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EVALUATION OF GUATEMALA'S INTEGRATED AREA DEVELOPMENT STUDIES PROJECT

5200249

Thomas McKee, LAC/DR
James Riordan, ABT Associates Inc.

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1. INTRODUCTION:

This evaluation is being done at the request of USAID/Guatemala to assist the Mission and the GOG in analysis of progress todate under IADS and to assist them in future programming efforts. Mr. McKee is a direct hire AID employee working out of Office of Development Resources of AID's Bureau for Latin America and the Caribbean (LAC/DR). Mr. McKee is a multi-sectoral development officer with a background in urban planning and institutional development. Mr. Riordan is an employee of ABT Associates of Cambridge, Massachusetts. He is an economist with experience in agricultural sector planning and programming.

The evaluation team carried out this evaluation between January 7, 1982 and January 14, 1982. The short time period available compressed the normal work load but thanks to a rigorous work schedule and the constant availability and support of Guatemalan and USAID personnel the following report was completed. Time pressures did not permit normal writing and review standards to be observed so please excuse typographical

or editorial errors. The evaluators were impressed by the professionalism and openness of the many Guatemalans and Americans involved in this project and thank them for their friendliness and hospitality.

II. BACKGROUND:

The Integrated Area Development Studies Project No. 520-0249 was approved by USAID/Guatemala on June 5, 1978 and the Project Grant Agreement was signed with the GOG in August 31, 1978. The PP rationale focused on priorizing needs for services and infrastructure in rural communities and municipalities in such a manner that "(1) those most in need (the USAID target group) might receive the greatest benefit from the proposed projects, and (2) each added/component of infrastructure or services complements those already existing so that an economic multiplier is achieved from each new investment." This effort was tied to ongoing and projected USAID program efforts with INFOM and the Ministry of Agriculture. The key implementing agencies were INFOM and the Min. of Agriculture and in addition there was to be a Steering Committee chaired by the National Planning Office (CNPE) and with a membership of seven GOG central agencies. However, by the

time the Project Agreement was signed the role of the CNPA had been expanded so that it became responsible for project direction and coordination although INFOM/MinAg retained their direct implementation roles in carrying out the project activities. This management relationship fostered competition between CNPA and INFOM and lead to institutional frictions which hindered but did not prevent achievement of project objectives. These objectives which are listed in the Project Agreement were:

"(i) the execution of three interrelated studies, (ii) development of a planning methodology based upon the data generated from these studies and (iii) the organization of an experimental program for eliciting expressions of the perceived requirements for participation." Originally project designers expected a two year liefe of project ('78-'79) which has now been doubled to at least four years ('78-'82). The original PP estimated cost of $498,000 in AID funding (just below the $500,000 limit of Mission approval authority) and $377,000 in GOG funding for a total of $875,000 has been amended upward three times and now stands at $1,438,000 from AID (including $200,000 from DS/UD) and $643,158 from the GOG for a total of $2,081,158. The bulk of these funds have gone to finance the teams of analysts, technicians, programmers and secretaries who carried out the various studies and also to finance the Title XII contract with the University of Iowa State to provide the GOG agencies advisory assistance. This is the first formal evaluation

of the project. It comes at a point in the project when Studies I, II, III and Activity I have been finished but the processing and integration of the data is still being carried out. Ideally this evaluation - which among other things addresses itself to the extent which the data produced has been and will be incorporated into GOG planning activities - would have been more timely after completion of the integration phase of the project. However, AID's planning cycle required that the evaluation be performed no later than this month so that any recommended follow-on activity can be included in this year's budget and approval process.

III. CURRENT STATUS REPORT

In what follows, we describe the current status of the project. To structure this discussion, we shall use the logical framework that was prepared by USAID/G at the time of project design.

A. Program or Sector Goal. The broad objective to which this project was seen as contributing at the time of project design was:

> Increase small farmer incomes and improve well-being in rural areas.

The measures that were proposed to assess progress toward goal achievement were: (1) "increase in incomes of small farmer target group" and (2) "availability of needed services at specific locations."

