

**ECUADOR SOUTHERN BORDER INTEGRATION SPECIAL OBJECTIVE
(SpO # 11)**

CLOSE-OUT REPORT

April 20, 2009

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ACRONYMS

FY	Fiscal Year
APPOS	Asociación de Pequeños Productores Orgánicos de Santiago de Méndez (Association of Small Organic Producers of Santiago de Méndez)
WSEH	Water, Sanitation and Environmental Health
ATFLS	Asociación de Técnicos Forestales Locales Shuar (Association of Local Shuar Forestry Technicians)
CAMAREN	Sistema de Capacitación para el Manejo de los Recursos naturales Renovables (Renewable Natural Resources Management Training System)
CDC	Comité de Desarrollo Cantonal (Cantonal Development Committee)
CIASE	Comité Interinstitucional de Agua y Saneamiento del Ecuador (Ecuadorian Inter-Institutional Water and Sanitation Committee)
CNRH	Consejo Nacional de Recursos Hídricos (National Council on Water Resources)
DIPEIB	Dirección Provincial de Educación Bilingüe (National Department of Bilingual Education)
ECORAE	Instituto para el Ecodesarrollo de la Región Amazónica (Institute for the Ecodevelopment of the Amazon Region)
EDUCAVIDA	Proyecto de Mejoramiento de la Calidad Educativa (Educational Quality Improvement Project)
ELICE	Proyecto Espacios Locales de Inclusión y Calidad Educativa (Local Spaces of Educational Inclusion and Quality Project)
FEPP	Fondo Ecuatoriano para el Progreso de los Pueblos (Ecuadorian People's Progress Fund)
FICSH	Federación Interprovincial de Centros Shuar (Inter-provincial Federation of Shuar Centers)
FIDASE	Fundación para la Investigación, Desarrollo Ambiental y Social en el Ecuador (Research Foundation on Environmental and Social Development in Ecuador)
FINAE	Federación Independiente de la Nacionalidad Achuar Ecuatoriana (Independent Federation of the Ecuadorian Achuar Nation)
FIPSE	Federación Independiente del Pueblo Shuar del Ecuador (Independent Federation of the Shuar People of Ecuador)
CSWM	Comprehensive Solid Waste Management
GTZ	German Technical Cooperation Agency
Ha.	Hectare
HCPL	Honorable Consejo Provincial de Loja (Honorable Provincial Council of the Loja Province)
INDA	Instituto Nacional de Desarrollo Agrario (National Institute for Agrarian Development)
ITSDB	Instituto Técnico Sevilla Don Bosco (Sevilla Don Bosco Technical Institute)
JAAP	Junta Administradora de Agua Potable (Potable Water Administration Board)
MAE	Ministerio de Ambiente del Ecuador (Ecuadorian Ministry of Environment)
MBS	Ministerio de Bienestar Social (Ministry of Social Welfare)

MIDUVI	Ministerio de Desarrollo Urbano y Vivienda (Ministry of Housing and Urban Development)
IOM	International Organization for Migration
NGOs	Non-Governmental Organizations
STOs	Second-tier Organizations
PW	Public Works
PAHO	Pan American Health Organization
PAFSI	Programa de Aprovechamiento Forestal Simplificado (Simplified Forest Exploitation Program)
PMI	Plan de Manejo Integral (Integrated Management Plan)
PMP	Performance Monitoring Plan
AOP	Annual Operational Plan
PRAGUAS	Programa de Agua y Saneamiento para Comunidades Rurales y Pequeños Municipios – MIDUVI (Water and Sanitation Program for Rural Communities and Small Municipalities)
PROLOCAL	Local Development Program (Social Welfare Ministry)
PSUR	Programa de Sostenibilidad y Unión Regional Sustainability and Regional Unity Program
RUC	Registro Único de Contribuyentes (Single Taxpayer Identification)
RRNN	Natural Resources
PWS	Potable Water System
WWTS	Wastewater Treatment System
SNV	Netherlands Development Cooperation Service
SIISE	Sistema Integrado de Indicadores Sociales del Ecuador (Integrated System of Social Indicators of Ecuador)
SIGGLO	Sistema de Información Gerencial de Gobiernos Locales (Local Government Management Information System)
SS	Social Services, a PSUR component
UMDS	Unidad Municipal de Manejo y Desarrollo Sustentable (Municipal Management and Sustainable Development Unit)
UNL	Universidad Nacional de Loja (National University of Loja)
USAID	United States Agency for International Development
USE	Unidad Sanitaria Escolar (School Sanitary Unit)
USI	Unidad sanitaria integral (Integrated Sanitary Unit)
WCS	Wildlife Conservation Society

