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FINAL EVALUATION:
USAID/GUATEMALA OPERATIONAL PROGRAM GRANT 520-0348
TO PACT IN SUPPORT OF
ASOCIACION DE ENTIDADES DE DESARROLLO Y DE SERVICIO
NO GUBERNAMENTALES DE GUATEMALA - ASINDES

Prepared for
Private Agencies Collaborating Together (PACT)
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ANNEXES

EXECUTIVE SUMMARY

USAID/Guatemala, through Private Agencies Collaborating Together - PACT, has provided Asociacion de Entidades de Desarrollo y de Servicio No Gubernamentales de Guatemala - ASINDES a total of \$2.43 million over five and a half years in an initial Specific Support Grant plus two amendments to strengthen this Guatemalan NGO (=PVO) umbrella organization, to provide technical assistance and training through ASINDES to Guatemalan NGOs, and to fund NGO projects with ASINDES management.

Two midterm evaluations focused on the poor definition of the role of ASINDES Board of Directors and the lack of planning and strategy development by this body, which continues to be a problem. ASINDES has not solved the problem of financial sustainability, partly through a lack of efforts in the area of fund raising and partly because ASINDES' accounting system is oversimplified and financial analysis almost non-existent, and again, the Board of Directors has not provided guidance or acted systematically or vigorously in this area. Among ASINDES personnel, continuity has been achieved through retention of key personnel and promotion in the organization, but personnel continuity is threatened by low salaries and poor salary structure.

Project selection has been good, due to the existence of an independent Project Selection Committee, but their efforts have been hampered by lack of an overall view of the project picture and by lack of feedback on the success of funded projects. Project monitoring has been carried out, although not at a highly technical level, and in the past, personal prejudices on the part of a former Executive Director may have influenced monitoring and project audits. The success rate for projects has been adequate, although there is room for improvement, and ASINDES has adjusted proposal guidelines to help assure a higher rate of success in productive projects.

NGO participation in ASINDES has been uneven. The sector organization carried out by the department of technical assistance and training, an inevitably slow and difficult process, has nonetheless progressed, and some NGOs in some sectors have benefitted from sector organization, and many are sharing problems and solutions with each other for the first time. Other NGOs seem to feel that they owe nothing to ASINDES and that ASINDES has not provided them with anything of value.

The priority areas for ASINDES in the future are the Board of Directors, improved information on the NGO situation, solution to its computer and salary problems, greater high-level contact initiated by ASINDES with its membership, and a continued relationship between ASINDES and both PACT and AID.

I. Introduction

A. Background

A U.S. private voluntary organization, Private Agencies Collaborating Together (PACT), solicited and received a Specific Support Grant of \$1,050,000 in 1986 to finance PACT in its efforts to improve the capacity of ASINDES, an association of non-government organizations (NGOs) operating in Guatemala. The major components of the Grant were technical and financial assistance from PACT to ASINDES to improve ASINDES' management and technical capabilities; technical assistance for the Guatemalan NGOs from ASINDES, with PACT assistance; and grants to Guatemalan NGOs to carry out their own activities.

The outputs of the program were to be (1) the selection and funding of 30 NGO projects, (2) the selection and funding of 20 "mini-grants" to the NGOs for diverse purposes, and (3) five workshops in special events each year to provide training to 100 employees of approximately 30 NGOs. Funding was made available through June 30, 1988.

USAID/Guatemala amended the Specific Support Grant to PACT in 1988 to further strengthen ASINDES' ability to support local and international NGOs working in Guatemala. This extension added \$1.25 million, which made for a total grant amount of \$2.3 million, which was to be used by PACT and ASINDES to continue a program of promoting socioeconomic development activities in Guatemala through non-government organizations (NGOs) for two more years. PACT was to provide additional assistance to consolidate ASINDES' progress, complete the systems and procedures it had started, and help bring ASINDES to self-sufficiency in the areas of institutional, project, and sub-grant management to design and carry out an effective technical assistance and training program to strengthen the NGO community in Guatemala.

USAID/Guatemala further amended the Grant to PACT in June of 1990, adding \$143,000 to the Grant and extending the project completion date to December 31, 1991. This additional assistance was intended for the completion of the following tasks: (1) the design and implementation of a sectoral programming approach; (2) the development of a capacity to administer loans to Guatemalan NGOs; (3) the creation of a financial and non-financial review system for conducting periodic audits; and (4) the implementation of a strategy that would lead to ASINDES' financial sustainability.

Two midterm evaluations of the program have been carried out. The first of these was carried out in late 1987 under John Oleson. Oleson's description of the program at that time presents a picture of ASINDES taking the initial steps toward

development into an institution capable of representing the NGO community. ASINDES' potential role was still unclear to many NGOs, no fund-raising strategy had been developed, and clarification regarding ASINDES' priorities was needed. The projects aspect had begun, but an effective monitoring and evaluation system was lacking. Training events had been carried out, but the quality and lasting value of the events had been questioned. Fiscal and administrative procedures manuals had been prepared but not used, due largely to personnel turnover and low staff morale. The evaluation recommended that the Grant be extended to allow ASINDES to make further progress toward accomplishing its goals.

The second evaluation was carried out in early 1990 by a small team headed by Alfredo Cuellar. The evaluation stated that ASINDES was then well on its way toward its major goals, including ASINDES' development of a project administration system and fund management capacity to finance member projects, the development of a technical assistance and training program to strengthen the administrative and project implementation capacity of the Guatemalan NGO community, and the strengthening of the management and administrative capability within ASINDES.

A series of problems remained to be resolved, however. The relationship between the Executive Director and the Board of Directors, as well as the respective duties of each, was considered to have improved, although it will be clear that real problems remain in this area. Staff morale and competence had improved as well, although staff efficiency was hindered by lack of adequate computerized data processing systems. The projects department had come to function relatively well, while the technical assistance and training department had not progressed satisfactorily toward its goals in sectoral planning, primarily for lack of adequate personnel. Finally, the Cuellar evaluation pointed out ASINDES' fundamental problem of financial survivability. It has attempted to diversify its sources of funding and pinned great hopes on the World Bank's Social Investment Funds which, as we will see, were not realized.

B. PACT

Private Agencies Collaborating Together (PACT) is an international consortium of nongovernmental voluntary associations working in developing countries. Founded in 1971, PACT currently consists of 25 member organizations, three of which themselves have memberships representing 100 additional PVOs. As a consortium, PACT's support for umbrella programs grew out of a series of major studies sponsored by PACT, consultations with member organizations and PACT's own experience in financing and managing 500 PVO grants, totaling over \$50,000,000, between 1971 and 1988.

The new dialogue on consortia-building began in 1984 when PACT sponsored a series of regional consultations on consortia and other PVO support organizations. A PACT-sponsored consultation among the leaders of umbrella organizations was followed by dialogue with U.S. PVOs, the Agency for International Development (AID), and various United Nations agencies. On the whole, these exercises affirmed the pivotal role of umbrella organizations in helping their constituent PVOs chart new directions. Since early 1985, PACT has been providing long-term management assistance to AID Missions in Guatemala and Costa Rica on PVO umbrella programs. In March 1986, PACT submitted a proposal for an Operational Program Grant (OPG) to USAID/Guatemala. As already noted, that proposal became the basis for Specific Support Grant of \$1,050,000 to PACT which was subsequently amended and increased to \$2,300,000 and then to \$2,443,000. The purpose of the amended OPG is to finance PACT's efforts to improve the capacity of ASINDES to support NGOs operating in Guatemala. This amended OPG is the subject of this evaluation, which is the final project evaluation.

C. ASINDES

The Asociación de Entidades de Desarrollo y de Servicio No Gubernamentales de Guatemala (ASINDES) is an association of NGOs working in Guatemala. It was founded in 1979 with 11 members. One of the primary motives for its creation was to strengthen the voice of the NGOs in their relations with the Government of Guatemala (GGG), and especially in their demand for protection from harassment, intimidation, and physical violence, to which many of their staff and cooperating individuals were subject at the time. The purposes of ASINDES were, and continue to be, the following: to encourage membership solidarity for mutual defense and representational purposes; to foster coordination among members as well as with other interested organizations; to make better known the work of its members; to improve the capabilities of NGOs; and to prepare and negotiate development projects with Guatemalan and external financing agencies. Since 1986, ASINDES has been receiving assistance from AID through PACT, as described above.

ASINDES is a membership association of intermediary NGOs, with a permanent, paid professional staff whose function is to assist its members, i.e., intermediary NGOs which in turn provide financial and technical assistance to community organizations (organizaciones de base, or base groups). Intermediary NGOs are thus different from "base groups" such as cooperatives, local economic development organizations, producers associations, etc., whose objective is to obtain resources for the benefit of their own memberships. In contrast to intermediary NGOs, base groups are the final beneficiaries. Presently, ASINDES is an association comprised entirely of intermediary NGOs and it serves

principally, although not exclusively, its members. There is, however, an ongoing debate within the organization as to whether base NGOs should become members of ASINDES.

ASINDES' current membership consists of 47 intermediary NGOs. After membership increased to 28 organizations, it subsequently declined to 23; but in the last two years, its membership has increased by over 50% to 47 intermediary organizations. There are also about 30 applications formally requesting admission to ASINDES that are pending action. Furthermore, ASINDES also includes both national and international NGOs.

There are several requirements that organizations must meet to become members of ASINDES: they must be nongovernmental and have legal standing (personeria juridica) in accordance with Guatemalan laws; they must conduct activities involving social development in Guatemala; and they must be nonprofit, apolitical, and nonsectarian.

Each active member is required to pay a modest financial quota which entitles the organization's representatives to attend and vote at meetings of the General Assembly, to elect persons who hold management positions in ASINDES, to receive services from ASINDES, and to present development projects for support from ASINDES. Membership in ASINDES can be suspended or canceled by the Board of Directors acting with the approval of the General Assembly.

The General Assembly is the final authority governing ASINDES. Each member of ASINDES has one vote in the General Assembly. Its function is to set overall policy, guidelines and procedures for the operation of the organization. The General Assembly meets normally three times a year and, in extraordinary session, at the request of the Board of Directors or 20% of the membership. During ordinary sessions, the General Assembly elects the Board of Directors, approves the annual report and the annual budget submitted by the Board of Directors, and takes up any issue of a non-extraordinary nature put before it. During extraordinary sessions, the General Assembly approves changes in the by-laws and internal regulations governing ASINDES and authorizes the use of any property or other right of ASINDES.