At the present time we have no evidence that small farmer incomes or availability of needed services have increased as a consequence of the project. On the other hand, the anticipation at the time of project design was that "the desired effect at the goal level will come about indirectly after the outputs of this project are utilized to plan new infrastructure and services projects and

then subsequent implementation" (Project Paper, page 59; emphasis added.). Moreover, as we shall see in our discussion of progress toward achieving the project purpose there are positive signs that suggest it is reasonable to expect the goal of the project to be met.

The Project Paper listed three assumptions for achieving the project goal:

(1) GOG and non-Governmental agencies have or can attract sufficient financial and managerial capability to develop and implement projects which will fill the identified gaps in infrastructure and services;

(2) Maximum economic potential not presently being realized, i.e., natural and human resources are under or inefficiently employed in target areas; and,

(3) GOG will continue to invest in programs which stress equity as well as productivity.

In the main, these assumptions still appear to be valid. This is unequivocally true for assumption (2) but certain qualifications are in order for assumptions (1) and(3).

In respect to assumption (1), the GOG's fiscal strength has weakened considerably over the past couple of years, and as the economic growth rates of the mid-1970's have declined, so too has the GOG's capability to fund new development initiatives.

An objective of the upcoming national development plan will be to redirect development resources away from Guatemala City but the latitude for moving aggressively in this direction is constrained by a lack of bouyant macroeaconomic growth. Perhaps more importantly, however, the GOG's managerial capacity to develop and implement projects in the target region has been a key constraint to development in the past and, without substantial institutional change, can be expected to continue to be a major problem in the future. As expressed in USAID/G's FY 1983 Country Development Strategy Statement:

> The GOG's successive development plans, as well as its annual budgets, have consistently been optimistic relative to the public sector's capacity to implement them. For the past seven years the amount expended on capital investment has averaged 25 percent less than the amount budgeted. This difference between funds programmed and expended is largely the result of two factors: institutional constraints and a set of overly complex administrative laws and regulations

As we shall see shortly in our discussion of the purpose of the project, the regionalization of the upcoming development plan, together with the availability of evidence on the development status of each municipio in the target region, can be expected to have an influence in tying planning and programming more tightly together. Nevertheless, no formal institutional mechanism currently exists to offer assurance that this integration will take place operationally. In sum, therefore, the outputs of IADS are a key ingredient, but not a sufficient condition, for goal achievement.

With respect to assumption (3), the upcoming national development plan will focus more on productivity than on equity. This is largely a consequence of the perceived need to counteract the sluggish pace of economic growth in recent years. On the other hand, a higher proportion of productive investments can be expected to take place in rural areas outside of Guatemala City than has been the case in the past.

B. Project Purpose. As stated in the Project Paper, the purpose of the project is:

> The development and adoption by the GOG and non-Government agencies of a systematic planning methodology for determining priorities and allocating resources to provide the infrastructure and services required to achieve the goal.

Before turning to objectively verifiable indicators of progress toward this project purpose, it is important to note that the word "methodology", can mean different things to different people. For some, a systematic planning methodology means a rigorous and mechanistic tool that, when applied,

generates priorities as a logical consequence. For others, a methodology is simply a broad framework for guiding the selection of investment priorities. In our judgement, the latter interpretation is closer to what is appropriate. In practice, regional science, and, as a corollary, regional planning, is more of an art than a science. This is not to say that planning should not be formal and systematic, but it is a recognition that planning requires judgement and that it has its qualitative as well as its quantitative dimensions.

In assessing progress toward achievement of the project purpose, therefore, we believe it would be a mistake to adopt as our criterion of progress the development and adoption of a completely codified, mechanistic process. Rather, what we shall focus on is the extent to which planning has become more formal, objective, and analytical. In doing so, we hope to avoid the trap of getting so "hung up" on the peculiarities of the planning "methodology" that we wind up missing the basic point of whether planning has become more informed and systematic.

According to the Project Paper, the conditions that will indicate that the purpose has been achieved are that

Governmental and non-Governmental agencies will be utilizing the new planning methodology to:

(1) Define with precision the nature and extent of the requirements for rural infrastructure and services.

(2) Establish criteria for determining relative priorities between alternative infrastructure and services investments.

(3) Select appropriate sites for investments in infrastructure and additional services.

(4) Determine the roles, responsibilities and coordination required among institutions operating among the rural areas to assure complementarity and to avoid costly competition and duplication of effort.

