) Communications and information; and
- 10) Agrarian Debt.

Approval of the above 10 policies culminated in the National Agrarian Reform and Rural Development Seminar held January 25-27, 1985 under the auspices of MAG and CARA. The seminar had a great impact. 325 persons participated, including government officials, campesino leaders, and representatives of national and international institutions interested in rural development and agrarian reform. The future implementation of the 10 CARA policies was discussed and conclusions and recommendations were presented. Regional seminars also took place, had good coverage, and good participation.

In addition to these meetings CARA analyzed several aspects of great importance to the process of agrarian reform related to project 0265. The following resolutions were made:

- 1) It was recommended to the ISTA Board of Directors that reorganization of ISTA should proceed based on policies to be outlined by CARA.
- 2) It was agreed to reorient DIECRA activities toward formulation of integrated development plans for the productive units of the reformed sector in coordination with the supporting units and banks. They would have the direct participation of the administrative councils and committees of the cooperative associations, with priority for those in a depressed economic state but which offer possibilities for development.
- 3) The proposal was approved to create the CARA Technical Committee with representatives of ISTA,

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FINATA, MIPLAN, BFA, DIECRA, and ODER under the coordination of the CARA Executive Secretary. The committee would follow up on the implementation of CARA policies adopted by MAG. As a result approval was given for assigning responsibility for global planning and evaluation to PERA and assigning DIECRA responsibility for the development of campesino enterprises. Also recommended was the creation of the Office for the Development of Rural Enterprises (ODER) as an agency responsible for promoting financing of agroindustrial projects, marketing, infrastructure and social development making optimal use of the resources of agrarian reform campesino enterprises.

In this same period, September 1984 to February 1985, a series of problems and aspects affecting the agrarian reform process were discussed in CARA; e.g. an evaluation of the agrarian reform by PERA, the status of FINATA and of the third phase of the agrarian reform, problems of ISTA, DIECRA, marketing of corn by BFA, and grain storage.

In a meeting on October 4, 1984 the future role of ISTA as principal executor of the agrarian reform process was openly debated and discussed. Various proposals were made, including the following:

- a) ISTA should be reorganized in the short-term on the basis of policies outlined by CARA. The reorganization should be implemented by the Board of Directors;
- b) Within ISTA conflicts between organizations should be surmounted to avoid future incidents that interfere with institutional authority. Representatives of the campesino organizations should meet as soon as possible to achieve agreements which would strengthen the reform process rather than weaken it; and
- c) Strengthen the corporate planning system as a mechanism for implementing the policies outlined by CARA.

CARA has been inactive since the conclusion of the National Seminar on Agrarian Reform and Rural Development on January 27, 1985. The last CARA meeting was held in February, 1985 to analyze the results of the seminar; CARA has not met since. The reasons for this are not known and our attempts to interview the Executive Secretary of CARA were not successful.

### 3. Conclusions with respect to the effectiveness of CARA and its role in the three stages of agrarian reform

The first conclusion is that CARA could be valuable in coordinating for agrarian reform in an agrarian sector with pluralist institutions. CARA is a forum where leaders of diverse organizations can have constructive dialogue including different groups with differing perspectives and at times with conflicting positions. CARA demonstrated its capacity to do good work in the successful seminars on agrarian reform in January 1985.

The importance of a successful forum for discussion on agrarian reform extends beyond project 0265. CARA gives campesino organizations the opportunity to act as responsible spokesmen for their constituents before high level officials of the public institutions of the agrarian sector. AID and the GOES need this channel for a constructive exchange with the campesinos. It is an alternative to the bureaucratic channels, suppressing insurgency, and political confrontations which often distort communication. The traditional agricultural sector has legitimate needs and problems which should be considered while consolidating the agrarian reform. The "consolidation" requires restoring confidence and transforming institutions which are presently not functioning well into more effective and efficient organizations.

The second conclusion is that CARA needs to have MAG renew its commitment to use CARA and to provide resources to effectively coordinate the forum. The intensive activities at the end of 1984 were political and MAG was interested in creating a successful, highly visible program. Later, the Executive Secretary had other responsibilities as the mayor of San Salvador. PERA and DIECRA have other responsibilities within MAG to carry out the agrarian reform in the first (de jure) phase of the process. Nonetheless, the paralysis of CARA after the seminar was a lost opportunity for strengthening the agrarian reform process at a time when the electoral process was not the main focus.

CARA should assist the organizations representing the campesinos to develop constructive programs. CARA should develop the capacity to analyze projects and programs from the private and public sector. FUSADES is perceived by some government officials as a representative of the vested interests, the old elite. CARA should take care to be considered a neutral ideological group in favor of a pluralistic agricultural sector (with roles for private and public organizations) and programs oriented toward the well-being of the poor campesinos.

Reactivating CARA would imply strengthening its staff and resources for a program of projects and policy development in the remaining period of project 0265. A small group of full-time professionals could give CARA the continuity necessary to become an effective service organization. Technical assistance could be given by the STC advisor to MAG. Permanent access for CARA to the PERA and DIECRA professionals is also recommended.

CARA's role should vary in the three stages of agrarian reform. CARA made a significant contribution to the first phase of de jure changes at the beginning of the new government of President Duarte by formulating policies fully supporting reform. The second phase, "consolidation," requires CARA's immediate attention to help identify new opportunities and new initiatives. As for the third phase, "acceptance," our impression is that it has already come a long way and in fact may be complete before the "consolidation" phase is finished.

CARA could play a useful role in generating constructive dialogue on the agrarian debt, a market for voluntary purchasing and selling of lands, agricultural marketing agencies controlled by the government, "production cooperatives" and mixed enterprises for agricultural production, soil conservation, and new initiatives on behalf of the campesinos who did not benefit from decrees 153 or 207.

# I. EXOGENOUS AND ENDOGENOUS FACTORS THAT HAVE AFFECTED THE IMPLEMENTATION OF PROJECT 0265

## 1. Introduction

Item I in the evaluation scope of work requests the following:

"Assess the exogenous and endogenous factors which have affected the project implementation, e. g., elections, the social pact, intra- and inter-institutional ideological struggles."

The endogenous and exogenous factors affecting project execution have been evaluated along with their influence on the project 0265 achievements and disappointments. The objective of this section is to correctly interpret the significance of these factors in order to make adjustments to realistic plans for the future.

## 2. Principal Exogenous and Endogenous Factors

Since the project started in September 1983, the factor which has most affected the project has been the war. The project has been impeded or prevented in those rural areas affected by the war. The war seriously affected cotton production in the east which resulted in less foreign exchange. Livestock and grain production were also affected, but on a lesser scale. At present, the government is making good progress against the guerillas in the conflict zones. Other important factors have been the following: competition for GOES resources that preempted funds to compensate former land-owners; the low prices paid for farmers' products; and the low salaries paid to government officials.

The change of government in 1984 was another important factor affecting project implementation. Project 0265 started under the Government of National Unity which did not support agrarian reform but instead emphasized revision of valuations and payments for the affected lands. The change of government in June, 1984 resulted in campesino organization participation in the top offices of ISTA, FINATA, and MAG in accordance with the Social Pact agreements. ISTA's presidency passed to UCS and FINATA's presidency went to ACOPAI. The vice-presidency of ISTA went to FESACORA, the vice-presidency of BFA went to UCS, and the vice-minister position at MAG went to ACOPAI.

The project was affected by three electoral periods which delayed decision making, created uncertainties and diverted government resources toward political campaigns. First was the March 1984 presidential elections, then the second-round election in May 1984, and finally the mayoral and

parliamentary elections of 1985 that affected the project to a lesser degree.

The drop in the international prices of coffee, sugar, and cotton profoundly affected El Salvador's economy, lowering rural income and the incentives for agricultural investment and simultaneously reducing GOES financial capacity to manage projects such as project 0265.

The inefficient agricultural marketing system of INCAFE, IRA, COPAL, and INAZUCAR also affected project progress by reducing farmers' revenue, ability to pay their debts, and incentives to invest in agriculture.

The current laws on liens and land registration seriously impede the transfer of land titles to the new owners, creating great insecurity about their credit-worthiness.

El Salvador has a constitutional government with new laws and a constitutional process which, although slow, should be respected. The constitution was created with the intention of protecting the rights of the expropriated land owners while transferring titles to new land owners. Unfortunately, this protection is slowing down the land titling process. Initiatives are being discussed concerning voluntary land purchases and sales and other measures to accelerate the transfer of lands to the landless.

Finally, United States legislation has changed regarding the use of foreign aid funds for supporting agrarian reform. When the project began, the Helms amendment prohibited the use of foreign aid funds for payment to the former land owners. USAID is currently studying how the elimination of this amendment could be used to accelerate land titling and how foreign aid funds can be best used to finance voluntary land purchases by or for Salvadorean campesinos.

Some implementing agencies received project funds 10 months late. The National Assembly ratified the agreement in 9 days but the conditions precedent of the agreement were not satisfied until March of 1984 and SETEFE payments began in May 1984. The unfamiliarity of the procedures for CENTA, CENCAP, and ENA presented the main obstacle. The result was a substantial delay at the beginning of the project.

These obstacles were compounded by the excessively bureaucratic procedures of GOES and USAID. GOES requires a prior authorization by the GOES Government Accounting Office (Corte de Cuentas) for any disbursement rather than an ex-post review such as normally takes place in other countries. All of the project's implementing agencies complain about this procedure.

The project was also affected by the internal political struggle within ISTA. The work of the Division of Promotion and Campesino Organization suffered greatly from the disagreements between the President and the Vice-President who were leaders of the competing campesino organizations, UCS and FESACORA. The matter was discussed in CARA and resolution of the disputes was deemed essential to avoid future confrontations which could interfere with ISTA's authority. It was also resolved to have the representatives of the campesino organizations meet as soon as possible and reach agreements which would then strengthen the land transfer process rather than weaken it. USAID decided that these political disputes were paralyzing ISTA and thus withdrew its support for programs of the Division of Campesino Organization and Promotion.

The lack of education among the Salvadorean campesinos has created communication problems which have hindered the programs and impeded access to the services offered to the beneficiaries. Illiteracy limits the campesino's ability to efficiently manage the Phase One production cooperatives. It also limits the development of the Phase Three solidary groups and the campesino organizations which could provide services like technical assistance, credit, inputs, processing and marketing of products, and social services.

Finally, we should point out the concentration of implementing units in San Salvador. These groups are assigned the best vehicles and facilities due to their rank and power and therefore make recruiting good personnel for field work difficult to the detriment of the field work directly related to the beneficiaries.

### 3. Conclusions

Implementation of the project has been profoundly affected by exogenous and endogenous factors. Among the exogenous factors are the war, policy changes, electoral processes, an international market crisis regarding coffee, sugar, and cotton, reduced fiscal resources, agricultural marketing inefficiencies, and inadequate legislation. Among the endogenous factors are the delays in complying with the conditions precedent of the project which slowed down the disbursements by ten months, GOES and USAID bureaucratic procedures, the political disputes within ISTA, campesino illiteracy, and the implementing agency concentration of resources in the capital.

## J. ADMINISTRATIVE AND FINANCIAL ASPECTS

Item J in the evaluation scope of work states the following:

"Assess the USAID/GOES administrative arrangements for project implementation (e.g., AID Administrative approval of loan and PL 480 disbursements, role of OCOPROY, SETEFE, and the Corte de Cuentas.)"

### 1. Summary of the Administrative and Financial Aspects

The terms, conditions, norms and procedures regulating administration of the project implementation are specified in the project agreement, implementation letters, and in the orders given by the Technical Secretariat of External Financing of the Ministry of Planning (SETEFE). Some of these items appear under the sections of the project agreement entitled "Implementation of the Project" and "Administrative Arrangements" (Article B - Section B.1). An expanded form of these items containing additional governing provisions on the administrative process are included in a document issued by SETEFE. Generally speaking, the administrative aspects mentioned establish a system for the handling and disbursement of loan funds and GOES counterpart funds (from PL 480 sales) putting them at the disposal of the implementing agencies.

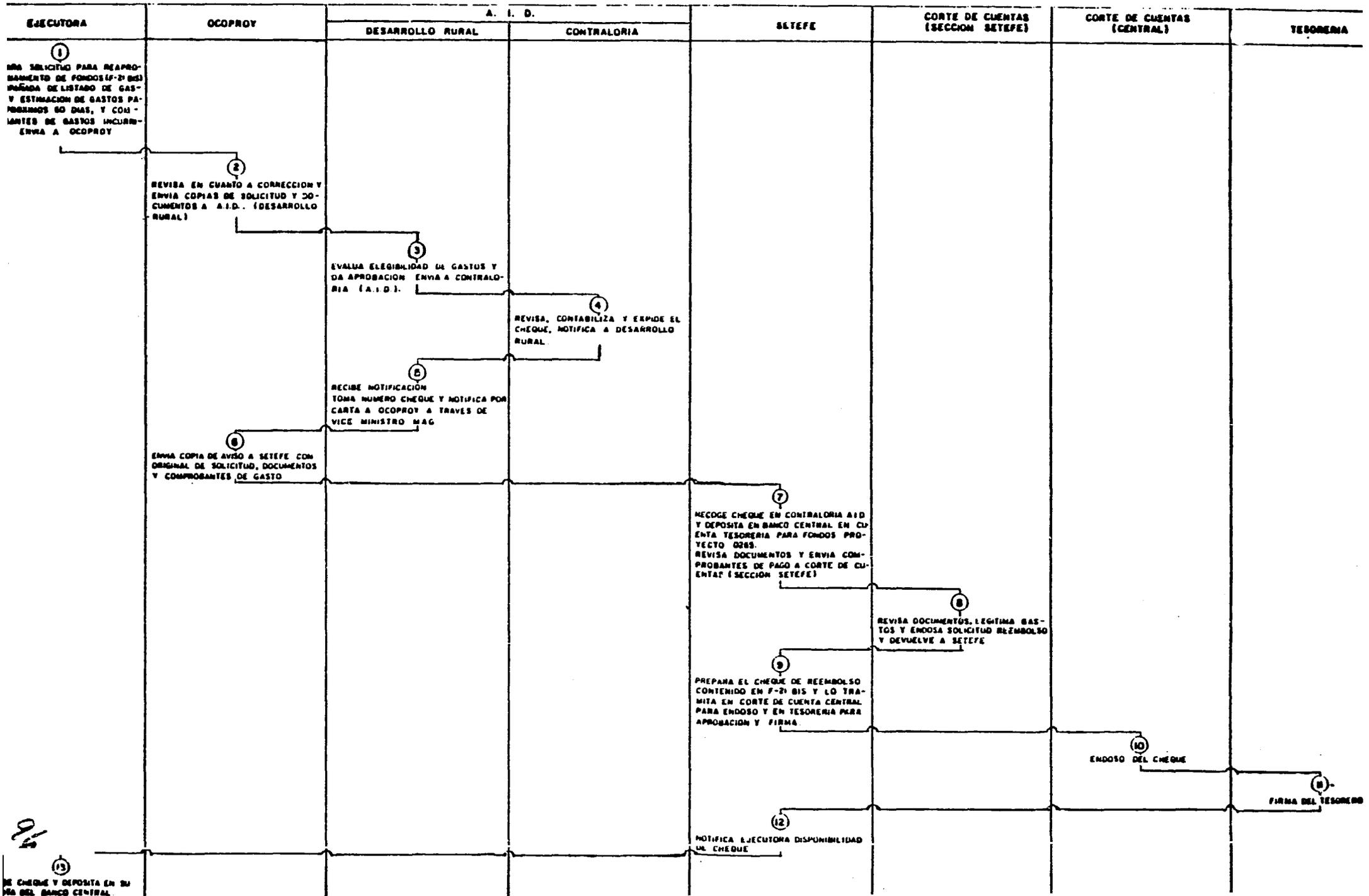
The implementing agencies received an advance of funds known as the capital fund at the beginning of the project upon approval of an action plan. This advance was calculated, on the basis of the work plan, for 60 days of operation. Thereafter, the implementing agency submits requests for replenishment of the fund or reimbursement of expenditures in order to maintain a rotating capital fund. Each implementing agency maintains its own bank accounts for its capital fund, one account for the loan funds and another for the counterpart funds.