The Board of Directors consists of five members chosen by the General Assembly from the membership of ASINDES for a period of two years. The present Board was elected in April of 1991. The five members decide among themselves who will occupy the following positions: President, Vice President, Secretary, Treasurer, and member (vocal).

Officially, the Board of Directors meets once a month. The Board's responsibilities include admission of new members to

ASINDES; nomination, selection and removal (as necessary), and monitoring of the Executive Director of ASINDES; calling sessions of the General Assembly; providing oversight of by-laws and regulations of the organization; preparing of Board and institutional work plans and budgets for ASINDES; obtaining economic resources for the organization; and taking responsibility for special assignments as may be necessary. The President and the Treasurer also have some financial/accounting responsibilities involving the signing of checks for the organization.

The Board is responsible for naming the Executive Director of ASINDES who, in turn, is responsible for carrying out the decisions and policies of the Board. His principal responsibilities are to decide jointly with the President of the Board on actions to be taken; carry out the technical and administrative actions agreed to by the Board; develop and propose his own and the staff' work plans; prepare documentation for actions to be considered by the General Assembly and the Board concerning technical and administrative matters of ASINDES; and select, appoint, and remove the technical and administrative personnel of ASINDES with the approval of the Board. The Executive Director also participates in the meetings of the Board and the General Assembly but does not have the right to vote.

D. Evaluation methodology

Prodesarrollo S.A., a Guatemalan firm, was contracted by ASINDES-PACT to carry out the final evaluation. Prodesarrollo in turn formed an evaluation team consisting of a senior evaluator (Stephen Stewart) to oversee all phases of the evaluation and to write the final report; an institutional evaluator to evaluate the institutional, financial, and administrative aspects of the project; two research assistants to conduct and tape field interviews; and two other consultants for specific tasks in the areas of supervision and planning, respectively.

The evaluation was carried out between January 13 and February 7, 1992. Documentary analysis centered on the previous midterm evaluations by John Oleson and Alfredo Cuellar, past and present manuals at ASINDES, PACT-funded project documentation and external evaluations, and other relevant documentation available at ASINDES. All ASINDES personnel were interviewed, many of them several times by different members of the team. Three members of the ASINDES Board of Directors were also interviewed.

To gauge the perception of ASINDES from the point of view of the NGOs, eight different NGOs were selected and their executive personnel were interviewed. Four of these eight NGOs had had projects using PACT funding, so that interviews provided information on the projects areas of ASINDES as well as on its role as NGO representative.

II. Institutional strengthening of ASINDES

A. Philosophical principles in relation to objectives

The basic principle of ASINDES is that NGOs working in development benefit from working together. When the organization was founded, working together meant self-defense in a context in which the government, and specifically the armed forces, looked upon any and all organization efforts in conflictive areas as subversive, and the army carried out under cover attacks of NGOs in these areas as part of its campaign. A protest by an NGO under attack simply invited a stepped up campaign of violence, so the NGOs decided to join together in the belief that it would be harder to attack a unified group.

Thankfully, that time has passed, although the NGOs are still able to state their position more forcefully through the ASINDES forum on any issue than they would be able to do separately. ASINDES now works to support its membership and all NGOs, but it now does so through programs to improve their capabilities, to foster coordination and knowledge of each others programs and methods among the members, and by preparing and negotiating development projects with Guatemalan and external financing agencies.

There is a high degree of agreement in this regard, from the members of NGOs which were interviewed to the staff of ASINDES to the Board of Directors, and this agreement is perceived by disinterested observers at present. It should be noted that some members would have liked ASINDES to take a firmer or more radical stand on particular issues, but ASINDES has opted to play a low-key, moderating role in times of crisis. Five former members of ASINDES left the organization precisely because they wanted ASINDES to take a more radical approach to this sort of role.

B. Effectiveness of strategies and methodologies

While the basic philosophy and principles of ASINDES are sound, the institution has been characterized by a general lack of strategies. Instead, ASINDES has limited itself to dealing with the immediate problems and activities of the institution. The lack of a strategic approach has not been due to a misunderstanding of the development and functioning of strategies in general, and there have been discussions and meetings over the years which have pointed out the need to develop strategies for ASINDES.

The responsibility for the lack of strategies without doubt lies with the Board of Directors and, to a lesser extent, with the NGO membership itself. The development of strategies should ideally be a joint effort between the Executive Director and the

Board, with the Board providing the impetus for the effort. The Director brings to this task the viewpoint of ASINDES as an institution in relation to its work with the NGOs, while the Board brings the viewpoint of the NGOs themselves.

There are a number of reasons why strategy development has been deficient. The activity of the Board of Directors has been characterized over the last five years (the PACT years) as either meddling too much in the every day operations of ASINDES or as apathetic regarding the development of ASINDES. It has perhaps not been easy for the Board to identify a productive role during this period, since ASINDES has been in a transition phase, but ASINDES needs its Board of Directors to play a different sort of role.

The different personalities of the Board of Directors have been cause in part by rotation among the Board through elections, but even more, they are due to the Executive Director picked by the Board. In the early years of the PACT program, the Board involved itself greatly in ASINDES' operations, apparently in part because it felt that ASINDES activities were too important to leave to the Executive Director, and perhaps as a result of this, few Executive Directors lasted very long. Between 1989 and 1991, the Board swung away from high involvement, largely due to having named as Executive Director an individual who had served on the Board of Directors representing one of the NGOs. This individual left under a cloud, and there is talk of both favoritism inadequate administrative policies. The Board at present seems to have swung back to doing many things itself which it should leave to the Executive Director.

It is difficult to decide what should be done to get the Board to fulfill its role in relation to the development of strategies for the institution. The NGOs themselves might be able to pressure the Board, but this development does not appear as a priority to them. A strong and articulate Executive Director might be able to do it, but while the present Executive Director is articulate, she may lack the forceful personality to generate action on the part of the Board.

The one area of strategy which appears dynamic and at least somewhat successful is that involving the grouping of the NGOs, or rather NGO activities, into sectors: agriculture, health, education, and microenterprise. This strategy has brought about a new level of communication among the NGOs and even between these and non-NGO public and private sector entities. The sector strategy will be treated in more detail in the section on technical assistance and training.

The worst effect on ASINDES of the lack of strategic planning has been in the area of the financial stability of the institution, a problem which was pointed out in the Cuellar

evaluation and which has not notably improved. ASINDES is no closer to diversifying its donor portfolio and to freeing itself from its over-dependence on AID and the Government of Guatemala than it was at the time of the Cuellar evaluation.

In all fairness to ASINDES, however, it is not all ASINDES' fault. The Cuellar evaluation, in looking at ASINDES' efforts to diversify funding, concentrated almost exclusively on the promise of the World Bank Social Investment Fund (Fondo de Inversión Social - FIS) and on its organizing commission, the COFIS. Cuellar, writing in January of 1990, expected the fund to become fully operational by May of that same year, as did many others in Guatemala. ASINDES was to administer that part of FIS (Q.5 millions) which dealt with NGOs, receiving a 10% overhead for this service, and ASINDES also had the possibility of receiving additional funds under the FIS.

Unfortunately, as is well-known in Guatemala, the desirability of becoming involved in a program with so much money made FIS a political football. The outgoing government attempted to seize control of FIS as a fall back position to its dim re-election prospects, while the opposition was just as determined that this would not happen. As a result, FIS became a dead issue by the end of 1990 and has only recently begun to show signs of life.

Current examples of ASINDES' role in defense of the NGOs involve lobbying the present government in key areas involving programs important to the NGOs. One example has to do with the policy of the government to modify certain development projects, such as SIMME (microenterprise) and Crédito Popular (credits), in such a way that they cease to be workable for the NGOs. Another example has to do with the government's proposal regarding the FIS, which the government would like to rename the Emergency and Social Solidarity Fund (Fondo de Emergencia y Solidaridad Social - FESS) and to focus its use on returning refugee problems.

It should be ASINDES' role to defend the continuance of programs such as SIMME and Crédito Popular which have been productive for NGOs, lobbying the executive and legislative branches to this end. As regards FIS or FESS, it is unlikely that the World Bank will accept the government's proposal, but ASINDES should continue to play a high profile role in attempting to assure that a generous portion of these funds be reserved for the NGOs and that ASINDES be granted a key role in their administration. Two positive examples of action by ASINDES in the public arena have been its initiative in forming the National Health Coordinating Committee (Coordinadora Nacional de Salud), made up of NGOs, international entities, the private sector, elements of the Ministry of Public Health, and other groups, as

well as its participation in the Forest Action Plan for Guatemala (Plan de Acción Forestal para Guatemala - PAFG).

C. Member NGO qualifications, stability and participation

1. Requirements and membership

ASINDES requires that its members fulfill the following criteria for membership in the organization:

- they must have a legal status (personería jurídica);
- they must have a Board of Directors;
- they must present their goals and the types of programs they maintain to reach those goals;
- they must present a record of their financial accounts;
- they must be backed by another member of ASINDES; and
- they must receive a field visit.

The question of membership in ASINDES has produced a certain amount of discussion, much of it related to the question of what types of organizations should be included in ASINDES. For example, there is a group of primarily conservation-oriented NGOs which have sought membership in ASINDES, and some have questioned whether ASINDES should open its ranks to NGOs with this orientation or whether it should be limited to a primarily human development perspective.

It can of course be argued that conservation is fundamental to social or socioeconomic development, and in fact ASINDES-PACT has funded at least one agroforestry project with a combined socioeconomic and ecological-conservationist focus. But it is also true that a conservationist NGO might have a very different constituency than the typical development NGO. A conservationist NGO might, for example, represent groups favoring land and nature preservation with no interest in resolving the human problems involved, and there is thus concern that the conservationist group might be uninterested in supporting the usual ASINDES and development NGO platform.

Another question regarding the membership has to do with the ease or difficulty in acquiring membership. For some, the process is a very weak one which would allow easy entry to questionable organizations without a clear understanding of how their activities fit into the goals and philosophy of ASINDES. Others see in the large number of members and applications proof that ASINDES is consolidating its gains and growing in prestige

in the national arena. Still others maintain that it is unwise to try to generate growth in the number of members, since the technical, training, administrative, and other resources of ASINDES are so limited. The number of opinions the topic generates among NGOs indicates that it should be taken up by the Board of Directors and the General Assembly of ASINDES.