The first three of these objectively verifiable indicators are largely technical, whereas the fourth indicator is more institutional in nature. In what follows, therefore, we first discuss technical progress and then turn to institutional progress.

In a general sense, we can say that the project has definitely been instrumental in the development of a systematic planning methodology and that CNPE and INFOM are about to put it into practice. In very broad terms, the methodology consists of comparing agricultural potential and supporting infrastructure throughout the target region and, on the basis of the relative hierarchy of each area in the region, drawing inferences as to where and what types of future investments should be made. There is also a recognition that existing access patterns and perceived needs at the local level should be considered in the priority-setting process.

The nuts and bolts of applying this methodology have not been worked out in each and every detail, however. On the other hand, there are a number of indications that these details will be worked out satisfactorily in practice:

- CNPE's Department of Regional Planning is currently under pressure to produce a detailed diagnostico of the target region for use in the upcoming national development plan. The intent is that this diagnostico will serve as the basis for the selection of the specific areas in which sectoral investments will be made.

Our discussions with the staff that CNPE has assigned to this exercise suggests that the work is in good hands. CNPE technicians, many of whom have previous experience in working with the IADS data, seem to have a clear understanding of the different analytical steps that need to be taken as well as of what can be accomplished in a short period of time. On the other hand, the proof of the pudding will come in the eating, and it still remains to be seen whether our relatively sanguine impressions will be borne out in end results. In any case, the demand for the diagnostico at this time is a fortuitous occurence. It not only offers a testing ground for the application of the IADS data in a context in which they

can affect future patterns of resource allocation; it also provides a real "live" opportunity for "learning by doing" which is ultimately the only way in which institutionalization of planning capacity actually takes place.

- Independently of the CNPE exercise, INFOM has developed a relatively detailed schematic for allocation of the Institute's local development funds. As in the case of CNPE, we were generally impressed with the caliber of INFOM technical personnel. Moreover, the schematic they have developed (which is still in draft) appears to be reasonable and well thought out. It is still somewhat premature to come to a definitive judgement, however, and again, the proof of the pudding will be in the eating.

- A further indication of a relatively optimistic prognosis for the future is the quality of past technical work. As indicated in our discussions of the Project's outputs, the products generated under the project to date are generally quite well done.

All of this is not to say that there will be no technical gaps in the future. There will be. Although the overall planning framework appears to be sound and well understood by capable GOG personnel, technical assistance could be put to good use in the future in connection with specific analytical tasks, for example, the development of a formal framework for laying out the trade-offs among competing objectives,[1/] imposition of dynamic considerations on the static IADS data base, and the application of workable location models for maximizing access to health and education services.[2/]

1/ An example of such a scheme that has been proposed for use in the United States is attached as annex to this report.

2/ A handy guide for applying location models was developed by David Eaton et al in the mid-1970's and is available, in Spanish, from LAC/DR/RD.

Although considerable technical progress has been made under the project, progress on the institutional front has been much more modest. Among the positive developments are:

- CNPE has assumed a clear leadership role in regional planning. Moreover, the IADS project is not viewed as an insolated, "AID-financed" endeavor. Rather, IADS has met a real GOG need and is now part and parcel of CNPE's planning process.

- Although IADS can not claim credit, CNPE has established a regional office in Quezaltenango and a departmental development office in Baja Verapaz, where regional development and annual operating plans are developed in decentralized fashion. There is evidence of interest in using the IADS data in developing these plans.

- INFOM has started to use the IADS data and planning methodology in its decisionmaking on the location of local investment.

On the negative side of the ledger, there are a number of constraints that affect the extent to which IADS outputs will be used and, more importantly, limit the effectiveness of regional planning in Guatemala. These constraints are:

- Because of time limitations, we were unable to talk with USPA. Nevertheless, our impression from discussions with CNPE, DIRENARE, and INFOM personnel is that USPA's interest in IADS is a marginal one. Although we were told that USPA no longer considers IADS as a rival to its area frame work, we still have no concrete evidence that USPA is at all interested in using the IADS planning methodology in setting agricultural sector investment priorities.

- In a similar vein, we found no direct evidence that other GOG institutions are interested in IADS. This constraint may very well be removed when CNPE conducts seminars and workshops with other institutions in March. Although we would expect demand to be substantial, at this point we cannot be sure.