USAID/ECUADOR

**ECUADOR SOUTHERN BORDER INTEGRATION
SPECIAL OBJECTIVE No. 11 (SpO 11)**

CLOSE – OUT REPORT

1. BACKGROUND DATA

Title: Special Objective No.	Southern Border Integration Special Objective SpO 11
Approval Date of the SpO Completion date of the SpO:	June 1, 1999: September 30, 2007
Bilateral Agreement No. Implementing Agencies under the Bilateral Agreement:	598-0858 Ministry of Foreign Relations Ecuadorian Binational Plan
Cooperative Agreement No. Principal Implementing Partner:	518-A-00-01-00001-00 CARE International
Other sub-implementing organizations/institutions:	Arco iris, Jatun Sacha, the Inter-Provincial Federation of Shuar Centers (FICSH), Friends of the Earth Foundation, Loja Provincial Council, Espacios Foundation, Plan International, the Pan American Health Organization (PAHO), and Wildlife Conservation Society (WCS).
Area of Intervention:	Southern border of Ecuador, the provinces of Loja, El Oro and Morona Santiago
Components:	<ul style="list-style-type: none">- Availability and access to social services, with emphasis on health, water and sanitation- Natural resources management in selected areas along the border- Improve capacity of local governments to plan projects and implement services.- Income-generation opportunities for small and micro-entrepreneurs (terminated on August 30, 2002 due to USAID's findings and recommendations made by Consultant Steve Smith).

2. SUMMARY OF THE SPECIAL OBJECTIVE 11 (SpO11)

The overall result for the Special Objective 11 (SpO 11) for Border Integration was to contribute to "Improved social and economic conditions of the inhabitants along the Peru-Ecuador border, thereby promoting border integration" In light of the justification implicit for this program, based on the support given to the successful execution of the Ecuador-Peru Peace Accords, the main focus was on having a quick and visible impact on the lives of the residents of the selected border regions. For this reason, achievements for the special objective were to be measured in terms of the number of people benefiting from the new interventions made by the program.

Three Intermediate Results (IRs) were defined for the achievement of the Special Objective, plus one cross-cutting result:

1. Expanded income-generating opportunities for small and micro-entrepreneurs (terminated due to findings and recommendations made in Steve Smith's report presented in June-July, 2002). The objective was to extend financial services to the border region and complement them with the provision of services and essential technical assistance to stimulate cross-border trade. Among the main activities included were: a) credit for micro-enterprises; b) technical assistance to small and micro-enterprises; c) for-profit commercial banks serving the border region; and d) bi-national trade fairs.

2. Increased availability and access to social services, with emphasis on health, water and sanitation. This meant reversing the historically low levels of investment in providing basic social services to the border region, by building health-related infrastructure. It was aimed at encouraging the administration of water, sanitation and other infrastructure projects through micro-enterprises or community-based service administration committees, in order to ensure that the services became self-sustainable.

3. Improved natural resources management in selected areas along the border. This result was focused on complementary development and environmental protection initiatives in the area of the Cutuku Range in the province of Morona Santiago. The proposed actions were aimed at improving the legal protection of local resources, the legalization of land tenure in the area, the development of sustainable forest management plans and the creation of new ecologically-friendly income-generating opportunities for people living near protected areas.

4. A cross-cutting result: Improved capacity of local governments to plan projects and implement services. This result was proposed as a support to the other outcomes and decentralization efforts, through improved communication among municipal officials and community leaders, community participation in the design and implementation of municipal programs, and building the capacity of municipal employees to use computers, manage cost accounting systems and design and implement projects.

3. DISCUSSION

After the Peace Accord signed between Ecuador and Peru on October 26, 1998, the Government of the United States of America committed its support for the efforts that the two countries were making to promote economic growth and social well-being along the border, and made resources available to

the governments of Ecuador and Peru, allocated through the United States Agency for International Development (USAID), to be used within the framework of the Bi-national Development Plan for the Border Region, which in the case of Ecuador was intended to benefit some 450,000 people from the provinces of Loja, El Oro and Morona Santiago.