With the exception of a few member NGOs that left the organization for ideological reasons, ASINDES membership has been quite stable, but this stability needs to be looked at in relation to the participation of members in ASINDES. For the most part, the affiliated NGOs have limited their participation to the purely formal aspects of membership, such as participation in the General Assemblies. Participation has also involved dues payment. There has been a scale of dues from Q.10 per month for the smallest and poorest NGOs up to Q.100 per month for the most well off. Several of the NGOs have had to be reminded of their obligation, in spite of the small amount, which has recently been doubled to Q.20 and Q.200 per month respectively for the least and most able to pay.

The only member participation beyond the formal activities concerns the existence of an Evaluation Committee made of the members to evaluate ASINDES' activities. In addition, there is also the participation of members in the sector meetings.

2. Participation

This section discusses the opinions of the NGOs as regards ASINDES' regular and special assemblies, the participation of the NGOs in these assemblies, and their feelings of representation and identification with ASINDES in the national and international arena. Each year ASINDES has three regular meetings of the General Assembly, plus special meetings when necessary. In these meetings, members are informed about the work ASINDES is carrying out and the progress made, as well as about financing available for projects, and member NGOs of particular sectors are asked to present project profiles.

The majority of the NGOs questioned said that they did not participate in these meetings, either through lack of time or lack of interest, although in certain organizations it was clear that their non-participation was due to their lack of interest. For the FDM, membership in ASINDES is like "membership in a club where one has to pay dues," and in spite of having received invitations, this aspect of ASINDES does not interest them. The Proyecto Superación was also indifferent to this type of meeting, and they said they were definitely not interested, perhaps due to the distance from the capital. ABC does not participate regularly, but in their case, their lack of attendance is more from lack of time, as well as from the observation that the

meetings tend to be extremely long. All of the other eight institutions contacted attend regularly.

As regards ASINDES as their representative in an umbrella organization, ASINDES was viewed as weak in this role. The institutions which were most positive in this sense, who do feel represented by ASINDES and especially in relation to the government, who feel strong ties to ASINDES and who support its role, are precisely the NGOs who have been members longest, among them the founders of ASINDES.

The NGOs interviewed have a generally positive opinion of the Board of Directors, and in the case of Fe y Alegria feel that there is a sense of continuity in the work of the Board, partly due to the continuance of members from previous Boards. FUNDACEN feels that it played an important role in the past with ASINDES, especially at the beginning, but they have opted to distance themselves a little so that new NGOs will participate and provide renewed dynamism.

Cumes, the Executive Director of HODE, observed that ASINDES' representation in the national and international political arenas was a little weak and needed to be strengthened. ASINDES is not as well known as it should be at certain levels, in the government, in the private sector, and among donor agencies.

D. ASINDES' role as related to other development organizations

As has been mentioned, ASINDES was founded in 1979 in great part to defend and represent its members in a time of institutional persecution, and in spite of the lessened need to group together in self-defense, ASINDES is still considered to some extent as an institution to represent and defend the interests of its members and of NGOs in general.

According to some, however, ASINDES has been less than successful in this role. In particular, ASINDES has not been vigorous in its defense of the NGOs in relation to the government, which maintains a posture that the NGOs are still individual and independent, and that the NGOs can and should express themselves as such. This attitude of the government is understandable, since the government will encounter less resistance to its policies and programs from the NGOs individually than it would if the NGOs were to stress ASINDES as their representative.

For its part, ASINDES must step with care in representing the NGOs, since it feels the need to respect the ideological differences which characterize the NGOs. In any case, ASINDES enjoys a certain amount of clout if only because it is the most

important umbrella organization of its type in the country. Other organizations are the Council of Development Institutions (Consejo de Instituciones de Desarrollo - COINDE) and the Community of Mayan Organizations of Guatemala (Comunidad de Organizaciones Mayas de Guatemala - COMG). COINDE differs from ASINDES in that it is closely allied with European groups and donors, although at least one NGO, IDESAC, belongs both to COINDE and ASINDES. COMG is an umbrella organization for NGOs whose membership is made up wholly or partially by ethnic Mayans, who represent half of the population of Guatemala.

As regards ASINDES in a regional sense, ASINDES has participated in the development of a regional entity of umbrella organizations like ASINDES in other countries in Central America: CONCADE. Guatemala is the home base of this organization, and ASINDES holds the vice presidency of CONCADE at present. The PACT representative for ASINDES, Jorge Mario Almasan, considers that a strong ASINDES is crucial for the continued development of CONCADE, given Guatemala's general position of leadership in Central America.

E. Interinstitutional coordination

In addition to PACT, ASINDES has had programs, projects, agreements, or understandings with such institutions as the Inter-American Foundation, the Canadian Embassy, the World Resource Institute, the Food and Agriculture Organization (FAO) of the United Nations, the University of Rhode Island, the European division of the World Bank, the Guatemalan umbrella organization for cooperatives - CONFECOOP, and the Ministries of Finance and of Development of the Guatemalan government. While most of these relationships have been modest in scope, they do indicate a certain level of interinstitutional coordination over the years.

ASINDES' interinstitutional relationships, however, have not come in response to strategies developed for this purpose by ASINDES but rather have simply occurred by happenstance. If ASINDES were to possess strategies for interinstitutional relationships, these relationships might take on a more dynamic character with ASINDES and the other institutions working together to develop responses to the NGO development work. As it is, ASINDES plays a more passive role, responding to development packages designed with its input by these other agencies and institutions.

An ASINDES interinstitutional strategy would have the effect of generating both more ASINDES-managed project support for its NGO members as well as institution-strengthening funds for ASINDES itself to strengthen it in its sector activities. It is

crucial, therefore, that ASINDES develop strategies to increase its interinstitutional relationships.

Some NGOs with long association with ASINDES have stated that inter-NGO coordination was stronger at the beginning when there were just 11 NGOs affiliated with ASINDES, and that this coordination has decreased with increased membership. Fe y Alegria, in particular, feels that ASINDES' bureaucratic efficiency has not kept up with the addition of new member NGOs, and they complained that this lack of efficiency has meant that there has been needless duplication in the work of some NGOs. Nonetheless, some institutions interviewed claim to have achieved a degree of inter-NGO coordination through ASINDES, among them Fe y Alegria, FUNDACEN, IDESAC, and ABC. The other NGOs among the eight contacted do not feel that they have achieved any such coordination.

III. Administration and finances

A. Board of Directors composition and participation

The Board of Directors (Junta Directiva) is composed of five persons who represent their respective NGOs in the General Assembly and who are elected by that body for a period of two years. Members of the Board can be re-elected, and it is in fact understood that at least one and perhaps two of the previous Board's members should be re-elected to provide continuity.

Chart 1: ASINDES Boards of Directors for the 1987-1989, 1989-1991, and 1991-present periods ([R] indicates repeat member of Board).

Period	Individual	Office	NGO represented
1987-98	Rolando Torres	President	CCF
	Annette de Fortin	Vice President	World Vision
	Erick Chicol	Treasurer	Behrhorst
	Carlos Carrasco	Secretary	ACAD
	Juan Pedro Perdomo	Member	ACJ
1989-91	Rolando Torres	President [R]	CCF
	Alvaro Muñiz B.	Vice President	FUNDACEDI
	Manuel Samayoa	Treasurer	ICA
	Adolfo Acosta	Secretary	REDH
	Hildebrando Cumes	Member	HODE
1991-93	Alvaro Muñiz B.	President [R]	FUNDACEDI
	Alfred Kaltschmitt	Vice President	ACB
	Mauricio Gonzalez	Treasurer	FUNDAMICROS
	Edvin Pérez	Secretary	ARIDEN
	Hildebrando Cumes	Member [R]	HODE

Chart 1 presents the Boards of Directors from 1987 to the present, which is the approximate period of the PACT assistance. As mentioned above, members may be re-elected, and such was the case regarding Rolando Torres of CCF, re-elected for the 1989-1991 period, and regarding Alvaro Muñiz of FUNDACEDI and Hildebrando Cumes of HODE, both re-elected for the 1991-1993 period.

Many of the NGOs represented by these individuals received funds from PACT via ASINDES. Specifically, World Vision, Behrhorst, and ACJ received funds while their representatives served on the Board of Directors during the 1987-1989 period. While it might be possible to infer a certain level of favoritism involving project selection, this is not the case, as ASINDES

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on and finances

Directors composition and participation

The Board of Directors (Junta Directiva) is composed of five representatives from their respective NGOs in the General Assembly, who are re-elected by that body for a period of two years. The Board can be re-elected, and it is in fact the case that at least one and perhaps two of the previous Board members could be re-elected to provide continuity.

Boards of Directors for the 1987-1989, 1989-1990 and 1991-present periods ([R] indicates repeat of Board).

1	Office	NGO represented
Alvaro Torres	President	CCF
Alfonso Fortin	Vice President	World Vision
Alfonso Col	Treasurer	Behrhorst
Alfonso Trascio	Secretary	ACAD
Alfonso Perdomo	Member	ACJ
Alfonso Torres	President [R]	CCF
Alfonso Nuñez B.	Vice President	FUNDACEDI
Alfonso Mayora	Treasurer	ICA
Alfonso Nuñez	Secretary	REDH
Alfonso Nuñez Cumes	Member	HODE
Alfonso Nuñez B.	President [R]	FUNDACEDI
Alfonso Nuñez Schmitt	Vice President	ACB
Alfonso Nuñez Gonzalez	Treasurer	FUNDAMICROS
Alfonso Nuñez	Secretary	ARIDEN
Alfonso Nuñez Cumes	Member [R]	HODE

As the Boards of Directors from 1987 to the present have approximately the same composition, members may be re-elected, and such was the case with Alvaro Torres of CCF, re-elected for the 1989-1990 period, Alvaro Nuñez of FUNDACEDI and Alfonso Nuñez of HODE, both re-elected for the 1991-1993 period.