(In retrospect, the creation of the steering committee that was anticipated in the Project Paper but never materialized would presumably have helped in the long-run institutionalization of the IADS approach to planning throughout the GOG)

- The absence of a data processing institution that attached high priority to IADS work was a major constraint to progress. Some work was done at the University of San Carlos but service was spotty. As discussed elsewhere in this report, action is needed to prevent this problem from becoming a constraint to broad dissemination of the IADS planning methodology.

- The decentralized planning that is taking place in Quezaltenango and Baja Verapaz is clearly the exception to the centralized planning rule. Although the incorporation of locally perceived needs in the IADS planning methodology is a technical step in the right direction, it is inadequate, by itself, to bridge the gap between centralized planning and implementation of programs and projects at the local level. In the long run, major institutional changes are

required. In the future, more planning needs to be done in the field and mechanisms need to be set up institutionally to assure that this planning is taken seriously in Guatemala City. Moreover, particularly in the implementation of integrated regional development programs, clear authority must be established at the local level to coordinate the contributions of different sectoral agencies.

- As alluded to briefly in our discussion of progress toward goal achievement, there is presently a breach between CNPE's planning and the execution of programs by line ministries. Upon completion of annual operating plans, funds pass directly to sectoral ministries. Once the ministries receive these funds, CNPE has weak control over how they are spent.

CNPE has little power to influence what projects are developed and proposed for funding by the line ministries. It may seem ironic but regional planning can operate effectively only if the "rules of the game" are clearly established at the top.

C. OUTPUTS

The IADS Project Paper called for the production of four outputs:

(1) Study One

Definition of Rural Urban Hierarchy and Inventory of Infrastructure and Services.

(2) Study Two. Inventory of Natural Resources and determination of Economic Potential of Each Level of the Rural/Urban Hierarchy.

(3) Classification and Mapping of the Information provided by the two studies.

(4) Initial screening of investment possibilities.

The Project Agreement also called for the production of four outputs. Although there is overlap, there is not a one-to-one correspondence between the two sets of outputs. The outputs specified in the Project Agreement are:

(1) Three Studies are planned, which will provide data at the municipal level on present infrastructure and services, natural resources, and the effective access to infrastructure and services.

(2) Experiments in Local Participation which will evaluate alternative methods of eliciting from local populations their expressions of priorities for local investments.

(3) Specification of Planning Methodology based on information obtained through the studies and experiments mentioned above.

(4) An Information Center consisting of the materials compiled during the Project.

In our discussion of progress toward achievement of the project purpose, we have already discussed the progress that has been made in the specification of a planning methodology and the initial screening of investment possibilities. In what follows, therefore, we shall limit ourselves to the three "studies" and two "activities" that actually became the direct focus of work during project implementation. The three studies are:

I. Definition of Rural/Urban Hierarchy and Inventory of Infrastructure and Services.

II. Inventory of Natural Resources and Determination of Economic Potential of Each Level of the Rural/Urban Hierarchy.

III. Study of Patterns of Access to Infrastructure and Services.

The two activities are:

I. Evaluation of Alternative Methods of Eliciting from Local Populations Their Expressions of Priorities for Local Investments.

II. Development of an Information Center consisting of the Materials Compiled During the Project.

Before turning to each of these studies and activities individually, we should note that all the technical work performed under the project to date has generally been of high caliber. This is not to say that there have not been problems, that each study and activity accomplished absolutely everything it set out to do, on that we do not have quibbles over how certain analytical tasks were performed. The work under the project has not been perfect but this should not detract from the fact that it has been of high order.

With these remarks as a background, we now turn to a discussion of the present status of each study and activity. In the main, our comments will be brief, not only because most of the work has been well done but also because the major obstacles to full institutionalization of regional planning in the future are institutional, not technical.

Study I. This study is complete, and the final report is clearly written, comprehensive and technically sound. We have only two specific suggestions as to how the results could be made clearer to the reader. First, it needs to be made clear how the purposive sample of places with less than 500 people does not limit the representativeness of the results at the regional level. And, second, the reasoning for the selection of the 14 priority areas for investment needs to be made explicit.