USAID approved the SpO 11 on June 1, 1999. In the same month, a bilateral agreement was signed by the US Government and the Government of Ecuador (GOE) represented by the Ministry of Foreign Relations (Ecuadorian Binational Plan, as GOE counterpart). In July 1999, USAID Ecuador signed a cooperative agreement with CARE, for \$1.5 million, which ended in February 2001 and brought water, sanitation and health services to 168,127 people living in 6 cantons in the provinces of Loja and El Oro.

Beginning on October 30, 2000, under Cooperative Agreement 518-A-00-01-0001-00 signed between USAID and CARE Ecuador, the Sustainability and Regional Unity Program (PSUR) was established, with total estimated funding of \$19,237,000, and an ending date of September 30, 2005.

During PSUR, 11 amendments were made to the cooperative agreement with CARE, mainly to provide incrementally funds. Among the most significant amendments are:

- Assigned key personnel, the local government strengthening program (amendments 3 and 5).
- Termination of the income generation component on August 30, 2002 (amendment 4)
- Updating provisions (shared costs, taxes, etc.) and indirect cost rates.
- Including the Democracy and Governance component (DYGO) with interventions in the province of Zamora Chinchipe (amendment 6), funded with Democracy funds for an amount of \$1.4 million.
- Extension of the end date of PSUR (amendments 7, 8 and 9).
- Reduction of the total estimated amount of the cooperative agreement (-\$2,294,533) and the establishment of the definitive distribution among components (final amendment No. 11).

This close out report will concentrate on activities and lessons learned under this SpO.

As shown on page 7, PSUR, after 7 years of work, achieved its goals and objectives and surpassed goals in 13 out of the 15 indicators measured. In the other two, the accomplishment is more than 97% (not considering the Income Generation component that was terminated in advance).

The following sections contain a deeper analysis of the results, effects and impacts of PSUR program.

4. RESULTS BY COMPONENTS:

a) Social Services component:

PSUR has provided access to safe drinking water to 103,386 people through the construction or improvement of 111 water systems in the provinces of Loja, El Oro and Morona Santiago.

In Loja-El Oro, 67 water systems have been built or upgraded, with 85,720 beneficiaries, resulting in a 16.11% increase in coverage in rural areas of the 18 target cantons; and in Morona Santiago, 44 water systems were built or upgraded serving a population of 17,666 people, or a 14% increase in coverage in participating cantons.

In addition, a total of 5,034 sanitary units (SUs that included toilet, shower, and washbasin) have been built, providing 51,994 people with access to sanitation services. In Loja and El Oro, the Program built or improved 4,363 SUs, 26 School Sanitary Units (SSUs) and 3 wastewater treatment systems for 47,392 beneficiaries; and in Morona Santiago, 628 SUs, and 15 SSUs, serving 4,552 beneficiaries.

In the case of solid waste management (SWM), 231,188 people have access to sustainable solid waste disposal services, through the implementation and operation of 27 systems in coordination with municipalities, 17 of them in Loja and El Oro and 10 in Morona Santiago.

In 7 years, PSUR has helped families with access to water and sanitation services (WSS) to improve their knowledge and practices in the area of health and the environment, as planned. In Loja and El Oro, WSS information and education has been provided to 209 communities, with the participation of at least 70% of all adults and children. In Morona Santiago, families from 64 communities with water and sanitation systems have participated in this process.

In all, PSUR has led to communities with access to WS services improving their organizational structures and the management of the services with an eye toward sustainability. In all, 126 water boards were strengthened, compared to the 80 originally planned. In Loja and El Oro, 84 systems (67 water systems, 4 wastewater treatment systems, and 18 solid waste management systems) are operated, maintained and administered by local organizations, and in Morona Santiago, 42 Water Boards have been strengthened in areas related to the administration and maintenance of the systems.

b) Natural Resource Management component

This component was implemented exclusively in the province of Morona Santiago, through partner institutions, like the Inter-provincial Federation of Shuar Centers (FICSH), the Arcoiris Ecological Foundation, the Inter-cultural Bilingual University, EcoCiencia, Ecolex, SNV, WCS and Jatun Sacha.