As represented by these individuals received ASINDES. Specifically, World Vision, received funds while their representatives were on the Board of Directors during the 1987-1989 period. It is possible to infer a certain level of favoritism in the selection, this is not the case, as ASINDES

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along the NGOs and projects and convince ASINDES of the assistance in the projects. It should be noted that all of these projects will be noted in the ASINDES report.

SINDES projects may be of interest on the part of ASINDES. This is particularly true for the personnel and the Boards of Directors involved themselves too.

1987-1989 Board of confidence on personnel. The 1989-1990 Board, however, and it appears to be led by the new Board members in the treasurer of the previous period. The Board is somewhat anemic and has not had successful efforts to date and as regards

Directors in general is a Board members bring and needs of their own and level of all since the first of their own NGOs. Given the NGOs, it would be difficult for Directors to be a Director able to Executive Directors able to inspire the 1989-1990 Executive work with the Board, etc.

Alfonso Nuñez, appears to have still not been worked out its true role. In the present Board, SINDES' operations. For example, indicated that the Director but the Board of Directors

B. Key administrative personnel

The key administrative personnel in ASINDES are the Executive Director and the heads of the administrative, projects, and technical assistance and training departments. These four individuals all have university degrees, but not graduate degrees, and are comparatively young: average age is 33. Two of the four individuals are relative newcomers. David Almengor arrived in October of 1991 to head the projects department, and Roberto Avila in the same month to take over the new administrative department.

The other two individuals, plus a third who recently left the institution, highlight a plus in ASINDES personnel in recent years: continuity. By 1989, one project analyst, had been working for several years in ASINDES, and in 1989, another project analyst was hired, Ligia Orantes. In 1989, after working for a period as project analyst, González was named head of the projects department replacing the previous head, Roberto de León. In 1990, González was named to replace Munduate in the technical assistance and training department, and she was replaced as head of the projects department by Orantes. When González left ASINDES in late 1991, Orantes took her place as head of the technical assistance and training department. Orantes has thus three years of experience in ASINDES in both the projects and the technical assistance departments, a plus for ASINDES' institutional memory and continuity. In the short term, she will be an invaluable resource for the new head of the projects department.

Cristian Munduate began in 1988 as coordinator of an infrastructure project under the direction of the projects department, and was named head of the technical assistance and training department in 1989. In 1990, Munduate was named acting Executive Director replacing Erick Chicol, which meant that ASINDES had a Director who had detailed working knowledge of one of the operational departments within ASINDES. She was then, of course, named Executive Director in 1991, the post she continues to hold.

C. Organization and communication within ASINDES

ASINDES is not a large or wealthy organization, and it has been characterized by shifts in activity which have required flexibility in the carrying out of necessary activities. Operational personnel have thus worked in activities and in areas outside the normal ones: project personnel have worked in training, training personnel in projects, and both have worked occasionally in special projects. The organizational scheme exists, but it is not rigid, and in the context of ASINDES, this is a plus.

Communication within the operational end of ASINDES has not generally been a problem. The individuals involved have generally been able to communicate well between the Executive Director and the department heads, as well as between these and the secretarial level personnel. The problems have arisen when members of the Board of Directors have not channeled their requests or communications through the Executive Director but rather made them directly to department heads or others. In such cases, the latter have become unsure of the lines of authority and have questioned who, really, is the boss, the Executive Director or the members of the Board of Directors. This has been further complicated in the past by conflicting requests or directives from different members of the Board of Directors.

ASINDES has been reorganized recently with a view toward relieving the Executive Director of involvement in the day to day responsibilities of operation. A new administrative department was created to deal with administrative matters, and the head of this department has not only been placed on a par with the other two departments, but the director is now the highest paid individual below the Executive Director.

This restructuring is a positive move and should eventually produce an organization which functions more smoothly than ASINDES has functioned in the past. It is too early, however, to be able to see the results of this restructuring. The most important result of this change should be the freeing up of the Executive Director to work more closely with the Board of Directors in guiding ASINDES in the important areas of strategic planning, mentioned above.

D. Personnel management

Personnel management has suffered somewhat from the recurrent problem of personnel leaving the institution, but comparatively speaking for an institution of this type, the desertion of individuals has not been great, at least not in the last three years. The fact that Orantes and Munduate have been with the organization since 1989 speaks well for the technical and executive level personnel, and two of the six secretaries have also been with ASINDES since 1989.

The relative permanence of personnel in ASINDES has occurred despite relatively low salaries and the lack of paid overtime. The average secretary's pay of Q.600/month (US\$120) is on a par with secretaries in offices who have less responsibilities. The Executive Director's salary of Q.4000/month (US\$800) is clearly below the level of competent professional executives elsewhere. Both secretaries and technical-executive personnel have worked extra hours with no additional compensation. It should be noted, however, that this situation will last as long as personnel are

content with their work in other areas. In times of crisis, the low salaries and unpaid overtime will provoke them to leave.

A serious problem involving personnel and salaries has to do with the department level personnel, and it highlights the lack of clear personnel policies. ASINDES has hired new personnel and established the salaries for newcomers in accordance with its needs and with a generally rising level of salaries in Guatemala. If an individual is needed and insists on a particular salary, ASINDES gives in and allows this individual the high salary, in spite of the fact that other personnel on the same level have not been given similar salary increases to maintain them at the same level.

The three department heads at present are a case in point. The apparent desperation of ASINDES to get a good administrator for the administrative department lead them to hire Roberto Avila at Q.3000 (US\$600), and he may well be worth it. However, at the same time, Roberto Almengor was hired as head of the projects department at Q.1800/month (US\$360). Meanwhile, Ligia Orantes, whose experience (and loyalty) are invaluable to the institution, was given the job of head of the technical assistance and training department at Q.2000 (US\$400). While this new post and salary represented an increase of Q.300/month (US\$60), it was still below the level of her predecessor, Alma Irene González, who had received Q.2500/month (US\$500).

If all three are heads of departments and all are professionals, they should receive similar salaries. If there are differences in salary, they should be the result of longevity within the institution. It appears as if ASINDES has operated without much concern for the discontent this situation might cause among the two department heads who receive one-third less than the head of the administrative department, including one who has worked in ASINDES for over three years.

ASINDES needs to remedy these problems, beginning by putting into practice the manuals prepared by the PACT representative, Jorge Almasan. It needs to set salary standards for each level within the institution and keep to these standards. If they need to be raised for one individual, they should be raised for all. ASINDES needs to set some sort of overtime policy for its secretarial staff and/or pay its technical-executive staff sufficient to cover overtime. It also needs to set an evaluation and promotion policy and make sure that it is clearly understood by ASINDES personnel.

E. Computer training

The question of staff training centers on one problem: computers. The computer problem has existed for some time. A

local software company installed a Novell network system which included a series of passwords. At some time during the last year, something happened to the network, and as a result, perhaps 75% of the programs in the network do not function. For example, ASINDES has both Wordstar and Word Perfect, but only Wordstar functions. The same is true of accounting and database software.

The software support company has either not been called, or has been called but has failed to respond, but in any case, ASINDES has a sophisticated set of hardware and software functioning at the level of a simple PC. It is recommended that a new support company be contracted, preferably one which comes recommended by AID. In Guatemala, Datapro is probably the best such company.

Once the network is up and running again, training should begin for all personnel. Secretarial personnel should be limited to using word processors and not allowed access to database or accounting software. Their training is not unimportant, however, and should include such elements as sub-directory organization and how to determine what sorts of computer "scrap paper" and rough drafts should be kept, how long, and in what form. ASINDES should also take care not to use the hard disk to simply archive its documents and correspondence but to compress information and place it on floppies for later retrieval.

Accounting software should be accessed only by the administrative department and the Executive Director. The personnel in this department need to learn how to use the software to maintain accounts for separate projects, programs, and funding sources, since this type of operation is crucial for maintaining good relationships with donor agencies as well as with ASINDES' member NGOs. Accounting and financial aspects will be treated in the next section, but there will be considerable training required to make the system functional.

The projects and technical assistance and training departments should be the primary users of database software, although they will of course also use word processors. Database analysis is crucial for both departments to produce the kinds of reports that will be required of them on both projects and the sectors. Almengor is an asset, in that he is familiar with a variety of computer programs; Orantes will require training in the use of the database.

ASINDES should take care not to underestimate the importance of computers in its operations. There needs to be a sense of urgency about solving the computer problem before it becomes even more difficult to resolve.

F. Accounting and financial system

The accounting system at use presently at ASINDES is what one might call "traditional," for two reasons. First, it provides for only income and expenses and thus a balance statement, and second, it is carried out mostly by hand with only modest assistance from the computer network. Viewed as a traditional accounting system, the accounting is adequate and very nearly up to date, and the books are in order, this despite the fact that the previous accountant maintained the balance but neglected to make entries in the books. The present accountant, who had worked previously for ASINDES, has managed to bring the books up to date.

What does not exist is any sort of advanced accounting system which would be of use to the projects department, the Executive Director, or the Board of Directors. All income is recorded, but there is no way to determine how funds from a particular source are performing, which makes ASINDES vulnerable to criticism from the funding agencies. In addition, there is no system to provide budget management and follow-up, which means that the budget is a lifeless document. It is impossible to follow individual line items from the budget and assess them during the course of the year.

For example, there might be a line item for transportation, but there is no way during the year to know whether these funds have been or are being spent in accord with the budget. One can compare actual expenses at the end of the year but not manage the expenses in the course of the year. In spite of these problems, audits of ASINDES have not turned up serious problems.

G. Financial sustainability

Financial sustainability is a serious problem for ASINDES and will continue until the organization develops and implements a viable financial sustainability strategy. The PACT program had a positive effect on ASINDES by converting it into a much more dynamic institution than it was in the past, particularly in the area of project financing. This institutional strengthening has allowed ASINDES to initiate on its own valuable activities, such as the sector organization of NGOs. But the very existence PACT also had the unintended effect of lulling ASINDES into a feeling that it would always enjoy a certain minimum level of financing without actively pursuing it. The end of PACT should have the effect of making ASINDES wake up to the reality that it stands on very shaky financial ground.

Non-PACT funds have arrived at ASINDES more through chance than as the result of a systematic fund-raising plan. Its member NGOs pay only a fraction of the monthly operating expenses of

ASINDES, and having just raised monthly dues by 100% (from between Q.10 (US\$2) to Q.100 (US\$20) per month to Q.20 (US\$4) to Q.200 (US\$40) per month), ASINDES will not enjoy the prospect of attempting to collect more funds from its members. It had hoped for the assurance of long-term funding through the FIS, but these funds are still in doubt.