Study II. Like Study I, this study is complete and well documented. We were particularly impressed with the approach that was adopted to estimate agricultural potential. Instead of relying on research station findings, Study II looked at what the "best" farmers were actually doing. In our judgement, this approach is eminently reasonable and realistic. The one task that still remains in order to recommend specific areas for agricultural investment is to link the potential of each area with current use. DIRENARE is currently working with the Agricultural Census for this purpose. It is our understanding that ISU has also made progress in this area, and the sooner that ISU comes to Guatemala to share their findings, the less the possible duplication of work.

Study III. This study is also complete but unlike Studies I and II, was faced with more problems. The study is generally well done and useful as far as it goes. In comparison with what was anticipated, however, it falls somewhat short. The major problems appear to have seen.

- The ProAg called for the generation of information on access for each municipio in the target region, but did not provide adequate funding to accomplish this objective. Confusion still exists as to whether the study was to be representative of the region as a whole. In fact, it is representative of three subregions.

- Lack of adequate communication between INFOM and ISU, and insufficient technical assistance provided by ISU.

- The questionnaire was long and cumbersome to administer.

- Many respondents were reluctant to respond to the questions asked.

- Costs of transport were not able to be gotten directly from the survey. Rather, costs will need to be estimated later as an analytical rather than a statistical exercise.

- The data were not computerized and all tabulations to date have been performed by hand.

- The presentation in the final report for this study could be crisper and less laden with methodological terms.

Activity I. Implementation of this activity vacillated between a study of methods and an analysis of locally perceived needs. In the final analysis, this activity does not really offer all that much new methodologically but, on the other hand, is a rich source of information on local perceptions of needs and the pros and cons of different project implementation mechanisms. Like Study III, Activity I was beset with a number of problems. The major problems appear to have been:

- Lack of clear direction until October, 1981.
- The role of the ISU advisors was unclear. No counterparts were identified for them to advise, but the advisors were not expected to be the implementors either.

- This confusion was compounded by the advisors leaving Guatemala before completing their report -- and, when the report was received, its recommendations were judged to be impractical.

- INFOM is distributing a summary of its findings and offering seminars to its own staff and other GOG institutions. The doubt still persists, however, as to whether its findings will actually be used in the design of future investments.

Activity II.

As of this writing, CNPE is putting together a proposal for a national information center that would consist not only of the materials compiled during the project but also of other studies, reports, bibliographic materials, maps, data tapes, etc. as well. Although the creation of such a comprehensive information center would undoubtedly be useful, its scope appears to go beyond the intent of the ProAg. USAID/G will therefore need to consider the extent to which it would be appropriate for it to lend its support. At minimum, however, some steps are clearly called for to

improve the access of CNPE to data processing services. CNPE is convinced that the only completely satisfactory solution is the purchase of a computer over which they would have direct control. This is an expensive proposition, however, and other alternatives, although "second-best", deserve serious consideration. These alternatives are outlined in some detail in our discussion of options for the future.

IV. Unplanned Results/Lessons Learned

With the benefit of three and a half years of hindsight the project would have benefited from a clearer, more limited statement of its objectives, a different management/organizational approach, early resolution of the local computer facilities problem and a more experienced and accessible source of technical assistance. In spite of these myriad drawbacks and difficulties and perhaps partly because of them -- that is, the GOG had to rely more on their own resources, the CNPA and INFOM have institutionalized the IADS data base into their activities.

The IADS project has been an ambitious effort from the beginning to change the way the GOG allocates its investment funds to development projects by developing and institutionalizing a systematic planning methodology. In retrospect, the project may have been too ambitious particularly with respect to the number of variables it took into consideration. Nevertheless the project has been able to achieve the development and institutionalization of a data bank which provides in a workable basic information about the project area. This data base provides one of the necessary conditions to adoption by the GOG of a timely systematic planning methodology but it isn't of itself sufficient to assure that future GOG priorities and resources are targeted for equity and economic development objectives.

There is a temptation to expect what is basically a technical tool for use by program/project developers to have too great an impact on political decision makers.