During the life of PSUR, the land titling subcomponent, initially led by ECOLEX and during the last three years by the Inter-provincial Federation of Shuar Centers (FICSH), has supported the titling of 229,654 hectares of ancestral land, benefiting 24,361 people from 50 Shuar centers living within or in the area of influence of the Cutuku Shaimi Protective Forest, widely surpassing the established target.

Similarly, assistance was provided in the definition of minimal criteria and agreements for the management and formulation of comprehensive management plans for 38 Shuar centers and two micro-watersheds, with a total area of 184,562.87 hectares, benefiting 25,095 people.

With respect to community forest management, after a process of disseminating forestry laws and regulations along with low-impact use techniques, a total of 185 families are using their new skills to

take advantage of the forest in a sustainable manner, in planning and forest use and post-use; a total of 1,190 people have been trained and informed about issues related to forestry management, valuing forests, silviculture and timber milling.

In terms of improved agricultural production, a subcomponent led by Arcoiris and supported in the initial phase by the Holland Cooperation (SNV) in the TransCutuku, throughout the life of PSUR, the program facilitated the consolidation of an organizational base uniting close to 650 Shuar and mestizo (mixed indigenous-Ecuadorians) farmers in four cantons to local governments. This organizational base is represented through 5 associations located in Mendez, Chinimbimi, El Tesoro and the newest in Huamboya, which have the support of the Sustainable Development Units of the Municipalities of Santiago de Mendez, Morona and Huamboya.

One relevant aspect of this subcomponent was the development of protocols for the propagation of native fish species like the "Boca Chica" (small-mouth) and the "Sabalo"; as well as the production of "Tilapia", which is very significant, since they were not produced locally and had to be brought in from Guayaquil or Lago Agrio.

The Commercialization subcomponent has promoted associative processes for wood, crafts, agricultural products, tourism, and other non-wood products for eight groups with 133 members and their families (around 655 people) in the cantons of Sucua, Mendez and Morona. They sell crafts in Quito, Ambato and locally; and they are selling legal wood and agricultural products, like fruits, marmalades, vegetables, cocoa and derivatives, chicken, fish; and guanabana pulp through six distribution points in Macas and Mendez.

Another important part of the subcomponent was provide support for the creation of a network of organic farmers in the province, with the following associations: the Association of Small Organic Farmers of Mendez (APPOS), 15 de mayo, El Tesoro, Los Laureles de Chinimbimi, and Jempe.

c) Local Government Strengthening component:

PSUR helped to strengthen 26 local governments (municipalities) in implementing adequate consultative processes and managing their services. These municipalities are: 14 in Loja province, municipalities: Puyango, Pindal, Zapotillo, Macara, Sozoranga, Calvas, Espindola, Quilanga, Chaguarpamba, Paltas, Olmedo, Catamayo, Celica, and Gonzanama; 9 in Morona Santiago province, municipalities: Logroño, Paquisha, Yantzatza, Morona, Pablo VI, Sucua, Santiago, Mendez, and Tiwintza; and, 3 in El Oro province, municipalities: Arenillas, Huaquillas, and Las Lajas.

In relation to the implementation of consultative processes:

Nine municipalities from the provinces of Loja and El Oro were supported, where citizen participation processes contributed to:

- a) Parish Boards meeting, discussing and prioritizing their development needs.
- b) The municipalities improved their capacities to prepare development plans, and
- c) The municipalities gathered and incorporated the development needs

Work was done with 4 municipalities of Loja and El Oro, in which:

- d) A Cantonal Development Committee (CDC) or similar entity was formed

- e) Different actors participate in the CDC
- f) The CDC has its own work plan.

In 13 municipalities of Loja, El Oro and Morona Santiago, the program helped to ensure that:

- g) The municipality officially recognized the CDC.
- h) The CDC had by-laws and regulations and met periodically.
- i) The municipality has parish and/or canton development plans.
- j) The canton has strengthened the leadership of its civil society organizations participating in the Cantonal Development Committee.

With respect to strengthening services management:

The 14 municipalities in the provinces of Loja, El Oro and Morona Santiago, with the support of PSUR, have:

- a) Improved their computer skills.
- b) A methodology to prepare cantonal development plans.

The 4 participating municipalities from Loja and Morona Santiago:

- c) Have improved their computer abilities.
- d) Have a methodology to prepare cantonal development plans.
- e) Have improved their capacity for project design and management.