Even AID funding, which many NGOs would like to avoid, has ended with the completion of PACT. As regards the rejection of AID funding, it is worth mentioning in passing that the reason for avoiding AID funding has to do with the sources of other funding by the NGOs. Although the authors of the present document are unaware of their identity, some of these sources disagree strongly with United States foreign policy, including foreign aid administered by AID, and they have insisted in distancing themselves from the U.S. by not participating in projects with AID financing. It is uncertain whether recent events in Central America and elsewhere will cause these NGO policies to change, although it would seem logical for the NGOs to reassess their policies in light of these events.

Both PACT and ASINDES have moved to initiate contacts and relationships which can be reinforced through an adequate fund-raising strategy. ASINDES has produced valuable promotional materials, such as a video, its yearly report, and information bulletins. ASINDES needs to continue with an aggressive campaign to maintain itself financially without giving up the gains it has made in the five years of PACT. One of the first things ASINDES should do is communicate to its member NGOs that ASINDES exists to promote their interests, but it cannot do so without their support. Dues should be raised again, in part to cover a larger percentage of operating costs but also to create more interest on the part of the NGOs in the importance of ASINDES to them.

ASINDES needs to provide some services, such as working with the sectors, without cost, but it should investigate the possibility of providing other types of services to individual NGOs for a modest fee. Many NGOs need special, individualized technical assistance, and they should turn to ASINDES for this assistance. ASINDES needs to operate as a consulting agency, identifying the types of services most likely to be needed by the NGOs, identifying outside consultants who can provide these services, communicating the availability of the services to the NGOs, supervising the services of the consultants as they are carried out, and finally charging the NGOs for these services.

In this way, ASINDES continues to grow in importance as a resource for the NGOs while at the same time receiving some income for the institution. Examples of this type of service might be marketing of products produced by the NGOs and accounting, especially since many NGOs have expressed concern in this area.

One bright spot for ASINDES and its possibilities for financial sustainability has been work with the sectors. The spadework has required considerable time, and the PACT funds were necessary, but the prospects are good that the organized sectors will attract funding for sector-wide projects from the donor agencies, and ASINDES will be positioned for project administration and the consequent overhead for regular operations.

IV. ASINDES' project administration and financing

Beginning with the PACT assistance and also involving other sources of financing, ASINDES has had a projects department to channel funding to NGOs seeking financial assistance for projects. This department has been charged with setting proposal guidelines for the NGOs, receiving proposals from the NGOs, reviewing the proposals for content, recommending proposals for funding, and monitoring funded projects.

The workload of the projects department has been determined in great part by ASINDES' relationship with donor organizations. At those times when there have been available funds in the pipeline, the department's workload has included all of the above activities along with all of the sub-activities related to them. At other times, such as the present moment, when ASINDES is awaiting the disbursement of funds for projects, the department's activities are limited.

ASINDES is presently waiting for Q.5 million (\$1 million) in PL480 funds to become available from the Guatemalan Government's Ministry of Finance. Projects to be financed with these funds have already been received from the appropriate NGOs, the proposals have been reviewed, and recommendations have been made. Monitoring will only begin when the projects themselves begin. At present, therefore, the projects department activities are light.

As regards institutional continuity, the projects department is currently headed by David Almengor, who has just three months experience on the job and with ASINDES. He is experienced in project management, however, and his knowledge of computers and computer programs should make him an asset to ASINDES in the future. An additional plus is that the previous head of this department, Ligia Orantes, continues to work in ASINDES as head of the technical assistance and training department.

A. Project policies and strategies

1. Funding policies

The policies and strategies followed by ASINDES as regards its projects depend largely on the donor agencies. These agencies normally decide which sectors they wish to provide financing for, the types of community groups they envision receiving the assistance, reporting and disbursement requirements, and other elements. ASINDES has for the most part played the role of communicating the donor agency requirements to the NGOs, including the preparation of proposal outlines to be followed by the NGOs in readying their proposals. To a great

degree, ASINDES' role has been positive, and ASINDES should continue as necessary to operate in this manner in the future.

In fact, ASINDES has begun to take steps to play a more active role in this process through its organization of NGOs by sector (health, agriculture, education, microenterprise) and its participation in sectoral discussions regarding their future role and strategy. While this ASINDES activity will be discussed in more detail in the chapter on technical assistance and training, it is worth noting that this activity should eventually generate sector strategies regarding projects and perhaps even sectoral and long-term inter-sectoral projects to be offered to donor agencies for funding. In addition, through its sectoral strategy ASINDES has begun to develop alternative structures and schemes as regards the relationship among donors, ASINDES, NGOs, and base groups.

This is a positive development, since it should lead to a dialogue between ASINDES and the NGOs it represents on the one hand and the donor agencies on the other. Such a dialogue would be of enormous assistance to these agencies in planning assistance programs, since the NGOs have an excellent and impartial (or at least, non-partisan) view of the base level reality.

2. Project selection policies

The project selection mechanism at ASINDES includes an ad honorem Project Selection Committee, composed of seven experienced and distinguished individuals from the development community with no direct ties to either ASINDES or the NGOs who are selected by the Board of Directors of ASINDES to serve for a period of two years. As regards this period of service, the Committee has experienced a natural turnover, but there are members who have served continuously for more than two years. The makeup of the Committee was generally eclectic, including individuals with experience in the fields of economics, agriculture, women in development, education, and so on.

The members of the Committee serve because of their interest in the work of ASINDES and of the NGOs represented there. The Committee makes decisions by majority vote of those present (a quorum of four is required). It was vested with final authority to approve proposed projects of up to 200,000 quetzales. (At the time of the writing of the present evaluation, the exchange rate was U.S. \$1.00 = 5.00 quetzales).

The Committee functioned in the following way: the ASINDES project analysts would present the Committee with a number of projects which the analysts had studied, revised, and improved, and which they felt were ready for approval. The Committee would meet and distribute the projects among the Committee members

(about six people), usually assigning agricultural projects to the Committee agricultural specialist, women's projects to the women in development specialist, and so on. The Committee members would study the projects, report on what further information they required, and send the projects back to the ASINDES analysts. Once a particular project was acceptable to the Committee member, he or she would present the project to the Committee as a whole with his or her recommendations, and the project would then be either approved or rejected by the Committee.

While by most accounts the Committee functioned admirably, its work was hindered by a couple of factors. First, the Committee was not provided with an overview of ASINDES overall strategy regarding projects. It did not know how many projects ASINDES had in its portfolio of a particular type, for example, and could therefore not select the 'best' project or projects in a given sector. By way of illustration, there might be \$10,000 available for women's projects, but the Committee was not informed of this. The projects department might have four women's projects in various stages of development but present just two of these at a given moment to the Committee. It might turn out that the other three projects would eventually turn out to be superior to these first two, but these two might be recommended for funding simply because they were the only projects the Committee was aware of. As a result, two ordinary projects would be funded while two superior projects were not.

Another problem involved the lack of feedback regarding approved projects to the Committee. The Committee might approve a project for funding to produce, say, rag dolls, but the Committee never knew whether or not the project was successful. Thus when a new project to produce rag dolls was presented, the Committee lacked the necessary feedback to improve its function. An example mentioned by one Committee member involved a project in Quetzaltenango to train young people as carpenters and bakers. It was eventually learned that the bakery part of the project had functioned well, but that there was actually an overabundance of carpenters in the area, so the carpentry training component did not work. It is this sort of information that the Committee should have to function well.

There is also the question of just how projects should be selected in a non-technical sense. For example, an examination of the projects funded through PACT shows that several NGOs received funding for more than one project, while other NGOs received none. If there are limited funds, shouldn't ASINDES have some way of assuring that these funds are made available to all members in some equitable way? Perhaps projects could be rotated among the members.

Also, the Committee had no list of priorities to assist it in project selection. For example, ASINDES might state that projects involving women, revolving funds, and agriculture were top priority in project selection. The Committee could then select from among the technically sound projects those which included one or more of the priority items. These priorities should be set by the Board of Directors or by the Association in conjunction with the Board of Directors.

B. Project impact

Project impact is evaluated in this document based on two sources. The current evaluation team visited four of the NGOs which had received funds through PACT with the intention of learning about these projects from NGO personnel. In addition, the evaluation team had access to external, project-final evaluations carried out by ASINDES of these same four projects (by Abel Girón, Leonel Cabrera, and Esaú Samayoa), plus the majority of the other PACT-funded projects.

1. Results of visits to four NGOs

a. ABC: Agricultural financing project

This project, implemented by the Christian Benefit Association (Asociación de Beneficencia Cristiana - ABC), originally contemplated a revolving fund for vegetable gardening, plus institutional strengthening, with financing destined for agricultural credits for small farmers in three communities: Santa Rosita, Jocotillo and Villa Canales. The proposed project was to cover about 800 beneficiaries, according to the Executive Director, Mr. Zambrano.

ABC began providing credits to farmers, including those with no clear title to their land. Shortly thereafter, however, the ASINDES Executive Director, Erick Chicol, insisted that the credits be reserved only for those farmers with land titles as a guarantee on the loans. According to Zambrano, although many farmers were desirous of doing so, the legal transfer of titles caused problems for many farmers, especially those whose claim to the lands came through inheritance. The problem of land titles had not been anticipated, and there were thus no funds available in the project to assist beneficiaries in resolving their problems. Numerous farmers who lacked funds to legalize their holdings decided to not participate in the program.

Another problem mentioned by Zambrano was that the amount of funds originally assigned and approved by ASINDES was not the quantity received by ABC, and that ASINDES still owes them Q.24,000. Zambrano showed the evaluation team a letter sent to

ASINDES asking ASINDES about the funds still owed ABC, and he stated that ABC never received a reply to this letter.

At the beginning, the project received considerable assistance from ASINDES from the agronomist Roberto de León, who regularly monitored the project in the field, but when de León left ASINDES, this monitoring ceased. De León's successor, Alma Irene González, was competent but was not a field technician and never carried out field evaluations. As regards these evaluations, after de León left ABC was never informed about project evaluations nor about any errors or deficiencies the project or ABC might have.