One of the serious problems which hindered project implementation was the manner in which it was organized and administered. In the original PP INFOM and the MinAg were the key implementing agencies with the CNPA in a coordinating role. Later CNPA's role was expanded to include project direction while at the same time INFOM, MinAg retained their implementation roles. This arrangement fostered competition which led to institution frictions. It became a project with two directing organizations, 2 project managers, and 2 organizations needing advisory assistance. Thanks to the importance given the work by both institutions the situation never got out of hand but it did divert time and attention and cause ill feelings. A lesson to be learned is that in these kinds of inter-institutional planning projects special care and attention should be given in both design and implementation to organization and administrative arrangements. In retrospect, AID could have played a stronger role in minimizing frictions among the participating institutbns, but the Mission suffered from discontinuity of management, with three project managers in thee years. In addition, the absence of a project evaluation before now lessened the impetus to address problems head on.

Another lesson learned was that the establishment of the IADS Information Center should have been done within the first year of project activity as a sine qua non of institutionalizing the project. Work activities focused on the obtention of the data while never dealing directly with the important matter of assuring ready access locally to the information generated. While the decision to move the computer processing to ISU was understandable as a short-term solution as a result of security problems at the National University and the high cost of local commercial time, it shouldn't have been accepted as anything but an interim solution while a local solution was developed. It had several serious negative impacts on the project and the ISU activities. It meant that ISU's role shifted from one of advising the Guatemalan on how to perform the data processing and training them in computer programming and analysis to one of actually doing the work and sending the Guatemalans the results. This weakened lines of communication and in some cases, this appears to have led to actual duplication of work. Moreover, the reduction in communication attendant with the move to ISU led to misunderstandings as to who was doing exactly what. In addition the Guatemalans have

expressed concern over their loss of control over the data (and what ISU will do with it in the future) and feel that ISU has not provided them with copies of processed material on a timely basis. In summary, the lack of a local computer processing arrangement impacted negatively on ISU/GOG counterpart relations and leaves AID and the GOG with an as yet unmet project objective of establishing local ready access to the data bank info.

Another lesson learned is that Iowa State University was not able to satisfy the "hands-on" technical assistance requirements of the several GOG agencies involved. CNPA and INFOM gave ISU some good marks (for example, the technical work of Charles Hooks and Rolando Girón were praised; but feel that ISU wasn't able to provide them the on-call, Spanish-speaking, experienced technical assistance that they required. In defense of ISU, it should first be noted that they entered the scene late. Furthermore, it appears that they did conscientiously try to meet the Guatemalans' needs but were hampered by the demands of the University and by the gradual increase in the level of civil violence in Guatemala. While final judgement on the effectiveness of the ISU work will have to await completion of the integration phase of the project in February-March, the CNPA and INFOM would not at this point recommend using the ISU for similar work.

One final point concerns the "Specification of a Planning Methodology" project output. According to the Pro-Ag (Pg.13-15, Annex 1), the data from the studies and activities would be combined, classified and prepared so that it could be used to determine the suitability of an investment according to economic potential, need, current access and location suitability criteria. Then an initial analysis of investment possibilities was to be done to prepare a planning methodology and to present decision-makers with the analytical tools and data needed to decide where to place infrastructure and services.

In hindsight the "planning methodology" has come to mean different things in response to the different priorities of the organizations involved in the project. For ISU and DS/UD(see Chetwynd memo of Feb. 10, 1981) the product seems to be an IADS data bank that can produce on demand basic data on a given area for use by designees and decision makers regarding development plans and project packages. For USAID/Guatemala the product that it wants from the IADS project is an Integrated Regional Development package/program. For INFOM, IADS will produce data which will enable INFOM to target specific municipality project needs. CNPE on the other hand will use it to provide updated data on infrastructure, services and agricultural production

for its planning/budget interactions with the sectoral ministries.

The lesson to be learned is that a single vigorous planning methodology and related analysis of the data base probably won't be broad enough to accomodate the variety of demands that will be made on the data. Rather than encouraging development of a single, vigorous methodology, a broad general planning methodology which can accomodate a variety of planning exercises is what is required. Any methodology or approach which produces more relevant, systematic information and related decisions should be encouraged.

V. FUTURE EFFORTS AND RECOMMENDATIONS

When asked for his opinion of the success of the IADS project to date in meeting its objectives and the need for future AID funding, the director of the Intersectoral Planning Department of CNPE responded that the project was already largely achieving its planned objectives but that additional AID funds will improve the effectiveness and efficiency with which the data is used. It is in this context, of a successful project needing a tune-up for most efficient operation, that the recommendations that are outlined below are offered.