Eight participating municipalities in Loja, El Oro and Morona Santiago have:

- f) Improved their computer abilities.
- g) Developed a methodology to prepare cantonal development plans.
- h) Improved their capacity for project design and management.
- i) Implemented a system for costing services.
- j) Strengthened their structure.
- k) Developed their own Strategic Plan.
- l) Developed a canton information system
- m) Modernized at least one of their services (tax and fee collection).

d) Income Generation component

PSUR, in coordination with allied organizations like FUNDATIERRA, ARCOIRIS, FEPP, the San Francisco Foundation and SNV supported the formation and strengthening of 120 Community Credit Entities, through which 1,601 loans were granted, benefiting 8,806 people, of which 548 (34%) were granted to women.

As mentioned above, this component was terminated by USAID on August 30, 2002 due to findings and recommendations made by Consultant Steve Smith, considering that it was not complying with the planned results.

MAJOR ACCOMPLISHMENTS BY THE END OF THE SOUTHERN BORDER PROGRAM

PMP INDICATOR	RESULTS		% accomplish.
	Planned	Actual	
BOR 11.0 (a) Number of beneficiaries in the border region whose lives have improved due to their participation in activities to provide access to social services, adopt improved natural resource management practices and/or make local government more efficient.	476,970	499,420	104.71%
BOR 11.2 (a) – Number of Community Credit Entities established.	200	120	60%
BOR 11.2 (b) – Number of small and micro-enterprises that have received loans	6,700	1,601	23.90%
1. % of women	2,680	548	20.44%
2. Number of beneficiaries	33,500	8,806	26.29
BOR 11.3 (a)			
1. Number of new or improved potable water systems.	97	111	114.43%
2. Number of Beneficiaries	51,220	103,386	201.85%
BOR 11.3 (b)			
1. Number of new or improved sanitary units	3,923	5,034	128.32%
2. Number of Beneficiaries	50,238	51,944	103.40%
BOR 11.3 (c)			
1. Number of new or improved garbage collection or recycling programs.	26	27	103.85%
2. Number of Beneficiaries	237,372	231,188	97.39%
Number of indirect beneficiaries – water and sanitation	54,640	54,640	100%
BOR 11.4 (a) Policy documents developed that strengthen the legal basis for conservation and sustainable development in the Kutucu mountain range.	10	10	100%
BOR 11.4 (b)			
1. Number of hectares under natural resource management plans in selected areas.	100,000	184,563	184.56%
2. Number of Beneficiaries	25000	25,095	100.38%
BOR 11.4 (c)			
1. Number of hectares titled within or close to the area of influence	100,000	229,654	229.65%
2. Number of Beneficiaries	25000	24,361	97.44%
BOR 11.CCR (a)			
Number of local governments with adequate consultative processes in operation.	26	26	100%
BOR 11.CCR (b)			
Number of local governments who have improved their administration of services.	26	26	100%

5. ACCOMPLISHMENTS ACHIEVED BY COMPONENTS:

499,420 people from the Southern Border Region of Ecuador benefited from the Program Components, as follows:

Income Generation component:

120 community credit entities were established and 8,806 people benefited from access to micro-credit. This component was terminated by USAID on August 30, 2002 due to findings and recommendations made by Consultant Steve Smith, considering that it was not complying with the planned results.

Social Services component:

- 111 new or improved potable water systems (103,386 beneficiaries)
- 5,034 sanitary units (51,944 beneficiaries)
- 27 solid waste management systems (231,188 beneficiaries, 26 in cantonal capitals and 1 parish-based)

Natural Resources Management component:

- 184,562.87 hectares are under natural resource management plans in Morona Santiago province, with 25,095 beneficiaries in the following cantons: Logroño, Paquisha, Yantzata, Morona, Pablo VI, Sucua, Santiago, Mendez, and Tiwintza.
- 229,654.10 hectares titled in Morona Santiago province (same cantons as above), with 24,361 beneficiaries.
- A total of 10 studies were developed to strengthen the legal basis for conservation and sustainable development in the Cutukú mountain range.

Local Government Strengthening component:

- 26 local governments with adequate consultative processes in operation.
- 26 local governments that have improved their administration of services.
- 31 members of marginal target groups received leadership training.
- 2 consensus-building actions that have improved the integration of excluded groups.
- 4 instances of social oversight of public administration.