The general process for reimbursement is outlined in Table J-1. The implementing agency submits its reimbursement application (Form 21-Bis and other documents) to the Project Coordination Office (OCOPROY). OCOPROY sends a processed copy of the application to the USAID/El Salvador Rural Development Office for verification and authorization of expenditures. After verifying and approving the eligibility of the expenditures, the USAID Rural Development Office sends the approved application to the USAID Comptroller's Office, where a check is issued. The Comptroller issues the check in the name of the Office of the Treasury and then submits it to the Technical Secretary for External Financing (SETEFE) who deposits it in the Treasury's Central Reserve Bank account for project 0265. Once OCOPROY receives USAID

TABLE J

FLOWCHART OF THE REIMBURSEMENT PROCESS FOR PROJECT 0265 LOAN FUNDS

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approval, it sends SETEFE the original application and all other documents submitted by the implementing agency, including expenditure receipts. SETEFE reviews the application and financial documents and sends the receipts to the Government Accounting Office (Corte de Cuentas, SETEFE section) for auditing and verification of expenses. Once auditing by the Corte de Cuentas is completed and the application is approved, SETEFE prepares the check which came with the implementing agency's application, Form 21-Bis, to the Treasury part of the Ministry of Finance for approval and signature. SETEFE sends the check to the implementing agency which then deposits the check to its own account.

The reimbursement process is extremely slow and delays project operations. Seven agencies approve and authorize each agency reimbursement: 2 on behalf of USAID, 4 on behalf of GOES, and one intermediary coordinator between the two (OCOPROY). Let us assume that 15 business days is a reasonable time for an implementing agency to close its monthly accounts, consolidate its reports and documentation and send its reimbursement application. Let us also assume that an average of five days is reasonable for each agency to complete the procedure; it would take 35 working days to process each application. It would therefore take a total of 50 business days or ten weeks to apply for and process a reimbursement with reasonable efficiency.

The working capital for 8 weeks (60 calendar days) received by the project 0265 implementing agencies, is inadequate for operating within the current system even under conditions of relative efficiency.

The actual reimbursement process, for various reasons, takes much more than 10 weeks.

A critical example is FINATA, where in mid-1985 a reprogramming of the action plan was completed. The reimbursement situation by mid-November 1985 was the following:

- a) Expenditure reimbursements for March 1985 were requested June 17 and were received October, 5, 1985.
- b) Reimbursements for April 1985 were requested August 12, 1985 and were pending receipt in mid-November.
- c) Reimbursements for May 1985 were requested August 26, 1985 and were pending receipt in mid-November.

Each of these FINATA reimbursements is for approximately 1 million colones, which is significant for the implementing agency's operations.

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Complaints concerning the delay in reimbursements indicate a general delay of five, six or more months.

## 2. Opportunities for Improving the Procedures

The problem is well known to the officials in charge of the direction and implementation of the project and they have been seeking solutions. A positive attitude and good intentions exist among the officials responsible for improving the situation.

AID suspension of its involvement in requests for expenditure reimbursements against counterpart funds is a positive action. The Vice-Minister of Rural Development of MAG called together a meeting with the agency officials responsible for the reimbursement process. The officials themselves made valuable recommendations which are supported by the evaluation team in Chapter K.

## K. RECOMMENDATIONS

The most urgent recommendations are identified with an asterisk and summarized in Table K-1.

TABLE K-1  
URGENT RECOMMENDATIONS

- A-1. Extend project 0265 to the end of 1987
- A-2. Expedite the administrative procedures
- B-1. Continue technical assistance to the end of 1987
- F-3. Provide mass technical assistance to co-op members through the radio
- G-1. Supply FINATA and ISTA with funds to compensate former landowners
- G-2. Promote the approval of the modified law on liens
- G-9. Support ISTA in legal aspects
- G-10. Support the National Geographic Institute (IGN)
- G-11. Support the ISTA action plan for 1986
- G-12. Direct the PAU-PRODEA activities to the weaker co-ops
- G-14. Continue USAID support of MAG activities for developing the co-ops managerial capacity
- G-24. Enlarge the CENCAP training program
- H-1. Reactivate CARA
- J-1. Send documents to SETEFE without awaiting AID approval
- J-2. Have SETEFE analyze the documentation without awaiting USAID approval
- J-3. Approval by USAID of separate implementation letters for each agency
- J-4. Instruction by USAID to the agencies as to what can be charged
- J-5. Have USAID increase the working capital to 120 days
- J-6. Have the officers responsible for the reimbursements hold periodic meetings
- J-7. Monitor and follow-up regarding financial flows
- J-8. Speed up the applications in the implementing agencies
- J-9. Accelerate the process in the Corte de Cuentas

RECOMMENDATIONS BASED ON CHAPTER A: PROGRESS IN ACHIEVING THE TARGETS ESTABLISHED IN THE "PROJECT PAPER."

\*A-1. Extend Project 0265 to the end of 1987

Extend project 0265 to the end of 1987 to reach the key project targets and achieve the original project purpose and project goal.

\*A-2. Expedite the administrative procedures

Accelerate the administrative procedures for reimbursements through GOES and USAID bimonthly meetings to detect problems and propose solutions (See chapter J and Recommendations J-1 through J-11).

A-3. Revise the terminology in monitoring reports for land transfers

Revise the land transfer terminology used by USAID in monitoring reports in order to have a clearer and more realistic understanding of the project's progress and avoid possible misunderstandings. The term "definitive titles issued" that appears in the monitoring reports are in reality only "acts prepared". The term "definitive title" should be used only when the land has been registered in the Land Registry as shown in Table A-1.

A-4. Reduce the target of definitive titles

Reduce the life of project target for Phase Three (Decree 207) definitive titles from 58,700 indicated in the USAID monitoring reports to the more realistic, adjusted target of 45,000 as shown in Table A-1.

RECOMMENDATIONS BASED ON CHAPTER B: TECHNICAL ASSISTANCE

\*B-1. Continue technical assistance to the end of 1987

Continue to provide technical assistance during 1986 according to the project plan, and extend the technical assistance until the end of 1987 as shown in Table B-1. In addition we recommend the following technical assistance:

- a) Specialist in farm accounting (including management and organization) until the end of 1987;
- b) Specialist in agricultural school course curricula at the university level to advise ENA for 6 months;
- c) Specialist in training curricula development for CENCAP during 8 months (vacant at present); and

d) Specialist regarding legislation of liens ("gravámenes") and "folio real" for the Land Registry and FINATA during six months.

RECOMMENDATIONS BASED ON CHAPTER C: ADEQUACY OF FUNDING

C-1. Integrate CENTA and CENCAP services to the finateros and other poor campesinos

Analyze, coordinate, and eventually integrate in a inter-related program the services of extension and agricultural training offered by CENTA and CENCAP to the finateros and other small farmers for improved use of their resources.

RECOMMENDATIONS BASED ON CHAPTER D: IMPACT OF SERVICES PROVIDED BY THE AGRARIAN REFORM INSTITUTIONS (CENTA, CENCAP, OSPA, AND OCOPROY)

D-1. Evaluate the impact of CENTA and CENCAP

An evaluation of CENTA and CENCAP should be performed by a single contractor to confirm that these programs are having the desired impact on the beneficiaries and to identify the most advisable changes in the strategy for improving their services.

CENTA's impact deserves a deeper evaluation than this midterm evaluation of the entire project. Support from project 0265 and GOES from project 0265 is 9.5 million dollars which is relatively high when compared to other USAID projects. CENTA is able to meet its coverage targets reaching a large number of campesinos from the appropriate target groups. However, this does not assure that CENTA has altered the beneficiaries' agricultural practices, or that application of CENTA recommendations such as the use of improved seeds has increased the farmers' yields and incomes.

CENCAP training programs also deserve a more thorough evaluation. Project 0265 support to CENCAP is approximately half of that assigned to CENTA, which is still a substantial amount. CENCAP is reaching its targets and training a large number of campesinos but additional funds are needed to meet additional unsatisfied demands for training on a larger scale. An evaluation could begin with an analysis of the subjects taught and how frequently they are offered (Table G-1). The evaluation of their impact should at least select a sample of learning objectives for important topics and check the participants' familiarity with the material after the training has been completed. It should provide evidence of behavioral changes as a result of training, and if these changes produce financial benefits to the trainees.

**D-2. Evaluate the finateros' soils management**

Evaluate the strategy, behavior, and changes in the finateros' practices regarding soil fertility and propose concrete measures to improve the current situation (Annex H).

**RECOMMENDATIONS BASED ON CHAPTER F: BENEFICIARY EXPECTATIONS**

**F-1. Promotion among the young cooperativists**

Develop MAG Rural Development Office programs to motivate young people to assume positions of responsibility and direction in the cooperatives, acting as change agents and raising the awareness ("concientización") of the new opportunities for mobility and social participation.

**F-2. Regulate use of the cooperative lands**

Promote among the cooperatives the adoption of regulations on the use of plots from the cooperative lands ("parcelas" or "milpas") for members to produce food, specifying the maximum amount of land allowed each coop member, land rent, the member's duty to conserve soil fertility, the member's rights to credit through the cooperative, and rights to dispose of the production. The land use (usufruct) regulations would be a component of broader regulations on the rights and duties of the cooperative members, and probably would be prepared through the MAG Office of Rural Development,

**\*F-3. Provide massive technical assistance to co-op members through the radio**

Increase considerably CENTA's agricultural radio programs (Communications Unit, Division of Extension) to disseminate technical assistance more effectively and with broader coverage.

**F-4. Increase the awareness and sensitivity of public officials regarding the agrarian reform**

Develop a consciousness-raising program ("concientización") through the Office of Rural Development directed toward the public official who is involved in the agrarian reform process. Raise consciousness on the significance of the agrarian reform and win commitment from the officials to its objectives, targets, and programs.

**F-5. Design preventive health programs for the cooperatives**

Design a preventive health program for the coops in coordination with the Ministry of Health to upgrade drinking water and latrine facilities. Promote the program through the social promoters of the MAG Office of Rural Development.

**F-6. Evaluate and upgrade the social promoters**

Evaluate the social promoters of the MAG Office of Rural Development to judge their potential as career professionals. Prepare to promote and upgrade the social workers and agronomists who develop the skills required for social organization and action programs.

**F-7. Design social promotion programs for the finateros**

Design a social promotion program for the finateros through the MAG Office of Rural Development based on MAG absorbing the FINATA Agrarian Development Unit. The objective is to help the finateros escape from their current feeling of social isolation.

**F-8. Design a massive technical assistance program for the finateros**

CENTA and CENCAP should design a massive technical assistance program oriented to the finateros using the radio for mass-media transmission and 30 motorcycles for extensionist agents that were budgeted from project 0265 in the CENTA budget. (See recommendations C-1, D-1, and F-3).

**F-9. Develop a credit program for the finateros**

Develop an expanded and specific credit program for the finateros with consideration for the group loans in arrears, possible guarantees by FINATA when the finatero lacks collateral, and mobile bank units, among others. The credit package should be developed through BFA with the participation of the CENTA Division of Extension, the CENCAP Department of Communications, and MAG Office of Rural Development.

**F-10. Increase the TECHNOSERVE-type of preinvestment studies and services**

MAG and USAID should increase the availability of services for the cooperatives similar to the services offered by TECHNOSERVE to prepare preinvestment studies and obtain loans from the private sector banks. We recommend following up on the recommendations of the "Evaluation of the activities of TECHNOSERVE in El Salvador, 1982-1985"

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prepared by Agricultural Cooperative Development International (ACDI) for USAID and GOES in August of 1985.

F-11. Discuss agricultural credit in CARA

Utilize the CARA forum to discuss the conclusions and recommendations of the credit studies, analyze the credit services actually received by agrarian reform beneficiaries, and, initiate appropriate measures to increase efficiency. Include the evaluation of the USAID credit project for El Salvador agrarian reform by Checchi and Company (September, 1985) and PERA's analysis of the conditions of granting and disbursing medium term loans to cooperatives of the reformed sector (March, 1985). This forum could help find some solutions for improving the credit services to the agrarian reform beneficiaries. (See Recommendation H-1).

F-12. Plan for cooperative development

The MAG Office for Rural Development should prepare a plan for co-op development for Phase One cooperatives to improve the members' cooperative-consciousness, knowledge of their rights and obligations, and their role in rural development. Request the campesino organizations' active participation in this planning and in the implementation of this plan so they can take the full responsibility for implementing this work and free MAG for other activities.

F-13. Discuss marketing issues in CARA

Analyze in CARA the marketing problems of agrarian reform beneficiaries with respect to COPAL, IRA, INCAFE, and INAZUCAR. Use case studies like PERA's analysis of the coffee processing situation in the reformed sector cooperatives (January 1985).

F-14. Provide support to the campesino organizations

Analyze the expansion of the GOES and USAID support to FESACORA, ACOPAI, FECORAO, and other campesino organizations according to member needs and the possibilities of the campesino organizations adapting themselves successfully to increase their service activities. Training programs about cooperativism should be considered for campesino organizations. It is more credible for campesino organizations rather than MAG to train their members on effective cooperative systems because the campesino organizations wish to represent the campesinos.