In what follows, we discuss four topics: first, the need for a second evaluation later this year; second, steps that might be taken to foster decentralized regional planning; third, the need for short term analytical technical assistance, and, fourth, options for addressing the computer access constraint.

1. Toward the end of 1982 this project should be re-evaluated to determine the extent to which the IADS data base information has been incorporated into the planning and design activities of the CNPA, INFOM, MinAg and other GOG agencies.

At the current time, the blending of the three studies and one activity into an integrated data base has not yet been completed. The result of this integration phase is crutial in determining the acceptance and usefulness of IADS and should therefore be evaluated, as called for in the Evaluation Plan in the IADS Project Paper, later this year.

2. CNPE's Regional Development Planning Centers

At several times during the life of the project the idea arose of programming prototype integrated regional development plans to illustrate how the data can be used. The evaluation team's opinion is that such desk-top exercises are not cost-effective and that other options are avaiable to the Mission. Creation of IRD or area development programs is more of an art that a science and the province of no particular discipline. It requires a great deal of "leg work" and "give and take" to pull together all the relevant actors and disciplines and then consider financial, institutional, administrative and legal constraints, and produce the outlines of a program. In reviewing the subject of regional planning with the CNPE we had an opportunity to discuss their on-going efforts in integrated rural-urban planning

through their projects in the Quezaltenango region and Baja Verapaz department. When the Mission is ready to plan for its proposed highlands IRD program we suggest serious examination be given CNPE's experiences in planning IRD type programs over the last five years. One possible scenario for the design and implementation of AID's IRD program would be for AID and the CNPE to extract data about the geographic area selected from the IADS data base at the municipal and sectoral level. Then supply the sectoral ministries with the data and ask them to identify their priorities for the region. Then following the CNPE's Regional Development Planning Center model, plan and then organize a cross-sectoral organization to administer the program. Another alternative for AID involvement would be for the Mission to support the establishment of another decentralized Development Planning Center in the Highlands area.

3. Analytical Technical Assistance

As the IADS data are put to more applied use in the development of decision packages for future investment, we anticipate that CNPE will require technical assistance in accomplishing specific analytical tasks. Examples of such tasks are

alluded to above in our discussion of progress toward achievement of the project purpose. To assist CNPE in its transition from using the IADS data as a diagnostico tool to applying this information in a decision-making context, we would recommend that the Mission, if it decides to continue support, include provision of a modest (six person-month) fund for such short-term technical assistance.

4. Availability of IADS Computer Data Bank Information

The IADS project's Second Activity is aimed at making readily available in Guatemala the data produced under the project. Determining whether or not this output will be achieved was difficult since it is apparent that the data will be physically present in Guatemala by the end of the project but the real question is whether it will be readily available. To help us in making our decision we examined three options and their results as follows:

Option One

No further funds

Probable Results:

INFOM/CNPE make short-term adhoc arrangements for local processing and use data. IADS material not widely dissseminated.

Option Two

AID follow-on grant $200-250,000 to supply:

a) Technical assistance to assess current Guatemalan computer capacity and recommend hook-ups.

b) Terminals for CNPE, INFOM and MinAg to hook them directly to computer they select.

c) T. A. and training on hooking up terminals and debugging IADS data base.

d) 50% of first year operating costs.

e) _____ number of copies of tapes distributed to Universities and or other local organization.

Expected Results

a) readily available access for CNPE, INFOM, MinAg for first year when interest and payoffs on IADS data will be greatest.

b) Ease of access to data in future years if GOG agencies willing to pay.

Option Three	Expected Results
Funding for a National Data Bank in CNPE. Estimated cost $1,000,000 or more for equipment, T. A. and training.	a) Guaranteed access. b) Materials will probably be updated periodically. c) Wide use in GOG probable. d) CNPE gains prestige.

Our opinion is that option Two is the most satisfactory from AID's viewpoint if funding is available. It can be done as a project amendment and will probably meet the dissemination objectives of the project paper. Option One is not completely unsatisfactory because we feel that the GOG agencies will probably make some arrangements although CNPE will be at more of a disadvantage. Option Three gets into the realm of a new project as it is over and above what was in the original PP.