Zambrano admitted that the project did not have the impact ABC had anticipated, as the beneficiaries became indebted and were unable to pay off the loans. ABC still hopes that some, at least, will eventually pay them. One positive result of the project was that many farmers on their own managed to achieve clear land titles to their plots.

According to Zambrano, this project suffered from serious problems between ASINDES and ABC having little to do directly with the project itself. For example, Chicol ordered constant and extremely detailed audits of ABC which, in Zambrano's words, were hostile and oriented toward discovering that ABC had misused funds. Zambrano claims that on one occasion an ASINDES auditor, who by chance was a friend of Zambrano, told him that he had been ordered by Chicol to cause ABC problems by finding evidence of the misuse of funds.

It should be noted that, as is mentioned below, that the external evaluation which Abel Girón was supposed to have carried out, was in fact not done, and Girón limited his comments to including the project in his table of contents and to mentioning in the executive summary that funds had been misused and some even returned, which Zambrano denies.

b. IDESAC: Training center infrastructure and community leader training

This project was carried out over a two-year period beginning in 1987. The infrastructure construction at the training center at San Rafael Las Hortencias included a biogas facility, pigpens, fish ponds, and a chicken coop. All these installations are in use at present in promoter and community leader training.

The training program itself was directed toward community leaders from different parts of the country with the objective of stimulating community-generated development. The training was quite successful, according to the individual responsible, since

IDREAC has been able to confirm that the trainees have themselves been successful in their community development work.

c. FDM: Financing for women-run small enterprises

Three separate grants were subdivided into 20 miniprojects implemented by the FDM, principally in Guatemala City, Zacapa, and Sololá. A lack of cooperation on the part of the FDM made it extremely difficult for the evaluation team to judge the socioeconomic impact of these projects among the beneficiary population. A letter was sent requesting access to FDM's own materials to evaluate to what extent the projects had been successful, but FDM's response was limited to a listing of the amount of funds received from PACT, plus the dates and places of the miniprojects.

d. Fe y Alegria: Infrastructure construction for education and training

The two projects implemented by Fe y Alegria were education and training centers, one in Guatemala City and the other in Jocotán. In Jocotán, the objective was to teach male youths how to maximize subsistence production on a small demonstration plot using vegetables, fruit, and basic grains. At the same time, it was hoped that the plot would make the training center self-financing.

Fe y Alegria's lack of experience in agriculture hurt the center as regards self-sufficiency, and they also realized that the training needed to be directed not just at the students but also at their fathers, as was mentioned in the external evaluation. They now have financing from another source to continue the project, and with their accumulated experience, the project has improved.

Another part of the project financing was destined for the purchase of sewing machines for the educational training center in Jocotán to target development for the girls at the center. This part of the project functioned well, as the students do learn to sew and they prepare special projects for a year-end exhibition. They have now purchased two additional sewing machines and an overlock machine.

As regards the training center in Guatemala City, the funds were for the purchase and outfitting of a beauty salon as an annex to the school to train young women. The salon, which had been a commercial venture, immediately began to lose clients, and it just barely managed to survive until last year, when it closed for good.

2. ASINDES external evaluations

Projects funded through ASINDES-PACT were evaluated by outside evaluators contracted locally. Of the three individuals who evaluated the projects for which information was available, one was adequate (Abel Girón), the second was less than adequate (Leonel Cabrera), and the third was extremely poor (Esaú Samayoa). The evaluations of the latter contained little information about the projects and were limited to 1-3 pages of poorly written commentary. ASINDES should select from among the better evaluations produced by Girón and provide potential evaluators with a copy along with extensive terms of reference for the evaluations, and ASINDES should refuse to accept and pay for poorly done evaluations.

The Prodesarrollo evaluation team was provided with 13 external evaluations of the 16 PACT-funded projects. A review of the evaluations leads to the conclusion that at least eight of the projects were generally successful. These projects are outlined in Chart 2. Two of the projects involved international NGOs: ICA and Vision Mundial (World Vision). Five of the six local NGOs are well-known with ample experience in development in Guatemala, and only Nuevos Horizontes is a fairly unknown NGO with limited coverage. It is likely that the extensive experience in development of the NGOs involved in seven of the eight successful projects is one of the reasons why they were successful.

There are perhaps other reasons for these projects' success. Four projects involved mainly construction, two of which would eventually involve training, one was housing construction, and one was introduction of potable water. Construction projects are relatively easy to bring to a successful conclusion, and those involving potable water and housing can be said to be completely successful. The two construction projects involving training may bring about positive results as well, but the training benefits are yet to be seen.

Two projects involved mainly production and were directed at civil war widows. Projects of this type are the most difficult, since they involve the management of production by a group (women) with little experience in management. The REDH project solved this by closely monitoring the project, by subsidizing and facilitating the supply of raw materials, and by buying up the finished products. The Behrhorst project correctly anticipated the principal problem of lack of experience in sheep raising by providing veterinary assistance to make sure the sheep survived.

Five projects (see Chart 3) were clearly unsuccessful, all of which involved production. Two of the projects were technically successful but failed from lack of either pre-project market studies or product marketing technical assistance, or

both. Another project, the Albergue, had arranged the marketing of its bakery products at local bakeries in Quetzaltenango, which is why it achieved a measure of success, although for a limited time only. The lesson learned from the two technically successful projects is that technical success is not enough, especially in production projects. Such projects must have an adequate marketing component or risk failure in the final analysis.

Chart 2: EIGHT SUCCESSFUL PROJECTS FUNDED THROUGH PACT

ICA	Training. Training of community leaders from different parts of Guatemala at the ICA center in Conacaste. 3-week training may have been too long. Leaders visited successful projects in other communities. Leaders had begun some projects in own communities at time of evaluation.
REDH Integral	Production. Organization and subsidies for K'iche' women, mostly civil war widows, in small communities near Chichicastenango. PACT grant covered 59% of costs. Income increased from Q.240 to Q.780/year.
IDESAC	Infrastructure/training. Demonstration farm infrastructure construction for community promoter training, principally pigpen, fish tank, and biogas facility construction.
Behrhorst	Production. Sheep provided to civil war widows. Veterinary care provided, so animals have thrived. Beneficiaries sell wool & lambs, increasing yearly income by Q.135.
ACJ	Agroforestry. Short-term benefits through beneficiary employment, long-term benefits through firewood production and soil conservation.
Visión Mundial	Infrastructure/potable water. PACT grant paid 31% of cost.
Nuevos Horizontes	Infrastructure/housing. PACT grant helped finish (roofing) housing begun by another institution and to construct others.
Fe y Alegría	Infrastructure/training. Two small projects. Beautician training facility added to middle school in capital. Irrigation and potable water tanks constructed for agricultural school in Jocotán. Only moderately successful.

Chart 3: FIVE UNSUCCESSFUL PROJECTS FUNDED THROUGH PACT

- DEFAMCO** Production. Project was focused on small salt producers. Salt production increased and salt was high quality. No previous market study had been carried out, however, and in addition, the development bank BANDESA had recently provided a large number of loans to small producers, which increased production in general with a consequent lowering of prices. The NGO was unable to provide marketing assistance, and as a result, the beneficiaries could barely survive on the project. The NGO has no plans to try to recuperate what was to be a revolving fund.
- FUNDACEDI** Production, although original project conception was Integrated Development. Although community organization, artisan and promoter training, and latrine construction were considered, the project focused on pashte production. While the project was technically successful and production was good (although variable), the producers had not identified a secure market and were thus unable to receive real economic benefits. The external evaluation recommended that the project either find such a market or change to some other crop.
- FDM (1)** Production. Actually 3 mini-projects of which the evaluation looked at 2, 1 a weaving project where the beneficiary sought financing for raw materials but was talked into purchase of new machinery. As she still lacks funds for raw materials, and since the new machines are idle, her problem remains unresolved. The second project involved raising chickens. The project worked for 10 months, but disease then killed off the chickens.
- Albergue** Training & production. Orphaned youths were to be trained as bakers and carpenters, and production was to be sold. Carpentry never functioned, but bread production brought in Q.2500-3000/month while in operation, supposedly covering 50% of orphanage expenses. Youths were not paid. In spite of ASINDES grant and income from project, the project was shut down and all personnel either left or were fired. Project was under ASINDES audit at time of the external evaluation.
- ABC** Production. Rotating fund for family vegetable gardens. Evaluation summary says only that project was suspended and some funds were returned.

Two projects appear to have suffered from poor organization. The Albergue was at least a partial success technically, and it had solved the marketing problem as well. It appears likely that the NGO itself is to blame for the project's lack of success. The Board of Directors obviously did not employ personnel that were efficient or honorable, nor did the Board monitor and supervise the project with sufficient care and energy to prevent the failure of what might have been a fairly successful project. The lesson here for ASINDES is to carefully analyze the NGOs which solicit project funds to ensure that organizational support will be sufficient to achieve some measure of success.

The two FDM mini-projects must be considered separately. As regards the weaving project, the technical personnel at FDM appear to be at fault for insisting that a beneficiary receive machinery and not working capital for raw materials. The technical personnel at FDM appear not to have examined the beneficiary's situation with enough care to understand the implications of altering the beneficiary's initial request. As regards the second mini-project, it must first be understood that the rate of failure of poultry projects is perhaps the highest of all production projects, and a flock of chickens, particularly hybrid high production chickens, can be wiped out very quickly. Such projects require not just intensive technical assistance but the right sort of assistance in the form of a poultry expert. This assistance raises the cost of such projects, but if such assistance is not forthcoming, such projects should not be funded.

Obviously, the projects department can and should learn from these experiences, both positive and negative, and their experience can help them in their on-going relationship with member NGOs and their projects. ASINDES at present has a portfolio of 15 projects awaiting funding from the Department of External Financing and Fiduciary (Departamento de Financiamiento Externo y Fiduciario - DFEyF). Hopefully, these projects will meet with greater success. ASINDES is well aware of the problems in the previous three projects, and has and will take steps to assure that they are not repeated. For example, all agricultural production projects must now include a marketing study and plan, so that the projects will not fail, as the pashte project did, from lack of market analysis.