6. SOCIAL EQUITY AND GENDER CONSIDERATIONS

PSUR, in its design, began by recognizing that equity means that men and women, rich and poor, girls, boys and adolescents, adults and the elderly, and people from different ethnic groups can participate in different ways and receive different kinds of support in the program's development and conservation efforts, all the while guaranteeing that the impact of the benefits would be balanced (equitable) in terms of the power and prestige that goes along with their participation. Equity means making sure that the interventions do not create or deepen power imbalances or inequalities among groups or individuals from the communities or regions involved in development activities.

In terms of the use of communal or farm-based natural resources, women participated actively in making decisions on the land use and other preferences, generally through participatory methodologies.

One fundamental aspect that we should look at is women's access to decision-making: the baseline study showed us that the leadership posts in community organizations were overwhelmingly held by men, and only a few women participated in secondary posts (like secretary). In light of this reality, important progress was made, since at the end of the program, some 32% of the important leadership roles in the community organizations (water boards, farmers associations) were occupied by women.

7. RESOURCES EXPENDED AND COUNTERPART CONTRIBUTIONS

Attachment 1 shows a breakdown of USAID money, showing that the total obligation for PSUR was \$19,199,258.

On the contributions from other funding sources (counterpart contribution), the majority (\$6.4 million, or 61%) came from local communities, municipalities, Provincial Councils and organizations that are part of the PSUR consortium; these are followed by CARE funds (from private donors and CARE's own funds) in the amount of \$2.2 million (22%); funds from other governments which contributed to the Bi-national Development Plan, totaling \$1.4 million (13%); and finally other contributions in the amount of \$500,000 (6%).

Following is a summary of the amounts contributed by strategic partners and allies of PSUR from October 2000 to September 2007:

Detail		Counterpart Contribution
Communities, Municipalities, Provincial Councils, Partners	61%	6,469,072
Private CARE USA donors	14%	1,439,887
Governments within the Bi-national Plan	13%	1,438,344
CARE's own funds	8%	802,022
Other sources	5%	509,913
Total	100%	10,659,238

Beyond their size, these figures demonstrate an important level of commitment to the purpose and objectives of PSUR on the part of communities, local, provincial and national governments, and participating organizations and institutions. The counterpart contribution was 55% of the USAID budget.

8. MAIN AGREEMENTS AND CONTRACTS:

The implementation of PSUR was done through a consortium of organizations, which while complex (programmatically, administratively and financially), contributed significantly to achieving the objectives, as it helped to mobilize a range of institutional expertise, talents, resources and commitments.

Initially CARE formed a Consortium with 12 organizations and institutions: Arcoiris, Banco del Pichincha/CREDIFE, Catholic Relief Services, Conservation International, Ecociencia, HOPE, Jatun Sacha, the Netherlands Cooperation Service (SNV), OIKOS, The Pan American Health Organization (PAHO), Plan International, Wildlife Conservation Society (WCS).

In the last two years of PSUR implementation, the following organizations were part of the consortium: Arcoiris, Jatun Sacha, the Inter-provincial Federation of Shuar Centers (FICSH), Friends of the Earth Foundation (Fundación Amigos de la Tierra-Fundatierra), Fundación Espacios, Provincial Government of Loja, Plan International and the Intercultural Bilingual University of the Indigenous People.

When analyzing the evolution of the consortium, it becomes clear that at the beginning there were many more international NGOs, while at the end of the program, there were more national and local organizations: indigenous federations, local/provincial governments, NGOs and universities. This situation is the result of the process of strengthening local capacities and talents to guarantee the sustainability of the processes and their results and impacts.

In the following table we present a list of the main partners who took part in the implementation of the PSUR in each of its components:

Component	Partner	Activities
Social Services	Plan International	Water and sanitation, infrastructure community and organizational capacity-building.
	Fundatierra	Water source protection, community management, water tariffs and quality control
	FEPP Loja	Productive infrastructure for irrigation and post-production
	Municipalities / Provincial Council	Infrastructure and community management, water quality control
Natural Resources Management	Arco Iris Foundation	Aquaculture, agricultural production and strengthening micro-finance programs
	Jatun Sacha Foundation	Forestry management, environmental impact assessments and forest valuations
	Ecociencia	Management of protected areas, biodiversity studies, and training promoters
	Ecolex	Land titling, legal studies on conservation and decentralization of environmental authority.
	FICSH	Legalization of lands and proposals for the co-management of the Cutucu

		protective forest
	Universidad Amawtay	Leadership training in agro-ecology and natural resources management
	SNV	Improving agricultural production in Transkutuku
	WCS	Studies on hunting and natural resources management
Local Government Strengthening	Fundación Espacios	Citizen participation and building the management capacity of municipalities
	CCCC	Training social auditors and supporting citizen oversight efforts
	SNV	Strengthening local governments in Morona
	Municipalities	Improving services, implementation of the SIGGLO system, citizen participation, parish and canton development plans

9. LESSONS LEARNED

There have been many lessons learned throughout the 7 years of implementation of the PSUR Program; in this section we will try to summarize some of the most important ones, following the project cycle and based on their relevance for the context in which the program was carried out:

1. As a starting point, we should explain that the PSUR is probably the first, if not the only post-conflict agreement implemented in South America; therefore at its essence is a contribution to the process of peace between two neighboring countries. In this sense, even though the largest differences and conflicts expressed themselves at the governmental level, the program at first faced a large degree of mistrust in local communities, which gradually dissipated with the work and daily relationships formed with the field teams.
2. During the design phase of the program, the participation of local communities, organizations and institutions was fundamental, especially during two specific stages: the situational analysis of their reality and the establishment of priorities and objectives. In addition to demonstrating coherence with the right to participation, ensuring a high degree of "legitimacy" for the changes to be made, this participation contributes to sustainability and helps to optimize resources, since no significant persuasion efforts are needed.
3. In terms of complexity of the programs (four components run by a consortium of institutions), magnitude (programmatic and financial) and time (7 years) of PSUR, long-term strategic planning with the active participation of everyone involved is a necessity, since it makes it possible to define an overall vision and establish the main ethical, policy and strategic guidelines that will help guide the program throughout its life. It is also an excellent guide for making decisions from the beginning to respond to any difficulties or problems that may emerge in the course of the program.

4. When dealing with bi-national initiatives, where results and impacts are expected in processes of regional cross-border integration, it is important that the “concept” of the project includes this trend; in the case of the PSUR in Ecuador and the Border Program in Peru, the fact that the areas of intervention, geographic coverage and start and ending dates did not coincide was a significant obstacle. Nonetheless, the organization of regular bi-national events to exchange information and explore ways to cooperate, with the participation of governments, international donors, implementing institutions, and civil society representatives were important alternative forums.
5. In terms of the approaches of programs that promote human development, it is fundamental that on the one hand the meaning of the concepts or categories of analysis and intervention are constructed in a participatory fashion, for example sustainability, social and gender equity, and on the other that it is clearly defined how (intervention methodology) to apply these concepts in practice. In this sense, PSUR developed the sustainability approach, both in planning processes and through a flexible methodology of intervention that was consistent with the local context. For example, in the case of the water systems for remote communities whose economies are based on non-monetary income, it is logical that the payment for the operation of the systems should be made in kind.
6. In terms of the sustainable use and management of the environment, it is key that cooperation staff are open to understanding that the value systems of rural families are not only conceived of in monetary terms, and that their concepts of production and relationship with the environment in many cases is not governed by “accumulation” but rather by solidarity, reciprocity and frugality. This understanding is key for designing management plans and implementing production, conservation or other activities; and for considering other human dimensions beyond inputs, technical assistance or financial resources.
7. The exchange of knowledge and know-how is fundamental for promoting social and organizational learning, but much more as an essential element of human development. One of the best examples is that of the dialogue of knowledge about the Shuar “Aja” (which is a piece of land around the Shuar’s houses used to produce self-consumption crops) and its significant contribution to restoring agricultural and biological diversity and food sovereignty along with the ancestral knowledge that is part of the culture of the Shuar nation.
8. Developing a local human capacity building system to improve the negotiating abilities and the skills of commercialization and administration of groups of producers are key; however, one also has to consider that many times, rural producers only want to sell along the road and not go through “the trouble of going to town” – leaving their comfort zone – to negotiate. On this point, the role of the intermediary is key, as they have capital and take the risks, thus it is necessary to negotiate so that the levels of profit are adequate.
9. The consolidation of local proposals based on existing experiences is a key aspect in achieving objectives and sustainable impacts, one example of this was the participatory processes carried out by the democracy and governance component, based on previous experiences, for inclusion in local development plans and the proposal of other elements like social auditing, participatory budgeting, etc.