RECOMMENDATIONS BASED ON CHAPTER G: SERVICES RENDERED AND PROPOSED ACTIONS FOR THE IMPLEMENTING AGENCIES

\*G-1. Supply FINATA and ISTA with funds to compensate former landowners

Supply funds to FINATA and ISTA to pay for compensation of expropriated land when there are no other impediments to transfer.

\*G-2. Promote the approval of the modified law on liens

Promote the approval of a law to resolve the existing problems concerning transferring land with liens.

G-3. Reorient the support to FINATA if obstacles are not removed

If the law to solve the lien problem is not approved, estimate the reduction of farms that can be transferred due to liens and other reasons, and the number of farms that can be transferred to the beneficiaries with definitive titles.

G-4. Pay off liens, as a last resort

Analyze the alternative of payment of liens by GOES as a last resort, considering it as a social cost of the agrarian reform. USAID should study the feasibility of providing financial assistance if this alternative becomes necessary.

G-5. Review and revise FINATA's output targets

Review the objectives, output targets, and assumptions of the FINATA work plan with participation by FINATA, GOES and USAID. Revise, as appropriate, to achieve a realistic and agreed strategy which could reach the objective of the project regarding secure land tenure. The most realistic output target currently appears to be transferring 45,000 definitive titles to "finateros" by the end of 1987.

G-6. Procure land through FINATA

Consider the feasibility and desirability of FINATA buying land for resale to campesinos with rights under Decree 207 and for sale to other beneficiaries of a new FINATA agrarian reform program. Attention will have to be given to new suitable legislation and the potential financial support from USAID.

G-7. Change performance indicators for FINATA

Change the performance indicators used to monitor the progress of FINATA, focusing attention on "acts prepared for the registry" as a measure of work and the "definitive

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titles inscribed in the Land Registry" to assess the real progress under Decree 207 (Phase Three). The use of the present indicators, "elaborated acts" and "land titles issued or elaborated" may be misleading for managers who do not realize the legal significance of the "definitive titles."

G-8. Consider integration of ISTA and FINATA

GOES should consider the consolidation of ISTA and FINATA to integrate the administration of the debts of and to both institutions from Phase One cooperatives and the "finateros." There should also be consideration of new initiatives regarding both agrarian reform and land tenure to improve the benefits from Phases One and Three that are already in process and with reference to properties in the conflict zones.

\*G-9. Support ISTA work on legal aspects

Support the ISTA Division of Land Procurement and Distribution during the phases of clearing the land titles and arranging the registration in the Land Registry on behalf of ISTA and subsequently on behalf of the cooperatives.

\*G-10. Support the National Geographic Institute (IGN)

The ISTA Division of Land Procurement and Distribution needs the National Geographic Institute's (IGN) technical services in land measurement, land rights, and land valuation. IGN will need financial support for its services.

\*G-11. Support the ISTA action plan for 1986

ISTA and GOES should provide decisive support to the 1986 ISTA Action Plan to complete Phase One land transfers in 1986.

\*G-12. Orient the PAU-PRODEA activities to the weaker co-ops

PAU-PRODEA should give priority to the weaker co-ops in its management improvement program for placement of managers and accountants and a uniform accounting system. We recommend active persuasion of the co-op directors, explaining the advantages of PAU and PRODEA and increasing the incentive subsidy by paying completely the managers' and accountants' salaries during the first year.

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**G-13. Promote CENCAP training programs for co-op managers and accountants**

Carry out the CENCAP training program for co-op managers and accountants after their selection and hiring. Introduce them to the work environment of the co-op with owner-members. Also explain the MAG technical services, the role of ISTA, and the unified administration and accounting system including the experience of recent years, and the reallocation of functions from ISTA to MAG, and the experience of production co-ops in other countries.

**\*G-14. Continue USAID support of MAG activities for developing the co-ops managerial capacity**

Continue the USAID support of the MAG activities to develop the management capacity of the co-ops now that support functions have been transferred from ISTA to MAG. Design a strategy and organization structure for the MAG Office of Rural Development considering the following guidelines:

a) Set up the "self-management" program for the stronger co-ops, orienting and training them as necessary to apply directly for bank loans at their own risk, to pay their agrarian debt, and to hire consulting services for solving technical and management problems such as diversification of production. The GOES support should be minimal and have the character of a "catalyst."

b) MAG, ODER, and the campesino organizations should promote the private technical channels which could provide technical services to the co-ops in management, technical advice, training, marketing, purchase of inputs, and credit. The non-government services can and should overlap similar services offered by CENTA and CENCAP. This will help the cooperatives reduce their dependence on GOES and USAID resources and become self-sufficient while reducing the risk of a mortal blow to the reformed sector when project 0265 ends. Specifically, promote cooperative and rural development training through the campesino organizations. (See recommendations F-12, F-14, and G-40).

c) Establish a "preparation for self-management program" for the weaker cooperatives considering their current economic, financial, and social situation and what they need in order to move themselves into the "self-management" group of cooperatives. The program should be oriented toward supplying the necessary support to these cooperatives so they can resolve their problems and take responsibility for their own risks.

d) ISTA should supervise the "self-management" cooperatives through twice-yearly audits similar to the audits private sector enterprises perform for the knowledge and protection of the owners.

e) Carry out the management development activities as a transitional activity with the target of incorporating all the potentially viable "pre-self-management cooperatives" into the "self-management" group by the end of project 0265.

G-15. Introduce the management-by-objectives approach to ISTA

Introduce to ISTA the management-by-objectives approach, at least for the ISTA functions related to project 0265. This will be valuable for coordination and evaluation of activities involving other agencies for more effective monitoring and follow-up to achieve the planned targets for the project.

G-16. Conduct aggregated studies of the Phase One cooperatives

ISTA and MAG should consider conducting an aggregated analysis based on the PAU and DIECRA co-ops studies already done. The objective would be to formulate appropriate policies and realistic work-plans.

G-17. Administer PAU at the zonal and regional levels

Analyze the feasibility of transferring the PAU operational management to the regional level of MAG or ISTA. Also analyze the use of regional accounting specialists from ISTA or MAG to advise the co-ops. The objective of this action would be to decentralize the activities.

The same analysis should be done regarding PRODEA activities.

G-18. Clarify the role of the ISTA and MAG zonal and regional offices

Clarify the ISTA and MAG zonal and regional office roles. The operational plans and programs should be aimed at replacing "co-management" with "self-management." The tasks and functions of the two organizations should be complementary and coordinated.

**G-19. Support the ISTA and MAG zonal and regional offices**

Assign the best personnel to the 46 support positions in the ISTA and MAG zonal and regional offices. The objective is to speed up the transition from "co-management" to "self-management" for the Phase One cooperatives.

**G-20. Decentralize planning of the cooperative sector in ISTA**

Begin decentralizing planning for the Phase One cooperatives supervised by ISTA. ISTA should start planning with invite the active participation of the cooperatives, setting up monitoring, evaluation and follow-up procedures based on the objectives and targets of the cooperatives. The objectives and targets of the cooperatives would become the basis for regional level and national level plans, taking advantage of studies of DIECRA and PAU-PRODEA and others.

**G-21. Perform DIECRA studies in MAG**

Continue to use the DIECRA team and take advantage of its capacity to perform studies about payment capacity and medium term diagnosis and plans for the agrarian reform cooperatives. The studies should include the active participation of co-op members and introduce a realistic perception of the limited resources available in El Salvador.

**G-22. Establish ISTA data processing capacity**

Establish functional lines of authority in ISTA's Information Department ("Informatica"). Provide the support needed to carry out its work-program. Actively reach out to the managers and potential users of the "Informatica" work products to explain the advantages available from using the services of the "Informatica."

**G-23. Provide CENCAP with plan for training cooperatives**

Formulate a plan of CENCAP training for the Phase One cooperatives, considering the redistribution of functions between ISTA and MAG. The campesino organizations should actively participate in the planning and the analysis of the feasibility and desirability of the campesino organizations taking responsibility for many training activities. The training could be subsidized initially but eventually the cooperatives themselves should pay for the training from their own funds reserved for education.

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**\*G-24. Enlarge the CENCAP training program**

Enlarge the CENCAP training program to satisfy more of the unfilled demand from agrarian reform beneficiaries. Extend the project support to the end of 1987 so the targets can be fully achieved and the following actions implemented:

- a) Prepare a plan for overseas training for Salvadorean technical officers;
- b) Reactivate the National Training Committee to carry out its governing function;
- c) Evaluate the training curricula and adjust it to the needs of the agrarian reform;
- d) Request the technical assistance of a training curricula specialist and of a radio and TV production specialist; and
- e) Procure the radio and TV equipment and materials according to the project implementation plan.

**G-25. Prepare a MAG social development strategy**

Prepare the social development strategy for the project with the active participation of the affected government agencies and the campesino organizations. Hire qualified and experienced social workers to carry out this strategy successfully.

**G-26. Organize the CENTA extension service regional and local committees**

Organize the extension service regional and local committees through CENTA. At the initiative of the extensionists arrange for representation from farmers and institutions related to the agrarian reform.

**G-27. Train the CENTA technicians in CENCAP**

Train the CENTA technicians in CENCAP with a plan prepared by both institutions but elaborated initially by CENTA.

**G-28. Link agricultural research and extension service in CENTA**

Organize an inter-divisional committee within CENTA to direct the utilization of results from the Division of Research so they will flow into extension with feedback returning through the Division of Agricultural Extension.

G-29. Supervise the Agricultural Extension in CENTA

Assign an extension advisor to improve the supervision of the CENTA agricultural extension service.

G-30. Provide support to the CENTA Division of Seeds

Provide financial support to the CENTA Division of Seeds to produce 4,000 "quintales" of additional seed corn (1 quintal = 100 lbs).

G-31. Nominate CENTA collectors to facilitate the use of seeds

The "Corte de Cuentas" should name the collectors in each CENTA zonal and regional office to facilitate the sale of seed and collection of the proceeds from seed sales and from other products sold to the farmers.

G-32. Strengthen the Technical Secretariat (PERA) for CARA and OSPA

Re-assign technical and material resources to OSPA-PERA to strengthen its functions as the Technical Secretariat of CARA and of the Project 0265 Management that is under the jurisdiction of the Vice Minister of Agricultural Extension and Rural Development. (See recommendation H-1.)

G-33. Integrate the OSPA action plan

Integrate into one action plan the five activities financed by the Project 0265 that are operating under OSPA responsibility. The intent is to strengthen the authority of OSPA and promote the coordination and complementarity of its agencies.

G-34. Increase overseas training (OSPA)

Increase the project 0265 support for training government officials and farmers abroad, taking into consideration the advantages for El Salvador. Allow OSPA to distribute the foreign training opportunities according to the existing training plan. Evaluate the impact of the foreign training courses when the trainees return to El Salvador to give useful feedback to the Agrarian Reform program.

G-35. Have PERA perform studies

PERA should study the following:

- a) Effects of the agrarian reform on poor campesinos who are not direct beneficiaries of Decree 153 or 207, and

b) Collect time series data from a sample of beneficiaries and neighboring non-beneficiaries on selected campesinos with same plots of land to analyze the cumulative effects of the project or changes in farming practices, economic well-being, and attitudes.

G-36. Increase salaries at the MAG data processing center

Increase salaries for technicians at the OSPA/MAG data processing center to make them competitive with other employers in the El Salvador data processing market. Also strengthen the logical integration of the OSPA/MAG Processing Center with its equivalents in ISTA and FINATA to facilitate the integration of the agricultural sector data processing which could later be extended to other agencies.

G-37. Support ENA

Continue the support of ENA during 1986 and extend the support to 1987 to achieve its targets and help the agrarian reform process. Specifically,

- a) Hire 6 new professors;
- b) Offer courses in agrarian reform and agrarian legislation;
- c) Request again USAID technical assistance for review and revision of the curriculum;
- d) Review and revise the courses that will be offered with CENCAP and determine the needs for 1986;
- e) Request again from USAID irrigation and food processing equipment. Also request an exchange giving up the two pick-up trucks that are programmed to get a bus for the students and one small truck for the farm.

G-38. Keep ODER directly dependent on the Minister of Agriculture's Office

Keep ODER within the Minister of Agriculture's Office as programmed in the 1985 Action Plan for the following reasons:

- 1) ODER Executive Committee must have a high status and effectiveness to perform effectively its tasks as advisor and inter-institutional coordinator; and
- 2) ODER would have the flexibility to select and contract for key studies from consulting firms.

**G-39. Have ODER promote development of consultants**

ODER should stimulate private consulting firms and individual consultants to provide technical assistance to the Phase One co-ops similar to the technical services provided by TECHNOSERVE and CENTA. GOES could then focus its services on the small farmers and finateros.

**G-40. Promote the campesino organizations through MAG**

MAG's Office of Rural Development should promote the development of campesino organizations and their participation as suppliers of useful services such as technical assistance, training in co-op operations, community development, purchasing of agricultural inputs and marketing of outputs.

RECOMMENDATIONS BASED ON CHAPTER H: THE COUNCIL OF AGRARIAN REFORM ADVISORS (CARA)

**\*H-1. Reactivate CARA**

GOES and USAID should reactivate CARA as a forum of constructive dialogue on agrarian reform policies. Focus attention on the agrarian reform "consolidation" taking into consideration the concerns of the interested parties, including the beneficiaries of Decrees 153 and 207 and also those people who were not direct beneficiaries of these decrees.

Specifically:

- a) Put together a team of at least five full-time professionals to provide CARA with the continuity and capacity to provide effective services;
- b) The present STC advisor should provide technical assistance to CARA;
- c) Establish a permanent relationship between the professionals of PERA and DIECRA with the group at CARA;
- d) Provide CARA with resources for a program of various projects and to develop policies;
- e) CARA should help the organizations currently operating as spokesmen for the campesinos to develop responsible constructive programs and obtain audiences for these programs;

f) CARA should develop the capacity to design and analyze non-government projects and programs, as well as mixed non-government/public sector projects and also initiatives of the public sector; and

g) CARA should generate a constructive dialogue on the following topics: agrarian debt; a better market for voluntary sale and purchase of land; the agricultural marketing organizations controlled by the government; "production cooperatives" and "mixed enterprises" for agricultural production; soil conservation; and new initiatives to help the campesinos who were not beneficiaries of decrees 153 and 207.

RECOMMENDATIONS BASED ON CHAPTER J: ADMINISTRATIVE AND FINANCIAL ASPECTS

\*J-1. Send documents to SETEFE without awaiting USAID approval

OCOPROY should submit documents simultaneously to SETEFE and USAID, instead of waiting for the approval of USAID before sending documents to SETEFE.