It is hoped that David Almengor, the recently-named head of the projects department, will prove adequate for the job. Unfortunately, after three months on the job he presented already funded projects to the final evaluation as projects still to be funded and apparently had confused the DFEyF projects with others already funded. In addition, he stated that he was not carrying out monitoring, when in fact he was monitoring projects currently being carried out.

C. Project monitoring

It is hard to evaluate project monitoring by ASINDES at this juncture, since the organization does not have any projects to monitor at present, and the new department head has thus done no monitoring himself. What can be stated is that a review of files of previous ASINDES projects reveals that monitoring is carried out, project reports are filed, and if, as in the case of ABC mentioned above, the project is not being carried out in the fashion that it was planned, the monitoring may result in the project being suspended.

The monitoring is not highly technical, however. ASINDES simply does not have the resources to maintain, for example, a staff agronomist to technically monitor agricultural development projects. Consultants have been called on in the past to help with monitoring, and this modality will probably be used in the future. Monitoring is thus somewhat superficial and limited to whether what the NGO says it will do is actually being carried out in some form.

V. ASINDES' technical assistance and training**A. NGO perception of technical assistance and training: eight individual cases**

NGO opinions regarding ASINDES' technical assistance and training were diverse, as might be expected, based on the eight NGOs visited. Among these NGOs the one thing that seemed to characterize all of them was a high level of absenteeism in ASINDES training events. The majority of institutions affirmed that their limited number of personnel simply did not allow them to send individuals to these events, or they place higher priority on internal tasks at the NGO to participation outside the institutions.

1. FUNDACEN (The Penny Foundation)

FUNDACEN believes that the technical assistance and training events should be taken advantage of principally by the younger NGOs which really need them. FUNDACEN personnel have participated in a few events involving financial management, although they believe that they already possess plenty of experience in this regard through their work over the years. FUNDACEN also expressed the opinion that many of the ASINDES training events have a very specific focus, which they have not found particularly useful in the context of their integral approach. FUNDACEN was nonetheless in agreement with the ASINDES strategy of carrying out training needs studies and with the system ASINDES was using in order to determine whether a particular event was worth mounting.

2. HODE

HODE has a high opinion regarding the technical assistance and training program and the content of events carried out. They believe the program should be on-going in view of the continual appearance of new NGOs in need of support and orientation in the areas of administration, controls, project management, evaluations, and so on. According to Hildebrando Cumes, the HODE Executive Director and current member of the Board of Directors of ASINDES, this program began as member NGOs began to present projects for PACT financing and their weaknesses became apparent. In spite of this observation, no NGO expressly mentioned that they had received assistance or training in these areas.

HODE sends personnel to participate in training events when the events coincide with situations of need within HODE and where they are seen as useful. HODE believes that something should be done to stimulate greater participation among the members in these events, and they observed that non-members appeared to participate more actively than members.

3. Fe y Alegria

Fe y Alegria is one of those NGOs with the problem of a small number of institutional personnel, which in many cases has limited its participation in ASINDES training events in favor of its own internal programming. Nonetheless, personnel from Fe y Alegria have attended some events, although less in the past year due to their perception that the individuals selected to impart training courses were not sufficiently qualified to provide productive training. In spite of ASINDES intentions of contracting trainers with relevant experience and prestige, Fe y Alegria felt that the training was too superficial or elementary to be of much use. In spite of Fe y Alegria's decision to limit its participation in training events, the NGO has maintained its communication links with ASINDES and has received a positive response from the technical assistance and training department when it has required specific technical assistance.

As regards participation in the sector organization, Fe y Alegria has in the past participated in sector meetings to evaluate sector activities and to study possible sector strategies. However, in spite of the large number of NGOs represented in the sectors, few NGO representatives attend these meetings, which has caused Fe y Alegria to similarly limit its participation. Personnel at Fe y Alegria assume that the blame for the poorly attended sector meetings lies in part with ASINDES but also with the lack of commitment on the part of the NGOs themselves.

4. IDESAC

IDESAC has not attended any training events at ASINDES for at least two years, they attended only a few events before that, and they have not requested technical assistance. Two reasons are put forth for their lack of participation. First, IDESAC has its own training program, which fulfills its requirements in this area, and second, the NGO continually receives invitations to attend training events by other entities, both in Guatemala and in other countries. They have attended training events in accounting organized by Tayasal, for example, which they considered quite good. The training events at ASINDES have simply not fit in with IDESAC's strategy and have not been viewed as useful in their development context.

5. ABC

ABC has participated little in ASINDES training events for reasons already mentioned by other NGOs. First, ABC's personnel has little time to spare from the projects they manage to attend training events, and second, they have not found the training events they have attended to be of a sufficiently high level to be useful but rather, as others have noted, are superficial and

elementary. ABC feels that ASINDES should state clearly on its invitations to training events exactly what level of training or what level of personnel is involved, since these events in the past have involved very heterogeneous groups (technicians, promoters, professionals) where no one feels satisfied with the training results. ASINDES should rework and improve its assessment techniques of NGO training needs to resolve this problem.

6. SOJUGMA

This NGO, like many others, expressed that its personnel have limited time available for attending external training events, and it only began sending its personnel for training at ASINDES during the past year in the health or children's sector. The impulse for beginning to participate was an attempt to coordinate an AIDS prevention program with other institutions, but again, the internal needs of the organization has kept them from maintaining full participation in this area.

SOJUGMA did express a very positive reaction to initiating participation in the microenterprise sector, a new area of action for this NGO and one in which they hope to launch programs in the future. Though they have not yet begun these programs, they felt that they gained valuable background from their participation with other NGOs with experience in this development field.

7. FDM

This NGO and the following one presented responses which were almost identical. Neither has felt the least impact and they referred to ASINDES training and technical assistance with total indifference. FDM has few personnel available to send to training events, and the few events they attended during the past year they felt presented nothing new and were inadequate as training for the projects they are carrying out. FDM's view of ASINDES is one of an institution which should provide sources of financing to its NGO members, not as a training or technical assistance organization.

8. Proyecto Superación

Proyecto Superación is located in Santa Maria de Jesús, nine kilometers south of Antigua, which has meant that invitations to training events always arrive too late to even be considered. The NGO is in any case uninterested in training for its personnel or in receiving technical assistance, and the few times they sought assistance at ASINDES, the ASINDES personnel were unhelpful.

As regards this NGO, it should be noted that it is affiliated with CCF, a large international NGO whose director,

Rolando Torres, was president of the Board of Directors of ASINDES from 1987-1991. In fact, Proyecto Superación is more like a base organization than an intermediary NGO, and its membership in ASINDES could be questioned on these grounds.

B. The sector approach in the department of technical assistance and training

ASINDES prime role should be as a leader of the NGO community, a guiding force that not only searches out funding sources for the NGOs but which, more importantly, helps the NGO community to better direct its efforts and to do so through the development of joint action plans. To do this, ASINDES has identified four sectors into which most of its members work: health, education, microenterprise, and agricultural development. The ASINDES unit chiefly responsible for working with these four sectors is the department of technical assistance and training.

The ASINDES strategy is to invite its members to sector meetings about every two weeks. Some NGOs will attend just one sector meeting, such as the FDM, which is involved almost exclusively with the microenterprise sector. Others might be invited to several sector meetings if they maintain activities involving training, health, and agricultural development. Most NGOs send second level personnel more involved in the details of sector activities to these meetings, not the top level management.

The agendas for these meetings is set by the NGOs themselves, not by ASINDES, as the latter attempts to play the role of facilitator, stimulating the NGOs of each sector to express their problems, articulate their needs, share their successes, and suggest policies and strategies for themselves individually and collectively. Through this process, they have found that they share many of the same concerns. In the microenterprise sector, for example, which lends small amounts of money to help small businesses grow, nearly all of the NGOs are concerned with the problem of late payment or non-payment on the loans they issue. In the health sector, the NGOs in the sector have tried to prioritize their objectives, and in doing so they have selected maternal and child health as their number one priority.

As the sectoral work progresses, two types of activities become possible. First, as the sectors encounter and discuss common problems, they are able to clearly define the kinds of technical assistance and training events which they feel they can benefit from, including which NGOs should participate, what types of personnel, the length of the event, and other details. This information can then be used by ASINDES itself, or by the sector

itself with help from ASINDES, to mount the required training events.

The second type of activity involves projects directed at the NGOs' client base. The discussions among the NGO sector members can help determine the kinds of projects the sector should solicit from donor agencies, and the ASINDES forum can then help translate their concerns to the appropriate agencies in a much more persuasive manner than if the NGOs were to do so individually.

It must be stressed that work with the sectors has been necessarily slow, and ASINDES has progressed by increments toward the development of strong sectors with active NGO participation. This is to be expected, since the NGOs have little previous experience working together in this way, they were formed with their own private development agendas, and they are somewhat jealous of their constituencies, their methodologies, and in general their autonomy. ASINDES has had to work patiently and tirelessly to achieve the measure of success it has attained with the sectors, and there is much still to be accomplished with the sectors before they can be said to function dynamically.

The work with the sectors is hindered by several factors. First, the participating NGOs are diverse as regards their size, experience, and organization. International NGOs with world-wide coverage and solid independent funding (Christian Children's Fund, Plan International) share the sector with indigenous NGOs with precarious funding working in just one small area of Guatemala. Second, as we have seen, many NGOs are understaffed, and it is often difficult for small NGOs to allow their personnel to participate fully in the sector meetings, since it means that they will fall behind in their primary tasks at the NGO.

In spite of these problems, ASINDES has progressed in its work with the sectors. Minutes of every meeting are sent to the sector NGOs to keep them abreast of sector activities. When training events are planned by and for the sector, all NGO members are informed and invited. ASINDES hopes that sector activities will eventually become so important that sector NGOs will conclude that they cannot afford to not participate, regardless of the time required of their personnel.

C. Technical assistance and training department strategies

ASINDES in the PACT project has had to find a way to avoid being viewed as simply one more source of funding for the NGOs. The projects department and the funneling of funds to the NGOs is not unimportant, in that it provides a mechanism for the international donor community to readily access the NGOs to provide these funds as well as a way to more economically monitor

the use of these funds. The sector approach is obviously one way for ASINDES to construct an image among its affiliates that goes beyond that of a simple funding mechanism.