10. Implementing a program using a consortium of organizations, while complex, helps significantly to achieve program objectives, as it mobilizes a series of institutional know-how, expertise, resources and commitments.

10. SUMMARY OF RECOMMENDATIONS:

For the Cooperation Agencies:

1. When working on bi-national initiatives and hoping to achieve results and impacts on the processes of regional cross-border integration, the "concept" of the project has to include this trend.
2. Put more emphasis on environmental aspects of development programs, particularly those related to sustainable watershed management.
3. Contribute to and link initiatives directly with the implementation of local development plans, especially the economic and productive aspects of them.
4. Promote regional and/or national development programs with longer time horizons and geographical coverage.

For the National Government:

5. Strengthen the mechanisms to build capacity in local governments to implement and monitor development plans and projects.
6. Promote the integration of actions to ensure the sustainability of the processes and impacts.
7. Take experiences like those of the PSUR into account when creating national public policies.

For the Local Governments:

8. The municipalities should lead the monitoring of the urban and rural water, sanitation and waste management systems; as well as environmental management and economic development initiatives, once the support from the development cooperation community has ceased.
9. Promote ongoing campaigns to raise civic awareness about health and environmental issues.
10. Apply the services management policies in a way that benefits communities.
11. Consider local development plans as the foundation for local development, and social oversight efforts as a tool to enhance transparency and legitimacy.
12. Apply the lessons learned to other programs.

For the Social Organizations (Water Boards, Farmers Associations, and Federations):

13. Ensure the incorporation of excluded groups in making community decisions.
14. Ensure the comprehensive management of services that they are responsible to operate, taking into account the elements proposed to attain sustainability.
15. Respect and value the ancestral knowledge of the communities.
16. Continue the local development processes that contribute to the exercise of rights: social (access to water, sanitation, health, education) economic and collective (territorial rights).

11. POST COMPLETION ACTIONS

As mentioned above, many of the interventions of PSUR will continue through the different stakeholders involved: social organizations, local and provincial governments, universities and

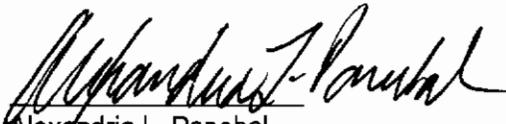
research centers, farmers' associations, indigenous federations, and others, who have participated in the entire process using the sustainability approach developed in the program.

In addition, several of the organizations participating in the PSUR Consortium are continuing with their programs in the southern border region, such as the following NGOs and universities: Plan International, the Arcoiris Foundation, Fundatierra, the Espacios Foundation and the Amawtay University.

Nevertheless, the southern border region of Ecuador continues to experience a series of consequences resulting from decades of marginalization, neglect and inequity which are a challenge for the cooperation community, local stakeholders, the private sector and the national government. It is also an exceptional scenario filled with capacities, opportunities and diversity to face the challenges of creating a more equitable, dignified and united society.

Approved

Disapproved


Alexandria L. Panehal
Mission Director

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CONT: GCarrera (in draft) Date ~~2-6-09~~
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ATTACHMENT 1

PSUR Financial Information

USAID/Ecuador
Financial Information PSUR

Obligations and Subobligations

Transaction Amount Vendor Name2	Transaction Event - Program Area				UNILATERAL OBLIGATIONS		Total Obligations	Total Expenditures
	SUBOBLIGATIONS				518-011	518-012		
	518-011	518-001	518-012	518-014	518-011	518-012		
CARE INC	16,822,467	120,000	600,000	25,000	0	800,000	18,367,467	18,367,467
MANAGEMENT SUPPORT COSTS	262,484				459,721		722,205	722,014
CHECCHI AND CO	14,911						14,911	8,724
DELOITTE ADVISORY SERVICES do	1,000						1,000	1,000
DEVELOPMENT ASSOCIATES INC	76,975						76,975	68,198
U S DEPARTMENT OF STATE					12,700		12,700	12,700
VARIOUS					4,000		4,000	4,000
Total Obligations	17,177,837	120,000	600,000	25,000	476,421	800,000	19,199,258	19,184,104