\*J-2. Have SETEFE analyze the documentation without awaiting USAID approval

To speed up processing, SETEFE should analyze the documentation received from OCOPROY without awaiting the approval of USAID and the Comptroller so that when the approved documentation arrives to SETEFE and the reimbursement check is available, the documents have been already examined.

\*J-3. Approval by USAID of separate implementation letters for each agency

USAID could study and modify separately the action plans submitted by the implementing agencies and issue separate implementation letters for each implementing agency so that delays in one agency do not cause delays in other agencies.

\*J-4. Instruction by USAID to the agencies as to what can be charged

USAID should send instructions to the agencies about what accounts can and cannot be charged against the project loan funds to avoid unnecessary mistakes due to lack of information.

**\*J-5. Have USAID increase the working capital fund to 120 days**

The USAID Comptroller Office should consider increasing the working capital account to cover 120 days of expenses.

**\*J-6. Have the officers responsible for the reimbursements hold periodic meetings**

Follow-up on the initiative of the Vice Minister of Agricultural Extension and Rural Development to have periodic meetings among the officials responsible for reimbursements and have OSPA-PERA follow-up on the recommendations from these meetings with appropriate actions.

**\*J-7. Monitor and follow-up regarding financial flows**

OCOPROY should prepare and circulate a monthly monitoring report among the participating agencies indicating the status of each of the reimbursement applications. This information, prepared by several agencies for their own control, could be prepared in a central office and circulate for information.

**\*J-8. Speed up the applications in the implementing agencies**

The implementing agencies should begin the reimbursement application as soon as the expenditure has been made. Long delays have been observed in many cases due mainly to delays between the time of the expenditure and the application for reimbursement.

**\*J-9. Accelerate the process in the Corte de Cuentas**

The "Corte de Cuentas" (Government Accounting Office) should inform the implementing agencies more quickly about deficiencies that must be corrected. The implementing agencies should respond immediately to these observations. Sometimes the Court of Accounts has stopped the reimbursement process for a detail that should have been easily resolved; e.g., some documents were stopped for lack of a signature or the lack of a fiscal stamp. After the implementing agency was notified of the deficiency, the problem was not dealt with by the implementing agency for a long time. It should be recognized that a requirement that seems insignificant to the implementing agency may be considered very important by the Corte de Cuentas for compliance with the law.

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**\*J-10. Simplify the audit procedures**

The Vice Minister of Agricultural Extension and Rural Development should bring together the officers of the five agencies involved in the audit process to look for solutions and avoid duplication of work.

The auditors could accelerate the process by changing the current pre-audit procedures to the post-auditing for all or part of the financial flows. A variation to consider is not stopping the flow of funds because of the auditing of the previous month. For example, ISTA could pay the managers and accountants without waiting for the complete co-op payrolls and accounts.

**J-11. Include targets for administrative efficiency in the quarterly monitoring reports on Project 0265**

USAID should continue using its current quarterly monitoring report format which is excellent and concise with output indicators and performance targets.

The "reimbursement processing time" deserves the greater management attention implied by adding a new target for administrative efficiency to the report. For example, add a target for "reimbursement processing time" that is reasonable --perhaps 90 or 120 days after the end of the period financed.

The USAID Comptroller's Office should be in charge of improving "administrative efficiency" and should be properly praised after achieving this improvement. The USAID project officers should support this effort and encourage the GOES officers to collaborate fully too.

## GLOSSARY OF ACRONYMS

- AIFLD - American Institute for Free Labor Development  
(Instituto Americano para el Desarrollo del Sindicalismo Libre)
- AID - Agencia para el Desarrollo Internacional  
(Agency for International Development)
- ANIS - Asociación Nacional Indígena Salvadoreña.
- APA - Asociación de Proveedores Agropecuarios  
(Agricultural Suppliers' Association)
- ASAGRI - Asociación Salvadoreña Agro-Industrial (Agro-Industrial Salvadoran Association)
- ASI - Asociación Salvadoreña de Industriales (Salvadoran Industrialists' Association)
- BCR - Banco Central de Reserva (Central Reserve Bank)
- BFA - Banco de Fomento Agropecuario (Agricultural Development Bank)
- CATIE - Centro Agronómico Tropical de Investigación y Enseñanza -Costa Rica. El Salvador is co-participant  
(Tropical Agronomical Center for Research & Training)
- CCAS - Consejo Consultivo Agropecuario Sectorial  
(Agriculture Sector Advisory Council)
- CCS - Central de Campesinos Salvadoreños
- CDG - Centro de Desarrollo Ganadero (Center for Livestock Development)
- CEA - Consejo de Entidades Agropecuarias (Agricultural Entities Council)
- CENCAP - Centro de Capacitación Agropecuaria
- CENTA - Centro Nacional de Tecnología Agropecuaria  
(National Center for Agricultural Technology)
- COACES - Confederación de Asociaciones Cooperativas de El Salvador.
- CODIZO - Comité de Dirigentes Zonales (Zonal Leaders Committee)
- DAA - Departamento de Asociaciones Agropecuarias  
(Agricultural Associations Department)

**DGCD - Dirección General de Contribuciones Directas  
(National Direct Tax Office)**

**DGEA - Dirección General de Economía Agropecuaria (General  
Directorate for Agricultural Economics)**

**DIECRA - Desarrollo Integral de Empresas Campesinas de la  
Reforma Agraria (Integrated Development of Agrarian Reform  
Enterprises)**

**DIDECO - Dirección de Desarrollo Comunal (Directorate for  
Community Development)**

**ENA - Escuela Nacional de Agricultura (National School of  
Agriculture)**

**FAO - United Nations Food and Agriculture Organization  
(Organización de las Naciones Unidas para la Alimentación y  
la Agricultura)**

**FEDECOOPADES - Federación de Asociaciones Cooperativas de  
Producción Agropecuaria de El Salvador**

**FENACOA - Federación Nacional de Cooperativa Agropecuaria.**

**FECORACEN - Federación de Cooperativas de la Reforma Agraria  
de la Región Central.**

**FECORAO - Federación de Cooperativas de la Reforma Agraria  
de Oriente.**

**FECORAPEN - Federación de Cooperativas de la Reforma Agraria  
de la Región Paracentral.**

**FECORASAL - Federación de Cooperativas de la Reforma  
Agraria Salvadoreña.**

**FEDECCREDITO - Federación de Cajas de Crédito (Credit  
Union Federation)**

**FEDECACES - Federación de Asociaciones Cooperativas de  
Ahorro y Crédito de El Salvador (Savings and Loans  
Cooperative Associations Federation of El Salvador)**

**FESACORA - Federación Salvadoreña de Cooperativas de la  
Reforma Agraria**

**FINATA - Financiera Nacional de Tierras Agrícolas**

**IADSL - Instituto Americano Para el Desarrollo del  
Sindicalismo Libre.**

**IDB - Inter-American Development Bank (Banco Inter-  
Americano de Desarrollo)**

IGN - Instituto Geográfico Nacional (National Geographic Institute)

IICA - Instituto Inter-Americano de Cooperación para la Agricultura (Inter-American Institute for Cooperation on Agriculture)

INCAE - Instituto Centroamericano de Administración de Empresas (Central American Institute of Business Administration)

INCAFE - Instituto Nacional del Café (National Coffee Institute)

INSAFOCOOP - Instituto Salvadoreño de Fomento Cooperativo (Salvadoran Institute for Cooperative Development)

IRA - Instituto Regulador de Abastecimientos (Price Stabilization Institute)

ISTA - Instituto Salvadoreño de Transformación Agraria (Salvadoran Institute for Agrarian Transformation)

MAG - Ministerio de Agricultura y Ganadería (Ministry of Agriculture and Livestock)

OCOPROY - Oficina Coordinadora de Proyectos MAG-AID (Coordinating Office of MAG-AID Projects)

OSPA - Oficina Sectorial de Planificación Agropecuaria (Agricultural Sector Planning Office)

PERA - Planificación y Evaluación de la Reforma Agraria (Planning and Evaluation of the Agrarian Reform)

REDO - Rural Enterprise Development Office (Oficina de Desarrollo de Empresas Rurales)

RPRH - Registro de la Propiedad Raíz e Hipoteca (Land Registry Office)

SETEFE - Secretaría Técnica de Financiamiento Externo

UCS - Unión Comunal Salvadoreña (Salvadoran Communal Union)

- A. Assess progress toward achieving the objectives set out in the Project Paper for Project 519-0265, paying special attention to the Logical Framework Section.
- B. Assess the appropriateness and timeliness of the technical assistance being provided under the project to the various agriculture sector institutions.
- C. Assess the adequacy of the funding level for accomplishing the objectives of the project.
- D. Assess the impact of the services provided by the non-reform institutions (such as the Centro Nacional de Tecnología Agrícola (CENTA); Centro Nacional de Capacitación Agrícola (CENCAP); Oficina Sectorial de Planificación Agropecuaria (OSPA); and Oficina Coordinadora de Proyectos MAG-AID (OCOPROY) on the reform. Are these institutions committed to their role as change agents for the agrarian reform? Is funding adequate for these institutions to carry out their expected role?
- E. Assess the impact of the reform institutions, ISTA and FINATA, on affecting the process stage of the reform. Are financial and human resources adequate? Do they have adequate equipment and material to support their work?
- F. Assess whether the services envisioned by the project to be provided through implementing institutions are relevant to the expectations of the reform beneficiaries. Compare the services envisioned in the project paper to those being provided by the implementing institutions. Are the appropriate services being provided? Is there effective coordination among the various entities servicing the agrarian reform sector?
- G. Assess whether the services of the participating institutions are being provided in a timely manner and at adequate levels to achieve the project objectives.
- H. Assess the effectiveness of the policy-setting Consejo Asesor de la Reforma Agraria (CARA) and its role in the three steps of the reform.
- I. Assess the exogenous and endogenous factors which have affected project implementation, e. g., elections, the social pact, intra- and inter-institutional ideological struggles.

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- J. Assess the USAID/GOES administrative arrangements for project implementation (e.g., AID administrative approval of loan and PL 480 disbursements, role of OCOPROY, SETEFE, and the Corte de Cuentas).

The contractor will make specific recommendations on each of the elements mentioned above related to improving implementation of the project activities. The recommendations should be directed at both the implementing institutions and USAID.

#### ARTICLE IV -- REPORTS

Within two weeks of arrival the team will prepare a detailed workplan and schedule its plans to follow in carrying out the scope of work.

A final report and an executive summary will be prepared in Spanish and English (15 copies each) by the Contractor. This report will be prepared in draft and will be provided to the USAID for comments and observations before the team leaves the country unless otherwise agreed to by the USAID Director. Further, the final report must be submitted to USAID within 30 days of the team's departure from country unless agreed to by the USAID Director. The report shall bear the name of the Contractor, Contract number and Project title and number, and the following statement: "All reported opinions, conclusions and recommendations are those of the authors and not necessarily those of the Agency for International Development."

#### ARTICLE V -- RELATIONSHIP AND RESPONSIBILITIES

- A. Contractor will operate under the policy guidance of the USAID/San Salvador Mission Director or his designee.
- B. The country liaison official will be the Minister of Agriculture or his designee.
- C. The AID/San Salvador liaison official will be the Rural Development Officer or his designee.

Under no circumstances shall the Contractor make contacts or conduct interviews with any other Representative who is not stated above or without the expressed consent of USAID/San Salvador Mission Director or his designee.

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agencies of the Agrarian Reform: ISTA, CENCAP, FINATA, BFA, ODER, CENTA and PERA to introduce the Clapp & Mayne Team, to hear suggestions from those supporting agencies, and to clarify the aim of the evaluation exercise.

Finally, a field visit was made to three cooperatives and some members of coops in order to have initial reactions from beneficiaries and coops leadership.

## II. PROJECT DESIGN

The logical framework of the Project was discussed. An important suggestion presented by the AID Staff relates to the new role of MAG resulting from the re-organization of ISTA. In the column of Assumptions of the logical framework this important issue has been incorporated. Attached is a sketch of a simplified logical framework of the project design as discussed at the meeting.

Additional suggestions were made by the AID Staff during the course of the discussion of the logical framework such as:

- a) To analyze the resources to contract public functionaries to see if they were effectively utilized to achieve the Project goals.
- b) How to improve coordination between public sector functionaries of GOES with USAID.

## III. IMPORTANT MANAGEMENT DECISIONS

This evaluation process is oriented to important management decisions. Consequently, the evaluation exercise will focus on five priority management decisions;

1. Accelerating land transfer.
2. ISTA Restructuring
3. MAG's new role
4. Reorganizing AID support
5. Role of Campesino organizations

IV. KEY ISSUES

LAND TRANSFER

1. Top Priority to land transfers
2. Role of Campesino organizations
3. Identify/develop opportunities for its acceleration
4. What next after Phase 1 and Phase 3

SUPPORT FOR FINANCIAL VIABILITY

1. Production coops model for Phase 1
2. Economic viability of coops + support needed
3. Campesino competence for self management
4. Alternatives to ISTA
5. Integration of support services for Agrarian Reform & traditional sector Phase 3
6. Soil conservation Phase 3
7. Role of Campesino organizations

RURAL ENTERPRISES

1. Role of Traditional Sector Entrepreneurs
2. Integrational Agrarian Reform + Traditional Agriculture for employment/equity programs
3. Traditional coops

V. WORK SCHEDULE FOR EVALUATION

The schedule is attached herewith.

ANNEX B

RURAL DEVELOPMENT OFFICE

SEP 12 11 11 09

RECORD MEMO

Sept. 13, 1985

FROM: Alejandro Seminario, Clapp & Mayne, Inc. Team Leader  
TO: Clem Weber, R & D. Deputy, US/AID  
SUBJECT: Work Plan for Evaluation of PP 0265

Under the Terms of Reference, Work Order No. 60, PDC 1406-1-00-4098-006-00, herewith is submitted for your approval, the Work Plan prepared by the Clapp & Mayne Team under the direction of Dr. Lawrence Posner, Principal of Clapp & Mayne, Inc. The presentation of this Work Plan fulfills Article IV Reports, under the Terms of Reference, which state that such work plan should be submitted within two weeks from arrival in country.

This Work Plan was presented, discussed and approved in a meeting with AID R&D Deputy, Project Managers and the Project Loan Officer, with the participation of all the members of the Clapp & Mayne Team under the direction of Dr. Lawrence Posner, who is the Vice President for Development of Clapp & Mayne, Inc.