The problem is the identifying of strategies which will respond to the relatively low level of participation by the NGOs in the sectors. Clearly, the ASINDES staff must continue to learn more about its membership, their needs, the type of personnel they have, their view of development in their own sectors, and about their opinion of ASINDES' role. The questionnaire approach has been used and should be continued, but a more in-depth approach should be considered which would provide ASINDES with a series of options in organizing its strategies regarding the NGOs.

ASINDES should consider employing outside consultants to carry out a complete survey of the NGOs. Such a survey would produce a series of ways of classifying the NGOs going beyond their inclusion in the sectors. It would be important to include the following questions in such a survey:

- What are their principle funding sources, and how does this affect their relationship with ASINDES, their participation in sectors, their need for training and technical assistance, and their approach to new projects?
- What are their relationships among themselves, formal and informal? Are relationships such as CCF-Proyecto Superación common among ASINDES members? Do ASINDES members have extensive relationships with non-ASINDES NGOs? What is the nature of these relationships? How do these relationships affect their relationship with ASINDES, their participation in sectors, their need for training and technical assistance, and their approach to new projects?
- How do geographical factors affect NGOs and their relationships among themselves and with ASINDES? Should regional (Western, Central, Eastern, rural vs. urban, other) approaches be attempted to help focus training, technical assistance, and project needs and problems?
- How do NGOs view their role vis-a-vis as possible technical assistance and training providers for other NGOs? If funding could be found, would an IDESAC or a CCF be willing to mount training events at the request of other sector NGOs or to provide them with technical assistance? Would less-developed NGOs be willing to receive such training and assistance from members of their own sector? Do they view each other as better sources of information and training than ASINDES?

- Would one or more of the more-developed NGOs be willing to take on a formal leadership role within the sectors? How would member NGOs react to such a relationship?

These are just a few of the ideas which could be expanded in an in-depth survey of the ASINDES-NGO community which might result in a strategy to increase NGO participation in ASINDES in general and in the sectors in particular.

V. Conclusions and recommendations

A. Conclusions

ASINDES at the present time, following five years of PACT assistance, is at a crossroads in its development. It has converted itself from a rather small, primarily political entity into an important actor in the areas of NGO sector coordination and project management for donor agencies, while continuing to play a modest political role. ASINDES needs to be commended for the level of success it has achieved in bringing NGOs together, which has been a difficult task, for the level of development it has achieved, despite its problems, and for carving out an significant niche in the development life of Guatemala.

But at the same time, ASINDES does not have an assured future in the above-mentioned areas. Sector coordination is very difficult to achieve, and it would be very easy to let it slip away. Project management has only been partially successful, and the present lack of generous new funding is cause for concern in this area.

There is also weakness evident in the internal workings of ASINDES. At the operational level, the faulty computer system greatly hinders the development of the kind of capacity which is needed to attract and maintain continued interest on the part of the member NGOs, government agencies, private non-NGO entities, and the international donor institutions. Salaries, both in structure and level, represent a serious and precarious situation which could adversely affect the continuity ASINDES has enjoyed in recent years.

More problematical within ASINDES is the situation regarding the Board of Directors. Cuellar's evaluation two years ago made five recommendations for the Board of Directors, none of which have been implemented in any effective way, if at all. ASINDES' Board composition of Executive Directors of member NGOs has been a weak point throughout the PACT period, and it is unlikely that the situation will improve unless Board composition is changed and/or the Executive Director works much more forcefully with the Board. The latter may be possible now that ASINDES operations have been reorganized to free the Executive Director to work more with the Board and to deal with outside entities.

It is to the credit of ASINDES operations level that at least some progress was made in responding to Cuellar's recommendations for the Executive Director. The Director now has an assistant (Recommendation #1) in the form of the head of the administrative department, and this should help the Executive Director increase the visibility of ASINDES locally and internationally and to assist the Board of Directors in strategic

planning. Also, a technical assistance department was constituted (Recommendation #2), where important work with the sectors is being carried out, and this department should play a key role as regards ASINDES primary function in bringing the NGOs together. The Project Selection Committee has always been one of the better ideas of ASINDES and is ready to function when needed (Recommendation #6).

The problems lie, as we have mentioned above, in salary structure (Recommendation #3), computerization and computer training (Recommendation #4), and internal auditing (Recommendation #5), and in reality, this latter relates to a nearly complete lack of internal financial analysis by ASINDES.

PACT has provided an extremely important contribution to ASINDES' development, in part through its funding but even more through its placement of a representative at ASINDES. The first representative, Art Sist, played a high profile role, which was probably useful at the beginning of the project as ASINDES was struggling to boost its image and increase its influence. The second of these representatives, Jorge Almasan, has played a more low-key role but one which has helped more in the internal development of ASINDES during the last two years.

ASINDES should survive, and it may flourish. Much depends on whether it can acquire sufficient funding for both projects and, more importantly, to continue its institutional strengthening. As regards this latter, both the smooth functioning of ASINDES at the operational level and the continued and expanded work with the sectors are of crucial importance for the continued health of ASINDES.

B. Recommendations

1. Board of Directors: ASINDES should consider the possibility of reconstituting the Board of Directors so that it contains individuals outside the NGO community. It might function better with seven members, four from the NGOs and three from elsewhere, including the private sector, individuals with a distinguished track record in development much like the members of the Project Selection Committee. Before doing so, care should be taken to clearly state that the new Board will be expected to implement the Oleson, Cuellar, and the present document's recommendations and to involve itself in strategy development, planning, monitoring (from a distance), and fund raising.

2. NGO survey: ASINDES should contract an outside agency to carry out an in-depth survey of both members and non-members of ASINDES to detect what strategies, organizational plans, approaches, and programs are needed by and appeal to NGOs in Guatemala in the 1990's.

3. Computer problems: ASINDES should give top priority to solving its computer problems. Most probably ASINDES should contract a new firm to maintain its system and network and to provide necessary training in database management (technical assistance and training department), accounting and financial management (administrative department), and word processing and document management, as needed (all departments).
4. Executive Director and high-level NGO personnel: The Executive Director needs to spend more time in direct contact with top level representatives of the NGO community, both within and outside ASINDES. Within ASINDES, she needs to look into the needs and perceptions of these individuals to create an improved climate of cooperation between the NGOs and ASINDES and among the NGOs. Outside ASINDES, she needs to discover the needs and perceptions of these individuals to better understand the role ASINDES actually plays and could play in development in Guatemala. In addition, she needs to increase her contact with donor agencies of all types.
5. Membership policies: ASINDES needs to look carefully at its membership policies. It may be that it should develop membership categories to better organize and serve a growing membership. Possibilities include a regional sub-organization of ASINDES members, membership involving leadership roles for the stronger NGOs, membership requiring ASINDES technical assistance and training at regular intervals before graduating to full status, passive vs. active membership for NGOs wishing to continue as members but which decide to limit their participation in the sectors, and so on.
6. AID and PACT: Both PACT and AID, either together or separately, need to identify a mechanism for continued work with ASINDES. It is essential for AID, in particular, to maintain this relationship in light of the possible importance of ASINDES' sector work for AID's own programming.
7. Fund-raising: ASINDES must make an effort to identify and develop new sources of financing, beginning with the definition of a strategy for this purpose for raising funds for NGO project implementation as well as to assure sufficient resources to sustain the operational expenses of ASINDES and permanent, stable technical assistance and training activities.
8. Planning, evaluation, and control: Institutional planning should be reoriented toward integrated planning which systematically incorporates past experiences, available resources, and the study of alternatives and the obstacles inherent in each one. Evaluation and control should be closely related to the planning process to review the processes and assess the results of projects carried out by the NGOs with a view toward proposing corrective measures. Evaluation and

control should replace the complete confidence now placed in external audits, which have not functioned as well as expected and which are also costly.

9. Operational manuals: The Board of Directors should officialize the three manuals developed by PACT on organizational restructuring, systemizing administrative procedures, and accounting, which will improve operations throughout the institution.

ANNEX 1: PERSONS INTERVIEWED

PACT

Jorge Mario Almasán, Resident Advisor, Guatemala
Cecilia Cody, Representative, Washington

ASINDES-affiliated NGOs

Rosa Isabel Porta E., Director, Proyecto Superación
María Aida de González, Executive Director, FDM
Carlos Licardi, Health/housing Coordinator, SOJUGMA
Miriam López de Montalvo, Training/labor Coordinator, SOJUGMA
Miriam López de del Cid, Executive Director, SOJUGMA
Hildebrando Cumes, Executive Director, HODE
Jorge Sanayoa, Executive Secretary, Fe y Alegría
Gamaliel Zambrano, Executive Director, ABC
Hernán Guan, Executive Director, FUNDACEN
Rubén Mejía, Administrative Director, IDESAC

Board of Director: ASINDES

Alvaro Muñoz B. (FUNDACEDI), President
Mauricio González (FUNDAMICROS), Treasurer
Hildebrando Cumes (HODE), Member

ASINDES operational personnel

Cristián Munduate, Executive Director
Roberto Avila, Coordinator, Administrative Department
Roberto Almengor, Coordinator, Projects Department
Ligia Orantes, Coordinator, Tech. Assistance & Training
Department
Marlene Bethancourt, Secretary, Project Department
Elida Carreto, Secretary, Administrative Department
Helen de González, Secretary, Executive Director
Hilda Toscano, Assistant, Tech. Assistance & Training Department
Carlos Morales, Accountant, Administrative Department
Corona Moscoso, Janitor
Pablo Flores, Chauffeur-Messenger

Project Selection Committee for ASINDES

Frances Asturias, Administrator, U.S. Peace Corps

Consultant for ASINDES

Anibal Sandoval

ANNEX 2: ACRONYMS AND ORGANIZATIONS MENTIONED IN THIS DOCUMENT

Consortiums

PACT	International consortium
ASINDES	Guatemalan consortium
CONCADE	Central American consortium
COINDE	Guatemalan consortium
COMG	Guatemalan consortium

Non-Government Organizations (NGOs) members of ASINDES

ABC
ACAD
ACB
ACJ
ALBERGUE
ARIDEN
BEHRHORST
CCF
DEFAMCO
FDM
FE Y ALEGRIA
FUNDACEDI
FUNDACEN
FUNDAMICROS
HODE
ICA
ESAC
EVOS HORIZONTES
PROYECTO SUPERACION
SDH
SOJUGMA
VISION MUNDIAL