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US/AID PROJECT No. 519-0265

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WORK PLAN FOR MID-TERM EVALUATION

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I. INTRODUCTION

The evaluation team is composed by Dr. Lawrence D. Posner, Alejandro Seminario, Silverio Vasquez and Rafael Grant, who arrived in country Sept 2, 1985. A period of orientation took place in USAID, MAG, PERA and STC. A series of documents related to agrarian reform and PP were reviewed. Logistics, administration and project orientation matters were set-up to help team building. A tentative work plan covering from Sept. 2, 1985 to January 20, 1986 was prepared and it was presented to AID staff on Tuesday, Sept. 10/85. To take into consideration points of view from both the Salvadorean side and USAID, interviews took place with the MAG Vice Ministers of Rural Development and of Agriculture, advising institutions such as PERA, OSPA, OCOPROY, MAG's Direction of Rural Development and the AID Project Managers. Additionally, an executive meeting was held with the MAG's Vice Minister of Rural Development and its senior staff, and the executives of the supporting

agencies of the Agrarian Reform: ISTA, CENCAP, FINATA, BFA, ODER, CENTA and PERA to introduce the Clapp & Mayne Team, to hear suggestions from those supporting agencies, and to clarify the aim of the evaluation exercise.

Finally, a field visit was made to three cooperatives and some members of coops in order to have initial reactions from beneficiaries and coops leadership.

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3. MAG's new role
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IV. KEY ISSUES

LAND TRANSFER

1. Top Priority to land transfers
2. Role of Campesino organizations
3. Identify/develop opportunities for its acceleration
4. What next after Phase 1 and Phase 3

SUPPORT FOR FINANCIAL VIABILITY

1. Production coops model for Phase 1
2. Economic viability of coops + support needed
3. Campesino competence for self management
4. Alternatives to ISTA
5. Integration of support services for Agrarian Reform & tradicional sector Phase 3
6. Soil conservation Phase 3
7. Role of Campesino organizations

RURAL ENTERPRISES

1. Role of Traditional Sector Entrepreneurs
2. Integrational Agrarian Reform + Traditional Agriculture for employment/equity programs
3. Traditional coops

V. WORK SCHEDULE FOR EVALUATION

The schedule is attached herewith.

VI. PROGRAM OF INTERVIEWS WITH INSTITUTIONS AND FIELD WORK

Supporting institutions will be interviewed during the week of Sept. 16/20, 1985, as follows: ISTA, FINATA, CENTA, CENCAP, OCOPROY, IGN, RPRH, DIECRA, ENA, OSPA, BFA; and AID Project Managers. During the weeks of Sept. 23 to Oct 4 coops, finateros and campesino organization will be interviewed. This work will be carried out in coordination with PERA. During the week of Oct. 7/11 Servicios Técnicos del Caribe will be interviewed.

VII. FINAL REPORT OUTLINE

The outline is attached herewith.

PROJECT DESIGN - 0265  
SIMPLIFIED LOGICAL FRAMEWORK

NARRATIVE  
SUMMARY

OBJECTIVELY VERIFIABLE  
INDICATORS

ASSUMPTIONS

PUBLIC SUPPORT  
AGAINST GUERRILLAS

MORE EQUITY  
WITHIN REACTIVATED  
AGRICULTURE

AG REFORM  
PROGRESSING  
EFFECTIVELY &  
EFFICIENTLY

1. LAND TRANSFER
2. SUPPORT SERVICES  
FOR COOPS +  
FINATEROS
3. RURAL ENTERPRISES

1. ISTA  
FINATA  
ETC.
2. MAG  
ETC
3. REDO

PHASE 1 BENEFICIARIES  
PHASE 3 BENEFICIARIES  
(INDIRECT BENEFICIARIES)  
CONTRIBUTION OF AG SECTOR

LAND TRANSFERS COMPLETED  
COOPS/FINATEROS GET  
SERVICES NEEDED  
% OF COOPS VIABLE  
COMPLEMENTARY ENTERPRISES

SEE PROJECT PAPER (pag.160)

POLITICAL  
STABILITY

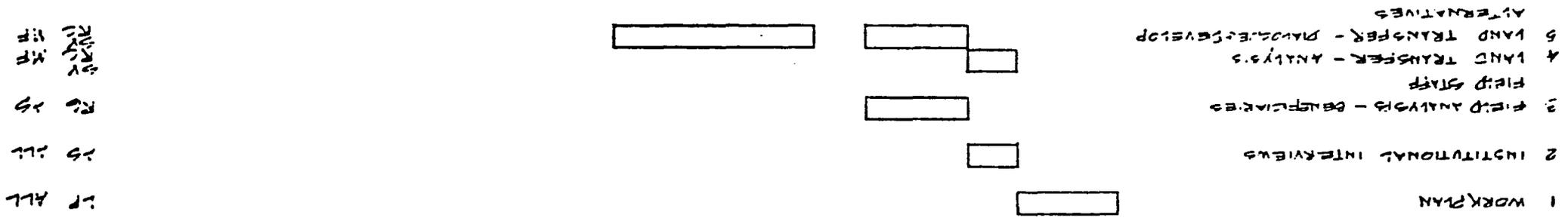
GOES SUPPORT  
FOR AR  
MAG TO ASSUME  
A NEW ROLE TO  
SPEE UP THE  
AGRARIAN REFORM  
PROCESS

AID      STC      GOES

TIMELY FUNDS  
AVAILABLE

WORK SCHEDULE FOR EVALUATION

DATE WEEK  
 SEPT 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30  
 OCT 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30  
 NOV 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30  
 DEC 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30  
 JAN 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20



1 WORK PLAN  
 2 INSTITUTIONAL INTERVIEWS  
 3 FIELD ANALYSIS - EMPLOYERS  
 4 LAND TRANSFER - ANALYSIS  
 5 LAND TRANSFER - MANAGER DEVELOP ALTERNATIVES  
 6 INTERIM REPORT (SPANISH)  
 7 ORAL PRESENTATION

8 FIELD FOLLOW UP - BUILD CONSENSUS AND PROJECT CONTENT, STRUCTURE, ETC. TECHNICAL ASSISTANCE (SIC)  
 9 DRAFT REPORT - SPANISH  
 10 DRAFT REPORT - ENGLISH  
 11 ORAL PRESENTATION  
 12 RECEIVE COMMENTS FROM GAPS  
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 14 RESERVE FOR CONTINGENCIES



1 WORK PLAN  
 2 INSTITUTIONAL INTERVIEWS  
 3 FIELD ANALYSIS - EMPLOYERS  
 4 LAND TRANSFER - ANALYSIS  
 5 LAND TRANSFER - MANAGER DEVELOP ALTERNATIVES  
 6 INTERIM REPORT (SPANISH)  
 7 ORAL PRESENTATION  
 8 FIELD FOLLOW UP - BUILD CONSENSUS AND PROJECT CONTENT, STRUCTURE, ETC. TECHNICAL ASSISTANCE (SIC)  
 9 DRAFT REPORT - SPANISH  
 10 DRAFT REPORT - ENGLISH  
 11 ORAL PRESENTATION  
 12 RECEIVE COMMENTS FROM GAPS  
 13 FINAL REPORT (ENGLISH & SPANISH IN PUERTO RICO)  
 14 RESERVE FOR CONTINGENCIES

## FINAL REPORT - OUTLINE

0. Executive Summary
1. Introduction
2. Beneficiaries
  - 2.1 Phase 1
  - 2.2. Phase 3
  - 2.3 Others
3. Land Transfer
  - 3.1 Phase 1
  - 3.2 Phase 3
  - 3.3 Looking Ahead
4. Support Functions for Financially Capable Coops & Finateros
  - 4.1 Phase One
    - ISTA
    - MAG, etc.
    - Current Plans
    - Economic Potential
    - Production coops
  - 4.2 Phase 3
    - FINATA
    - MAG, etc.
    - Current Plans
    - Economic Potential
    - Integration with traditional sector
5. Rural Enterprises
  - 5.1 Plans
  - 5.2 Actual Progress / Current Status
  - 5.3 Looking Ahead

- 6. AID Project 265
  - 6.1 Overall Strategy
  - 6.2 Structure, Key Elements Timing
  - 6.3 Technical Assistance
  - 6.4 Financial Support - Loan/grant PL 480
  - 6.5 Administrative & Financial Procedures
- 7. Summary of Recommendations

**Annexes**

- A. TOR
- B. People Interviewed
- C. Bibliography

ANNEX C.

LIST OF PERSONS INTERVIEWED

Ministry of Agriculture and Livestock

Ing. Carlos Deras, Vice-ministro de Extensión Agrícola y Desarrollo Rural  
Lic. José Ernesto Soto Gómez, Jefe de OSPA  
Ing. Luis E. Hernández Trigueros, Sub-director de OSPA  
Lic. Napoleón Amaya, Director de PERA (OSPA)  
Ing. José Luis Arana, Técnico de PERA (OSPA)  
Ing. Saúl Benitez, Técnico de PERA (OSPA)  
Lic. Oscar Morales, Director de la Direc. de Desarr. Rural  
Lic. Alfonso Escobar Chevez, Jefe de OCOPROY  
Lic. Carlos Cordoba, OCOPROY  
Lic. Sylvia de Machuca, OCOPROY

FINATA

Lic. Luis Alam Alam, Vice-presidente  
Lic. Bessny de Canales  
Lic. Sylvia Guillen, Jefe Oficina Juridica  
Lic. Carlos Hermeño  
Lic. Ernesto del Valle  
Ing. J. Villeda  
Lic. Cira A. Hernandez  
Lic. Esperancita Villafuerte  
Ing. Juan Giron A.

ISTA

Ing. Próspero Trejo, Gerente General  
Agr. José Pérez Guerra, Jefe del Dpto. de Gestión Administrativa de la División de Desarrollo Empresarial  
Ing. Humberto Herrera, Sub-jefe del Dpto. de Gestión Administrativa  
Ing. Juan Manuel Guerra Garzona, Gerente de Operaciones Agrarias  
Lic. Mario Urrutia, Gerente de Adquisición y Asignación de Tierras, ex-Sub-director de la Oficina de Planificación  
Ing. Eladio Cruz Amaya, Gerente de la Región II  
Ing. Guillermo Rosales, Jefe de la División de Desarrollo Empresarial, ex-Jefe del Dpto. de Producción Agropecuaria  
Ing. Eric Ehlerman, Jefe de la Oficina de Planificación  
Ing. Manuel Ponce, Gerente Técnico de ODER  
Ing. Salvador Rosales, Director Técnico de ODER  
Lic. José Tomás Mendoza, ex-Jefe de Capacitación  
Dr. Jorge Rodríguez Auerbach

## CENTA

Dra. Bertha Amelia de Belloso, Directora  
Ing. José R. Salazar, Coordinador CENTA/AID  
Agr. Angel Maria Paz, Extensión Agrícola  
Ing. Roberto Rodríguez, Jefe Investigación  
Ing. Napoleón Puente Márquez, Jefe División Semillas  
Ing. Roberto Alegria, Jefe Iniciativa Extensión Privada  
Lic. Mauricio Hernández Bonilla, Administrador Proyecto CENTA/AID  
Ing. Elias Mejia, Extensión Agrícola  
Ing. Max Lizano, Extensión Agrícola  
Agr. F. Calderón Gutierrez, Jefe Extensión Sonsonate  
Ing. Moris Iván Alfaro, Jefe de Planificación de CENTA  
Ing. Salvador González, Jefe Estadística  
Agr. Tomás Cornejo, Tecnología Semillas  
Ing. Romeo López, Jefe Certificación Semillas  
Ing. Rafael Ortiz, Planificación

## CENCAP

Ing. Dalio Mira, Sub-director (ex-director de DIECRA)  
Lic. Luis Antonio Clavel, Gerente Administrativo  
Ing. Luis Mario Aparicio, Jefe de la División Planeamiento Educativo  
Agr. Luis Ernesto Huevo, Jefe de la División de Operaciones  
Lic. José María Flores Prudencio, Jefe del Dpto. de Planificación  
Ing. Arnoldo López Escobar, Sub-jefe de la División de Operaciones

## ENA

Lic. Marcelo E. Campos, Jefe Dept. Planificación  
Dr. Rafael Antonio Quiteño, Director

## Central Banc

Lic. J. M. Rosales, Servicios de la Presidencia

## FESACORA

Sr. Amaya, Director Promoción  
Sr. Carlos Salazar, Gerente  
Sr. Carlos Ramírez, secretario

## ACOPAI

Sr. Clemente Hernández, Secretario

## INDEPENDENT

Dr. Alfonso Rochac, Consultor Económico

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AIFLD

Sr. Clemente Hernández, Director.

FUSADES

Ing. Mario Molina, Gerente del Programa de Diversificación Agrícola

Agency for International Development (AID)

Clem Weber, Jefe del Proyecto  
Ken Ellis, Jefe del RDO  
Mike Wise, Oficial de Proyectos  
Fito Cristales, Oficial de Proyectos  
Enrique Barrau, Oficial de Proyectos  
Jeffrey Allen, Oficial de Proyectos  
John McAvoy, Oficial de Contratos  
Ing. Eduardo Hipsley  
John Davidson, Controller  
Lic Julio C. Segovia  
Arnoldo Flores

Land Registry

Dra. Blanca Minero

IGN

Ing. L. Anaya  
Ing. Mauricio Díaz

SETEFE

Lic. Heriberto Solano

Servicios Técnicos del Caribe (STC)

- Ing. Pedro Negrón, Jefe de STC
- Ing. Pedro Santaella, Sub-jefe de STC
- Dr. Pedro Urra, Asesor en reforma agraria, MAG
- Ing. Pedro García Roni, Desarrollo Empresarial, ISTA
- Ing. Félix Villamil, Asesor en informática, ISTA
- Dr. Carlos Camacho, Asesor economía Agrícola, PERA
- Dr. Jaime Rodríguez Camacho

## ANNEX D

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ANNEX E

COOPERATIVE PROFILE

1.- Nombre de la cooperativa

\_\_\_\_\_

2.- Ubicación

\_\_\_\_\_

3.- Cargo de los interlocutores

\_\_\_\_\_

4.- No. de socios actualmente

\_\_\_\_\_

5.- No. de Socios al inicio de la cooperativa \_\_\_\_\_  
y año de inicio \_\_\_\_\_

6.- Actividades principales de la cooperativa

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7.- Están produciendo actualmente más o menos de lo que producían cuando no eran cooperativa?

\_\_\_\_\_  
\_\_\_\_\_

8.- Tienen gerente contratado por ISTA?

\_\_\_\_\_

9.- Han aceptado el programa de administración uniforme?

\_\_\_\_\_

10. Se sienten ahora mejor o peor que antes de ser cooperativa ¿Por qué?

\_\_\_\_\_  
\_\_\_\_\_

11.- Están afiliados a FESACORA?

\_\_\_\_\_

12.- Qué servicios reciben de FESACORA?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13.- Están satisfechos con FESACORA?

\_\_\_\_\_

... 2

14.- Qué otros servicios podría brindar FESACORA?

---

---

15.- Cuáles son los principales problemas de esta cooperativa?

---

---

---

16.- Cuáles son las soluciones?

---

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17.- Reciben algún tipo de ayuda o asistencia técnica de CENTA, CENCAP, ISTA, BFA, TECNOSERVE, ISIC, UCS, INAZUCAR, FINATA, ACOPAI, COPAL, INCAFE?

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18.- Cómo y dónde vende esta cooperativa su producción?

---

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19.- Cuál es el ingreso anual promedio de los socios de esta cooperativa?

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20.- Ha crecido o bajado este ingreso anual desde el origen de esta cooperativa? En Cuánto?

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21.- Cómo se pagan a los socios por su trabajo?

---

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22.- Han mejorado desde que son cooperativa en salud, educación vivienda, electricidad, agua potable, recreación?

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23.- Cuáles han sido los ingresos brutos de la cooperativa durante la última cosecha o año?

---

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24.- Cuáles han sido los gastos generales para el mismo período?

---

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25.- Pérdida o Ganancia?

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... 3

26.- Si ganancia cómo han dispuesto de las mismas?

---

27.- Tiene co-administrador pagado por la cooperativa o por el ISTA?

---

28.- Tiene planes de producción anuales aprobados por el ISTA?

---

29.- Tiene planes financieros anuales aprobados por el ISTA?

---

30.- Ha garantizado el ISTA el 50% del valor de los créditos de producción?

---

31.- Han pagado la deuda agraria? ¿Qué planes tienen para cancelarla?

---

32.- Han tenido el apoyo de los promotores del ISTA?  
¿Cómo ha sido ese apoyo?

---

33.- Han recibido alguna ayuda o servicio del jefe zonal del ISTA?

---

34.- El personal técnico de la zona del ISTA ha apoyado al gerente, al contador o al banco que financía a la cooperativa?

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**BENEFICIARY INTERVIEW**

**ANNEX F**

**DECREE 207**

Nombre del Entrevistado: \_\_\_\_\_ Edad \_\_\_\_\_

No. de la Finca:

No. de Parcelas que tiene

No. de Parcelas que cultiva por Cuenta Propia

No. de Parcelas con FINATA

**Datos Sobre la Parcela que Cultiva**

1.- Tiene Título o Boleta (207)

Título Definitivo 1

Título Prvisional 2

Solamente Boleta 3

2.- Cómo considera el suelo de la Parcela?

Bueno 1

Regular 2

Malo 3

3.- Considera su Parcela...?

Inclinada 1

Medio inclinada 2

Plana 3

4.- Qué Cultivos sembró en la parcela'

No.de Maz.	Cantidad	QQ
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

5.- Necesita su parcela Obras de Conservación de Suelos?

1  Si

2  No

**Acceso al Crédito**

1.- Solicitó Crédito en una Institución Bancaria?

De palabra 1

Por Escrito 2

No Solicitó 3

2.- Qué Banco le dió Crédito?

Banco \_\_\_\_\_

Agencia \_\_\_\_\_

Ninguno \_\_\_\_\_

3.- Le fué entregado el crédito en tiempo y cantidad?

A tiempo

Cantidad suficiente

1983-84

1  SI 2  NO

1  SI 2  NO

1984-85

1  SI 2  NO

1  SI 2  NO

**Acceso a la Asistencia Técnica**

1.- Recibe Ud. Asistencia Técnica

1  SI 2  NO

3.- Cómo Considera la Asistencia Técnica?

BUENA 1

REGULAR 2

MALA 3

2.- Quién se la Proporciona?

MAG 1  ACOPAI

BFA 2  UCS

FINATA 3  PARTICULAR

ISTA 4  OTROS

Acceso al Mercado

1.- A. qué ha destinado su producción de:

	Semilla	Consumo	VENTA		Comprador
			Cantidad	Precio Unitario	
					1 <input type="checkbox"/> I.R.A. 2 <input type="checkbox"/> Intermediario 3 <input type="checkbox"/> Consumidor
1.- Maíz					
2.- Frijol					
3.- Arroz					
4.- Maicillo					
5.- Caña					
6.- Café					
7.- Hortalizas					
8.- Otros					

TRABAJO E INGRESOS ANUALES PARA TODOS LOS MIEMBROS DE LA FAMILIA

	1		2		Número de Línea de 1							
	Padre		Madre		3		4		5		6	
	Mes	ℓ	Mes	ℓ	Mes	ℓ	Mes	ℓ	Mes	ℓ	Mes	ℓ
Trabajo Agrícola por cuenta propia												
Por Cortes de café												
Por cortes de caña												
Por cortes de Algodón												
Por otros trabajos Agrícolas												
No Agrícolas, Por negocios propios												
Por trabajo no Agrícola												
Envíos del exterior												
Ventas ganado												
Otros ingresos												

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Patrimonio

1.- Tenencia de la Vivienda *Valor*

Propietario 1  *₡* \_\_\_\_\_  
No-propietario 2

2.- Ganado y aves

<u>Clase</u>	<u>Total</u>	<u>Valor</u>
Bobinos	_____	_____
Porcinos	_____	_____
Caprinos	_____	_____
Caballar	_____	_____
Aves	_____	_____
Otros	_____	_____

5.- Dinero *₡*

3.- Equipo Agrícola

<u>Clase</u>	<u>No.</u>	<u>Valor</u>
Carreta	_____	_____
Arado	_____	_____
Granero	_____	_____
Bomba	_____	_____
Aperos	_____	_____
Otros	_____	_____

4.- Equipo Hogar

<u>Clase</u>	<u>No.</u>	<u>Valor</u>
Radio	_____	_____
Máquina coser	_____	_____
Reloj	_____	_____
Bicileta	_____	_____
Otros	_____	_____

Condición Social

1.- Tipo de vivienda

Unifamiliar 1   
Pieza en mesón 2   
Otros 3

2.- Materiales vivienda

2.1 Techo

Teja 1   
Duralita 2   
Lámina 3   
Paja 4   
Otro 5

2.2 Paredes

Bahareque 1   
Adobe 2   
Madera 3   
Lámina 4   
Paja 5   
Mixto 6   
Otros 7

2.3 Pisos

Ladrillo 1   
Madera 2   
Tierra 3   
Cemento 4   
Otro 5

2.4 No. de habitaciones

No. \_\_\_\_\_

3.- Servicios

3.1 Agua

Cañería privada 1   
Cañería común 2   
Pila Pública 3   
Pozo Privado 4   
Pozo Público 5   
Río 6   
Nacimiento 7   
Otro 8

3.2 Sanitarios

- Letrina 1
- Letrina común 2
- Sin servicio 3
- Otros 4

3.3 Combustible

- Electricidad 1
- Gas propano 2
- Kerosene 3
- Leña 4
- Otros 5

Salud

1.- Qué lugar visita Ud. cuando se siente enfermo?

- Farmacia 1
- Hospital 2
- Médico particular 3
- Unidad Salud 4
- Otros 5

2.- Cree Ud. que la alimentación de su familia ha mejorado?

- 1  SI
- 2  NO

3.- A incorporado nuevos alimentos a lo que acostumbraba consumir antes?

- 1  SI
- 2  NO

4.- Después de la Reforma come Ud. ....?

- Mejor 1
- Igual 2
- Peor 3

Participación Social

1.- Es Ud. miembro de alguna agrupación campesina?

- UCS 1
- ACOPAI 2
- ANIS 3
- CCS 4
- FESACORA 5
- OTROS 6
- NINGUNA 7

2.- Participa en alguna de las siguientes asociaciones?

- Cooperativa Producción 1
- Cooperativa de Servicios 2
- Cooperativa de Ahorro 3
- En ninguna 4

3.- Participa Ud. en grupos solidarios?

- 1  SI
- 2  NO

1.a. Le gustaría participar?

- 1  SI
- 2  NO
- 3  NO SABE

(4.- Participa en el sufragio?)

- 1  SI
- 2  NO

Beneficios Después de la Reforma

1.- Después de la adjudicación ha realizado usted?

- |                                   |   |                          |    |   |                          |    |
|-----------------------------------|---|--------------------------|----|---|--------------------------|----|
| a. Construcción de casa           | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| b. Instalación servicio eléctrico | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| c. Instalación de agua            | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| d. Instalación de sanitarios      | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| e. Cursos de producción           | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| f. Cursos de organización         | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| g. Cursos de administración       | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |
| h. Cursos de alfabetización       | 1 | <input type="checkbox"/> | SI | 2 | <input type="checkbox"/> | NO |

2.- Cree Ud. que se ha beneficiado del Decreto 207 ?

- |   |                          |                                   |
|---|--------------------------|-----------------------------------|
| 1 | <input type="checkbox"/> | SI (Pase a la siguiente pregunta) |
| 2 | <input type="checkbox"/> | NO                                |

3.- Cómo considera Ud. que se ha beneficiado?

- |                         |   |                          |
|-------------------------|---|--------------------------|
| Acceso a la tierra      | 1 | <input type="checkbox"/> |
| Seguridad en el trabajo | 2 | <input type="checkbox"/> |
| Mejores ingresos        | 3 | <input type="checkbox"/> |
| Otros                   | 4 | <input type="checkbox"/> |

Observaciones

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Recomendaciones del entrevistado

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ANNEX G

**BENEFICIARY INTERVIEW**

**DECREE 154**

Nombre del Entrevistado: \_\_\_\_\_ Cooperativa \_\_\_\_\_

No. de la Finca  Edad \_\_\_\_\_

No. de Parcelas que tiene

No. de Parcelas que cultiva por Cuenta Propia

No. de Parcelas con la Cooperativa

Datos Sobre la Parcela que Cultiva

1.- Area total de las parcelas que cultiva:  
\_\_\_\_\_

1a. Pago de arrendamiento  
\_\_\_\_\_

3.- Considera su Parcela...?

Inclinada 1

Medio inclinada 2

Plana 3

5.- Necesita su parcela Obras de Conservación de Suelos?

1  SI

2  NO

2.- Cómo considera el suelo de la Parcela?

Bueno 1

Regular 2

Malo 3

4.- Qué Cultivos sembró en las parcelas?

Cultivo	Area	Producción
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Acceso al Crédito

1.- Solicitó Crédito?

De palabra 1

Por Escrito 2

No solicitó 3

2.- De dónde consiguió el crédito?

Cooperativa \_\_\_\_\_

Particular \_\_\_\_\_

Ninguno \_\_\_\_\_

3.- Le fué entregado el crédito en tiempo y cantidad?

A tiempo

Cantidad suficiente

1983-84

1  SI 2  NO

1  SI 2  NO

1984-85

1  SI 2  NO

1  SI 2  NO

Acceso a la Asistencia Técnica

1.- Recibe Ud. Asistencia Técnica

1  SI 2  NO

3.- Cómo Considera la Asistencia Técnica?

Buena 1

Regular 2

Mala 3

2.- Quién se la Proporciona?

MAG 1  ACOPAI 5

BFA 2  UCS 6

FINATA 3  COOP 7

ISTA 4  PARTICULAR 8

OTROS 9

Acceso al Mercado

1.- A qué ha destinado su producción de:

	Semilla	Consumo	VENTA		Comprador
			Cantidad	Precio Unitario	
					1 <input type="checkbox"/> I.R.A. 2 <input type="checkbox"/> Intermediario 3 <input type="checkbox"/> Consumidor
1.- Maíz					
2.- Frijol					
3.- Arroz					
4.- Maicillo					
5.- Caña					
6.- Café					
7.- Hortalizas					
8.- Otros					

TRABAJO E INGRESOS ANUALES PARA TODOS LOS MIEMBROS DE LA FAMILIA

*(pasar a la página siguiente)*

	1		2		Número de Línea de 1							
	Padre		Madre		3		4		5		6	
	Mes	ℓ	Mes	ℓ	Mes	ℓ	Mes	ℓ	Mes	ℓ	Mes	ℓ
Trabajo Agrícola por cuenta propia												
Por Cortes de café												
Por cortes de caña												
Por cortes de Algodón												
Por otros trabajos Agrícolas												
No Agrícolas, Por negocios propios												
Por trabajo no Agrícola												
Envíos del exterior												
Ventas ganado												
Otros ingresos												

TRABAJO E INGRESOS ANUALES

Ingreso proveniente del trabajo en la cooperativa en colones:

	1		2		Número de línea 1							
	Padre		Madre		3		4		5		6	
	Mes	₡	Mes	₡	Mes	₡	Mes	₡	Mes	₡	Mes	₡
Cortes de café												
Cortes de caña												
Cortes de algodón.												
Otras labores agrícolas												
Ganadería												
Administración (sueldo)												
Dividendos												
Alimentos												
Otros												

Ingresos fuera de la Cooperativa:

	Padre		Madre		Número de Línea 2							
	Padre		Madre		3		4		5		6	
	Mes	₡	Mes	₡	Mes	₡	Mes	₡	Mes	₡	Mes	₡
Trabajo agrícola/cuenta propia												
Trabajo/cortes de café												
Trabajo/cortes caña												
Trabajos/Cortes de algodón												
Otros trabajos agrícolas												
No agrícolas negocios propios												
Trabajos no agrícolas a particulares												
Envíos del exterior (₡ al año)												
Venta ganado (₡ al año)												
Otros ingresos (₡ al año)												

Patrimonio

1.- Tenencia de la Vivienda <sup>Valor</sup> \_\_\_\_\_

Propietario 1

No-propietario 2

2.- Ganado y aves

<u>Clase</u>	<u>Total</u>	<u>Valor</u>
Bobinos	_____	_____
Porcinos	_____	_____
Caprinos	_____	_____
Caballar	_____	_____
Aves	_____	_____
Otros	_____	_____

5.- Dinero \$ \_\_\_\_\_

6.- En la Coop. \$ \_\_\_\_\_

3.- Equipo Agrícola

<u>Clase</u>	<u>No.</u>	<u>Valor</u>
Carreta	_____	_____
Arado	_____	_____
Granero	_____	_____
Bomba	_____	_____
Aperos	_____	_____
Otros	_____	_____

4.- Equipo Hogar

<u>Clase</u>	<u>No.</u>	<u>Valor</u>
Radio	_____	_____
Máquina coser	_____	_____
Reloj	_____	_____
Bicileta	_____	_____
Otros	_____	_____

Condición Social

1.- Tipo de vivienda

Unifamiliar 1

Pieza en mesón 2

Otros 3

2.- Materiales vivienda

2.1 Techo

Teja 1

Duralita 2

Lámina 3

Paja 4

Otro 5

2.2 Paredes

Bahareque 1

Adobe 2

Madera 3

Lámina 4

Paja 5

Mixto 6

Otros 7

2.3 Pisos

Ladrillo 1

Madera 2

Tierra 3

Cemento 4

Otro 5

2.4 No. de habitaciones

No. \_\_\_\_\_

3.- Servicios

3.1 Agua

Cañería privada 1

Cañería común 2

Pila Pública 3

Pozo Privado 4

Pozo Público 5

Río 6

Nacimiento 7

Otro 8

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3.2 Sanitarios

- Letrina 1
- Letrina común 2
- Sin servicio 3
- Otros 4

3.3 Combustible

- Electricidad 1
- Gas propano 2
- Kerosene 3
- Leña 4
- Otros 5

Salud

1.- Qué lugar visita Ud. cuando se siente enfermo?

- Farmacia 1
- Hospital 2
- Médico particular 3
- Unidad Salud 4
- Otros 5

3.- A incorporado nuevos alimentos a lo que acostumbraba consumir antes?

- 1  SI
- 2  NO

2.- Cree Ud. que la alimentación de su familia ha mejorado?

- 1  SI
- 2  NO

4.- Después de la Reforma come Ud....?

- Mejor 1
- Igual 2
- Peor 3

Participación Social

1.- Es Ud. miembro de alguna agrupación campesina?

- UCS 1
- ACOPAI 2
- ANIS 3
- CCS 4
- FESACORA 5
- OTROS 6
- NINGUNA 7

2.- Participa en alguna de las siguientes asociaciones?

- Cooperativa Producción 1
- Cooperativa de Servicios 2
- Cooperativa de Ahorro 3
- En ninguna 4

¿La Le gustaría participar?

- 1  SI
- 2  NO
- 3  NO SABE

3.- Participa Ud. en grupos solidarios?

- 1  SI
- 2  NO

(4.- Participa en el sufragio?)

- 1  SI
- 2  NO

Beneficios que recibe de la Cooperativa

	1 SI	2 NO
Transportación caso enfermedad	1 <input checked="" type="checkbox"/>	2 <input type="checkbox"/>
Servicio médico	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Medicinas	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Pago profesores	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Insumo de préstamos	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Dinero en préstamo	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Obras agua potable	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Alimentos	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Obras eléctricas	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Parcela vivienda	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Ayuda construcción	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Planificación familiar	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Vacaciones anuales	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Salario enfermedad o por accidente del trabajo	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Aguinaldo	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Dividendos	1 <input type="checkbox"/>	2 <input type="checkbox"/>

Beneficios después de la Reforma

1.- Después de la adjudicación ha realizado usted?

	SI	NO
Construcción de casa	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Instalación servicio eléctrico	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Instalación de agua	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Instalación de sanitarios	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Cursos de producción	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Cursos de organización	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Cursos de administración	1 <input type="checkbox"/>	2 <input type="checkbox"/>
Cursos de alfabetización	1 <input type="checkbox"/>	2 <input type="checkbox"/>

2.- Cree Ud. que se ha beneficiado del Decreto (154)

- 1  SI (pase a la siguiente pregunta)  
2  NO

3.- Como considera Ud. que se ha beneficiado?

- |                         |   |                          |
|-------------------------|---|--------------------------|
| Acceso a la tierra      | 1 | <input type="checkbox"/> |
| Seguridad en el trabajo | 2 | <input type="checkbox"/> |
| Mejores ingresos        | 3 | <input type="checkbox"/> |
| Otros                   | 4 | <input type="checkbox"/> |

Observaciones

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Recomendaciones del Entrevistado

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ANNEX H

Clapp and Mayne, Inc.

Consultants to Management

1000 Ponce de Leon Ave. San Juan, Puerto Rico 00909 Tel. (809) 721-3800 Cable Colclapp Telex ITT 3450325 Collap

MEMO - W060-#2

M E M O R A N D U M

TO: Clem Weber, AID/RDO/El Salvador      DATE: September 11, 1985  
FROM: Larry Posner, Clapp and Mayne, Inc.      *21*  
SUBJECT: Tentative Recommendations regarding Evaluation of the Soil  
Conservation Situation for Finateros.

The tentative workplan for Clapp and Mayne, Inc. (CM) evaluation of project 265 was discussed at AID yesterday. We called attention to the PROP description of the midterm evaluation on page 158 specifying that "the evaluation team will make a particular effort to identify any environmental issue relating to project implementation, particularly as they relate to the land transfer process under Phase III." This work is not included in our terms of reference and our team does not include a person with a strong background regarding soil conservation.

There is a potentially serious situation that merits prompt attention by USAID. Instead of waiting three months for our final evaluation report, we enclose our first draft of the section of evaluation that will deal with this topic. Naturally, we will add observations and facts that we may develop during our interviews and our field work.

Recommendations: Contract promptly for an evaluation of the soil and environmental vulnerability of Phase Three land parcels.

Alternatives:

1. Add this work to CM Terms of Reference and dilute the other work. Not recommended due to lack of a suitable person and the high priority of tasks already in the Terms of Reference.
2. Add another person to the CM team to report together with the rest of the team or to report later. Feasible but probably more expensive than other alternatives.
3. Use TA funds to do the work instead of calling it an evaluation. Servicios Tecnicos del Caribe could get a short term adviser for two to three months. AID has an IQC for environmental work.
4. Contract locally for a Salvadorean or arrange for someone from IICA or CATIE to assist. It may fit with the IDB project to improve research and extension and AID funded efforts of CENTA.

Draft for CM evaluation regarding soil conservation in Phase Three parcels:

Section 4.2 X - Support Services for Viability/Phase Three/Soils

The parcels claimed under Phase 3 are frequently small plots with marginal or submarginal soil, often on steep slopes that are vulnerable to erosion. Typically a landowner would farm the better land himself with hired help and rent the inferior parcels to his campesino workers who used the milpas to grow basic grains for their own consumption and for sale. Before Decree 207 the milpas supplemented the food and cash income of the campesino. The campesino would have a different milpa from year to year. There is disagreement about whether the land was rotated (left fallow periodically) or farmed continuously with rotated cultivators.

Decree 207 gave campesinos the opportunity to claim the milpas they were cultivating in 1980 and many made claims. Many owners cut off employment for these finateros, making the milpa a primary source of food and income. The terms for purchasing the land from FINATA will require cash payments annually. PERA studies indicate that many finateros have selected payment schedules as short as 5-8 years to take advantage of discounted prices. The installment payments to FINATA may be double the rental price paid to the former owner. Consequently, there will be financial pressures to cultivate the land fully every year, even if continuous cultivation is destructive for the long run. AID, GOES, FINATA, and CENTA are aware of the potential risks of major deterioration of these lands but none has reliable information about the magnitude of the problem and a program to deal with it. (The CM evaluation team should confirm this statement and modify it to the extent that studies and a program exist).

(CM will add observations and comments from the evaluation bearing on the issue).

Recommendation 4.2-X regarding a soil conservation study for Phase Three parcels.

Contract for an evaluation of the soil and environmental vulnerability of phase three parcels. The evaluation should include as a minimum the following:

1. An assessment of the soil characteristics and vulnerability to deterioration under anticipated patterns of land use. Existing records and field observation at a sample of parcels should be undertaken by a technician with pertinent soils conservation knowledge and experience. FINATA, CENTA and PERA should be invited to collaborate in the survey.

2. Prepare an appropriate soils improvement plan for protecting the parcels from serious degradation and for building up the quality of the land where feasible. The plan should take into consideration the needs for extension, reseach, purchased inputs, behavior changes by the finateros, and the negative or positive incentives such as loss of current income from fallow periods that will influence the acceptance of a soils improvement program.
3. The analysis and plan will include consideration of farmers in the reformed sector and the traditional agricultural sector to determine (a) the extent and similarity of their needs, and (b) whether a soils improvement program should be focused on the finateros or integrated, serving both sectors.
4. The plan should be developed with an estimate of technical asistance requirements, financial costs, and suggestions regarding alternative scales for implementation and priorities if a full-scale program is not feasible immediately.

Recommendation 4.2 - X regarding FINATA authority to defer payments as required for soil conservation programs.

The procedure for payments to FINATA should not be allowed to induce finateros to destroy their own land. FINATA should modify its procedures and regulations to permit finateros to defer payments to FINATA when the finatero is following a soil-protection program approved by FINATA that temporarily disrupts income from the parcel. (Castaneda should advise us whether this change will require legislation, external approvals, or can be done by FINATA at its own initiative).

The special problems of finateros in conflict areas might be considered in the drafting of regulations regarding soil conservation. For example, finateros in conflict areas may not be able to occupy and cultivate their milpas so their income and ability to pay FINATA are disrupted temporarily. These finateros are likely to be in default to FINATA soon and subsequently lose the land. The risk of loss and uncertainty certainly will be a psychological influence on their willingness to invest in the property and their perception of the contribution of the agrarian reform to their lives. We speculate that many of these parcels would profit from a soil improvement program that would not require continuous presence by the finatero at the milpa with exposure to fighting and intimidation. FINATA could approve a soil improvement program appropriate to the situation; e.g. fallow resting of the land, planting legumes and ground cover plants, and "live barriers" to erosion, construction of erosion control structures, etc. These improvements will protect and enhance the value of the property for the finatero when the violence ends. Changing the payment plan could also preeempt a wave of defaults. FINATA or CENTA could provide guidance and psychological support via radio. Seeds and technical assistance can be provided episodically as conditions permit.

## ANNEX I

### DOCUMENTS PREPARED BY PERA 1981-1985

#### AÑO 1981

- Evaluación del Proceso de Reforma Agraria (Marzo 1980-Julio 1981).
- Bases para una política de Diversificación.
- Bases para una política pesquera en El Salvador.
- Aspectos relacionados a la Comercialización de Productos del Sector Reformado. Ciclo Agrícola 1980-1981.
- Consideraciones para el Establecimiento de un Complejo Avícola en las haciendas del Sector Reformado.

#### AÑO 1982

- Perfil de Beneficiarios del Decreto 207 con Anexo I y II: Metodología y Cuadros de Salida.
- Evaluación de los Programas de Capacitación ejecutados en el Sector Reformado.
- Evaluación del Proceso de Reforma Agraria (Marzo 1981-Abril 1982).
- Resumen y Extracto del Proceso de Reforma Agraria.
- Alcances Limitaciones y Perspectivas de la Reforma Agraria.
- Análisis de la situación crediticia de las cooperativas agrícolas del Sector Reformado.
- El Salvador: Perfil de Proyecto de Desarrollo Rural Integrado de la Zona Norparacentral.
- El Salvador: Perfil de Proyecto de Desarrollo Rural Integrado de la Zona Noroccidental.
- El Salvador: Perfil de Proyecto de Desarrollo Rural Integrado de la Zona Centro Oriental.

AÑO 1983

- Beneficiarios Potenciales del Decreto 207.
- Avances del Proceso de la Reforma Agraria.
- Análisis del Desalojo de Beneficiarios en fincas afectadas por el Decreto 207.
- Resumen y Principales recomendaciones del Estudio "Reforma Agraria en El Salvador". Formulado por Checchi and Co. para AID.
- Evaluación del Proceso de Reforma Agraria (Abril 1982-Marzo 1983).

AÑO 1984

- Análisis de Desalojos y Reinstalaciones de Beneficiarios del Decreto 207 en la Región Occidental de El Salvador.
- Evaluación del Programa de Administración Uniforme.
- Evaluación Proceso de Reforma Agraria.
- Diagnóstico de la Financiera Nacional de Tierras Agrícolas (FINATA).
- Determinación de los Montos de Crédito Utilizado para la producción y refinanciamiento del Sector Reformado (1983-1984).

AÑO 1985

- Situación de la Agroindustria del Café en las cooperativas del Sector Reformado.
- Análisis de las condiciones del otorgamiento y desembolsos del Crédito de Avío y Refaccionario a las Cooperativas del Sector Reformado.

- Segundo Perfil de Beneficiarios del Decreto 207, con Anexo I; Metodología.
- La Cabida, los Derechos y Deberes de los socios de las cooperativas de la Etapa I de la Reforma Agraria Salvadoreña.
- Censo Agropecuario de las Empresas Cooperativas de la Etapa I.
- Primer Perfil Socioeconómico de Beneficiarios del Decreto 154.
- Identificación de Proyectos Productivos y Sociales en las Empresas cooperativas del Sector Reformado.
- Necesidades del país en lo concerniente a la formulación de políticas y estrategia, y a la determinación de sectores prioritarios de la Reforma Agraria y el Desarrollo Rural.

Así mismo se han emitido una serie de opiniones, comentarios y recomendaciones, sobre diversos aspectos relacionados con la Problemática Agropecuaria Nacional y la Reforma Agraria, preparadas para el Despacho Ministerial y en apoyo a la Planificación Sectorial.

ANNEX J SURVEY OF THE PHASE ONE COOPERATIVES

(SEPTEMBER 24-OCTOBER 4 1985)

NOMBRE DE LA COOP.	LAS COLINAS	LA LABOR	EL CORTIJO	TARRA SURTA	EL SOCORRO N° 2	TAQUILLO
1. CANTON	El Hespero	Chapalapa	San Benito	Carra Surta	Argentina	Taquillo
2. MUNICIPIO	Tacuba	Ahuachapan	San Fco. Menendez	San Fco. Menendez	Jicalapa	Chiltupán
3. DEPARTAMENTO	Ahuachapan	Ahuachapan	Ahuachapan	Ahuachapan	La Libertad	La Libertad
4. REGION	Occidental	Occidental	Occidental	Occidental	Central	Central
5. ENTREVISTADOS	Pres., Vice-P., Tec., Cogestor, Prom. soc.	Secretario, Tesorero	Pres., Tec., Prom. Soc., Promotor Social	Pres., Vice-P., Tec., Sec., Prom. Social	Secretario, Vocal	Secretario
6. SAJIOS ACTUALES	40	817	146	246 (166 mujeres)	37 (2 mujeres)	93
7. SAJIOS INICIALES	40	924	120 hasta 200	556	48	95
8. ACTIVIDADES	Cafe 200 mz. Milpas(5) 55 " Cardamono 10 Total 322	Cafe 1,200 mz. Cana az. 605 " Arroz 110 " Milpas(5) 164 " Total 3,200 "	Maiz 155 mz. Palmeros 500 " Bosques 600 " Milpas(1) 146 " Total 1,665 " Ganado: 230 vacunos	Cana az. 660 mz. Maiz 215 " Arroz 80 " Platano 104 " Melon 250 " Ajonjolí 75 " Milpas(5) 286 " Total 2,800 mz. Ganado 321 vacunos	Maiz 30 mz. Milpas(1) 35 " Cultivos(1) 200 " Total 303 "	Milpas(2) 186 mz. Pastos 60 " Total 1,451 " Ganado: 100 vacunos No hay cultivos colectivos. Fueron engañados en ganado y proyecto camaronero. Hay potencial ganadero y camaronero
9. RENDIMIENTOS	Cafe 14.9 qq/mz.	Cafe 10 qq/mz. Cana 55 lb/mz. Arroz 60 qq/mz.	Maiz 80 qq/mz.	Cana 60-90 lb/mz. Maiz 60 qq/mz. Arroz 80 qq/mz.	Maiz 25 qq/mz.	
10. REND. ANTES 1980	Cafe 11 qq/mz.	Igual que ahora	Patron los alquil.	Cana: igual, arroz: Exp: patron solo tramos. Otros cult. bajaba con ganader. no eran sembrados	Exp: patron solo tramos. Otros cult. bajaba con ganader.	
11. GERENTE	Lo elige asamb.	Si, 50 % salario	Seleccion	Si, 50 % salario	Si, 25 % salario	Si, solo RD 75 %
12. CONTADOR	Lo elige asamb.	Si	Si	Si, 50 % salario	Falta negoc. saler.	Si
13. PAU	Sujeto a 10 y 11	Si	Sujeto a 10 y 11	Si		Si, proximanente
14. COGESTOR 15TA	Si	Si	No lo vendes coop.	Si	Si, va 3-4 v./sen.	Si, pero no funciona
15. PROM. SOCIAL 15TA	Si	Si	Si	Si	Si, va 3 veces/sen.	No, desde hace 8 m.
16. AFILIA FESNORCA	Desde 1981	Dejaron FESALORCA	Desde 1982/83	Dejaron FESNORCA	Desde 1984	Desde 1984
17. SATISF. FESNORCA	Si	No	Si	Desean estar libres	No estan seguros	Si, desean agudar
18. PROBLEMAS PRINCIP.	Escripcion, cant. no. de restring., salario insustitucion.	Intereses, atraso en pago, falta trabajo, falta de insumos, mejorar productividad, credito	Camino, clinica, agua potable, credito	credito e intereses, rehabilitar infraestructura en poder de RFA, deuda agraria, tierras quebradas al fabricacion	credito tardio, lan-cha en poder de RFA, no venden nada desde 1981, solo el ganado para pagar el credito.	No tienen credito y no venden nada desde 1981, solo el ganado para pagar el credito.
19. BANCO	B.F.A.	Bq. Comertal	El S.B.F.H.	Salvadoreno. H par-DEFA tic de 1985 el BFA		Caja de credito
20. SALARIO ANUAL PROMEDIO POR SOCIO 1/2	C 2,000	C 1,500	3 a 4 meses anuales C 836	10 meses anuales C 900	2 meses anuales C 763	No hay planilla
21. HAN MEJORADO EN:						
a) Salud?	Si	Si	Igual	Igual	Igual. Nada	Igual o peor
b) Educacion?	Igual	Si	Igual	Mejor	Peor. hacen un prof.	Igual o peor
c) Vivienda?	Buenas, falta repar.	Buenas y reparac.	Igual	Mejor	Igual. No hay progr.	Igual o peor
d) Electricidad?	Si	Si	Igual	Igual	Igual	Igual o peor
e) Agua potable?	Si	Si, estuerzo comunal	Igual	Por terminar	Igual	Igual o peor
22. PERDIAS EN:		1981/82: C 980,000	1980/81, 80	1981, 00 (incluye 81)	Todos los anos	Todos los anos
23. GANANCIAS EN:	1984/85: C 170,000	1983, 84, 85	1982/83, 84, 85	86, 1984/84, 85	No tienen	No tienen
24. UNO FABET. SAJIOS	52 %			20 %		95 %

1/ Se calcula C 30,000 por hectarea x salario minimo

Best Available Document

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ANNEX J

NOMBRE DE LA COOP.	TONALA	ATAISI	SAN ANDRES	SANTA EMILIA	ASTORIA	LA NUEVA FEDEFINATA
1. CANTON	Tonala	San Isidro	San Andres	San Jose Las Isletas	Las Flores	Las Isletas
2. MUNICIPIO	Sonsonate	Isalco	Ciudad Arce	San Pedro Masahuat	San Pedro Masahuat	San Pedro Masahuat
3. DEPARTAMENTO	Sonsonate	Sonsonate	La Libertad	La Paz	La Paz	La Paz
4. REGION	Ocidental	Ocidental	Central	Paracentral	Paracentral	Paracentral
5. ENTREVISTADOS	Presidente, Tesoro-Tesorero, Gerente	Tesoro-Tesorero	Pres., Vice-P., Sec., Tes., Sec. Junta Vig. Colector	Pres., Vice-P., Tes., Colector	Vice-Presidente	Secretario y Tesorero
6. SOCIOS ACTUALES	138	770	838	54	149	40
7. SOCIOS INICIALES	120	350	838	150	Aprox. 220	40
8. ACTIVIDADES	Algodon 242 mz. Cana 175 " Platano 17 " Milpast. 35 " Total 800 " Ganados: 300 vacunos	Cafe 2,440 mz. Cana 811 " Bozques 360 " Rec. Nat. 1,001 " Milpast. 10 " Pastos 58 " Citricos 8 " Total 5,001 " Ganados: 166 vacunos	Cana 670 mz. Cafe 150 " Arroz 67 " Platano 40 " Citricos 40 " Potreros 350 " Milpas 1,257,225 " Total 3,180 "	Algodon 122 mz. Cana 40 " Arroz 35 " Milpas 54 " Total 410 " Vacas: 5 compradas con aportac. social por no recibir apo-	Algodon 520 mz. Cana 150 " Yuca 27 " Cana 27 " Milpas 56 " Sandia 75 " Potreros 250 " Total 1,292 " Vacun. 1920 eng. y l.	Algodon 160 mz. Cana 20 " Milpas 16 " Total 196 " Algodon 37 qq/nz. Cana 130 TH/nz.
9. RENDIMIENTOS	Algodon 50.5 qq/nz. Cana 46 TH/nz.	Cafe 49 qq/nz. Cana 40 TH/nz.	Cana 80 TH/nz. Cafe 15 qq/nz. Arroz 85-90 qq/nz.	Algodon 29 qq/nz. Cana 60 TH/nz. Arroz 55 qq/nz.	Algodon 36 qq/nz. Leche 1750 bot./dia Maiz 70 qq/nz.	Algodon 37 qq/nz. Cana 130 TH/nz.
10. REND. ANTES 1980	Menos en algodón e igual en cana	Menores en cana y cafe	Menores en cana y arroz y mayores en cafe por falta cose.	Algodon 45 qq/nz. Igual en cana y no arroz	Igual algodón y maiz	No corresponde. Es una cooperativa de finqueros.
11. GERENTE	Si, 50 % salario	Renuncio en set. 85	Resan. acuerdo no con- trat. Cont. propia si	No. Ade. con 40 años de exper. en algodones	Si, 25 % salario desde enero 1985	Los basta los consejos del CFMA
12. CONTADOR	Si, 50 salario	Si, 50 % salario	Si, 50 % salario	Contador propio	Si, 25 % salario desde junio 1985	Contador propio
13. PAU	Si	Si	Si	No	Desde nov. 1984	No corresponde
14. EGESTOR ISTA	Lo retiro ISTA	Si, es dinamico	Si, estan satisf.	Si, neces. por firma	Desde junio 1985	No corresponde
15. AFILIA FESACHRA?	Si	No, no fueron buenos	Son dos	Se fue jul. Buena	Si	No corresponde
16. AFILIA FESACHRA?	Desde 1982	Desde 1980	Desde 1982	No	Si	No, a ACUPAI
17. SATISF. FESACHRA?	Si, ayudan en neces.	Si	Si	Ayuda sin compr.	CCSSI	Satisf. con ACUPAI
18. PROBLEMAS PRINCIP.	Concientiz., educac. infieres deuda agr., alta deuda imortal, crear trabajos	Concientiz., educac. cion infantil, salud, electricidad	Credito reducido y bario, capacitar.	Cred. inadec. impone condic. compra ins. Sin trabajo perman. Vivienda.	Mala atencion cre- tereses, salarios bajos y salud. Hipotec. El superv. BFA impone comp. ins.	BFA quitaria cred. sino producen mas de 40 qq/nz. de alg.
19. BANCO	Salvadoreño	B. Hipotecario	B. Salvadoreño	BFA	Hipotec. El superv. BFA impone comp. ins. es contrario a la RA	
20. SALARIO ANUAL PROMEDIO POR COOP. 1980	10 meses anuales C 900 anuales	C 900 q. talin. Texco C 1,100 (12 meses)	C 97.97 q. Nov.-Mar. C 1,664 anuales Ret. quincimestro am	C 96 q. Seis q. /ano C 1,152 anuales	C 100.4 q. 11 meses C 2,209 anuales	C 960 anuales
21. HAN MEJORADO EN:						
a) Salud?	Si	Si, medico diario	Igual. Buen pabloc.	Peur. antes habia de Si	Si	Igual
b) Educacion?	Si	Si, pagan dos prof.	Si, coop. paga prof.	Igual	Si, hasta 9o. grado	Igual
c) Vivienda?	Si, el 50 %	Si, mas viviendas	Mejor, pero regular	Igual, se deterioran	Hay proyecto	Prog. viv. 14 socios
d) Electricidad?	Igual. Buen	Si	Si, coop. ha financ.	Igual	Si	Igual
e) Agua potable?	Igual. Buen	Igual, nec. mas agua	Proceso de mejorar	Igual	Igual	Igual
22. PERDIOS EN:	1980/81, 82, 83	1980/81, 82	1980/81	1981/82, 83, 84	1981/82	1982/83 y 84/85
23. GRANJAS EN:	1983/84, 85	1982/83, 84, 85	1981/82, 83, 84, 85	1984/85. Posib. 85/86	85/86, 86/87, 87/88, 88/89, 89/90, 90/91, 91/92, 92/93, 93/94, 94/95. Posib. 95/96	95/96
24. ANALFABET. SOCIOS		40 %	80 %	85 %	75 %	Mas de 25 %

1/ Se calcula C 900.00 por calorera (salario promedio)

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ANNEX J SURVEY OF THE PHASE ONE COOPERATIVES

-EASTERN REGION (SEPTEMBER 29 - OCTOBER 3 1985)

NOMBRE DE LA COOP.	DIVINA PROVIDENCIA	LA MARANONERA	SAN RAMON	OBRAJUELO	LA CEIBA
1. CANTON	El Progreso	Tierra Blanca	Bananera	El Jalacatal	Tecomatal
2. MUNICIPIO	San Miguel	Chirilagua	Conchagua	Quelepa	San Miguel
3. DEPARTAMENTO	San Miguel	San Miguel	La Union	San Miguel	San Miguel
4. ENTREVISTADOS	Sec., Vocal, Pres. J. Vig., Coges., Prom. S.	Pres., Vice-P., Tes., Ger., Enc. B. Social	Pres., Vice-P., Sec. Tesorero, Contador	Pres. J. Vig., Cont., Prom. Soc.	Pres., Vice-P., Tes., Ger., Cont., Prom. S.
5. SOCIOS ACTUALES	27	108	80	114	85
6. SOCIOS INICIALES	105	188	219	127	115
7. ACTIVIDADES	Henequen 100 mz. Sandia 6 " Milpas (6) 16 " Pastos nat. 244 " Total 366 "	Maranon 1,167 mz. Milpas 295 " Past. nat. 737 " Total 2,950 "	Algodon 400 mz. Henequen 90 " Pasto mejor. 21 " Ajonjolí 15 " Bosque nat. 300 " Reforest. 68 " Pastos nat. 983 " Milpas 274 " Matorral 1,383 " Total 4,080 " Ganad. doble propos.	Algodon 307 mz. Henequen 453 " Bosques 369 " Milpas 17 " Maicillo 27 " Total 1,233 "	Maiz-maic. 114 mz. Arroz 74 " Cana 35 " Henequen 50 " Pastos 86 " Pasto nat. 594 " Total 987 " Ganaderia lechera
8. RENDIMIENTOS	No disponible	No disponible	No disponible	No disponible	Mas en arroz e gual en leche
9. REND. ANTES 1980	Mayores	Menores	Iguales	Menos en henequen y algodón	Mas en arroz e gual en leche
10. GERENTE	No	Si, 50 % salario	Si, 75 % salario	Si, 75 % salario	Si, 25 % salario
11. CONTADOR	A tiempo parcial	Si, 50 % salario	Si, 75 % salario	Si, 75 % salario	Si, 25 % salario
12. PAU	No	PAU, desde 1984	Si, desde 1984	PAU, desde 1984	PAU, desde 1985
13. COGESTOR ISTA	Si, es nuevo	No	No	No	No
14. PROM. SOCIAL ISTA	Si	No	Si	Si	Si
15. AFIL. A FECORAD?	No, a FECORAD	No, a FECORAD	No	No, a FECORAD	No, a FECORAD
16. SATISF. FECORAD?	Muy reciente	Muy reciente		Muy reciente	Muy reciente
17. PROBLEMAS PRINCIP.	Falta agua, no sujetos de credito	Comerc. Maranon, falta credito para henequen	Falta mano obra recolecc. algodón, rend. del socio	Falta conc. trabajo algodón, insumos en BFA	Falta conc. socios, tardanza liq. IRA no acepta toda producc. arroz
18. BANCO	BFA	BFA	BFA	BFA	B. Hipotecario
19. SALARIO ANUAL PROMEDIO POR SOCIO 1/2	C 1,030 en 6 meses	C 2,448 anuales	C 2,179 anuales	C 2,448 anuales	C 2,169 anuales
20. HAN MEJORADO EN:					
a) Salud?	Si	Si	Si	Si	Si
b) Educacion?	Igual	Si	Si	Si	Si
c) Vivienda?	Si	Si	Igual	Si	Si
d) Electricidad?	Igual	Igual	Igual	Si	Igual
e) Agua potable?	Igual	Igual	Igual	Igual	Si, en implement.
21. PERDIDAS EN:	1984/85	1983/84	1984/85		
22. GANANCIAS EN:		Posibles en 1984/85		1984/85: C 116,323	1984/85: C 40,400

1/ Se calculo C 90.80 por catorcena (salario minimo)

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