



USAID
DEL PUEBLO DE LOS ESTADOS
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PROGRAMA DE DESCENTRALIZACIÓN Y
GOBERNABILIDAD LOCAL

DECENTRALIZATION AND LOCAL GOVERNANCE PROGRAM
PROGRAMA DE DESCENTRALIZACIÓN Y GOBERNABILIDAD LOCAL (PDGL)

ANNUAL MONITORING & EVALUATION REPORT
FOR THE PERIOD OF:
OCTOBER 2005 - SEPTEMBER 2006

Submitted to:
USAID/Guatemala Democracy and Governance Office

October 19, 2006

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Submitted to:
Alfredo Calderón, Cognizant Technical Officer
USAID/Guatemala Democracy and Governance Office

Submitted by:
DevTech Systems, Inc.
Contract No. GS-10F-0048L, Order No. 520-M-00-05-0037-00
USAID Central America and Mexico (CAM) Strategic Objective 1: "Ruling Justly: More responsive, Transparent governance"

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Acronyms-English

CAM	Central America and Mexico
COP	Chief of Party
DevTech	DevTech Systems, Inc. (Institutional Contractor)
DCOP	Deputy Chief of Party
CTO	Cognizant Technical Officer
EU	European Union
ICMA	International City/County Management Association
LED	Local Economic Development
LLR	Lower Level Results
M&E	Monitoring & Evaluation
MTC	Municipal Tax Code
OAS	Organization of American States
RRF	Rapid Response Fund
SOW	Scope of Work
Sub-IR	Sub Intermediate Result
TOR	Terms of Reference
USAID	United States Agency for International Development

Acronyms-Spanish

AC	Acción Ciudadana
ADIMAM	Asociación de Desarrollo Integral de las Municipalidades del Altiplano Márquense
AFIM	Administración Financiera Integrada Municipal
AGAAI	Asociación Guatemalteca de Alcaldes y Autoridades Indígenas
ANAM	Asociación Nacional de Municipalidades
ASAE	Arbitrio Sobre Actividades Económicas
ASIES	Asociación de Investigación y Estudios Sociales
ASMUGOM	Asociación de Mujeres en el Gobierno Municipal
CEMUNI	Centro de Estudios y Formación Municipal
CODEDE	Consejo Departamental de Desarrollo
COMUNIPREVI	Cuerpo Consultivo Municipal de Prevención de la Violencia y Apoyo a la Seguridad Ciudadana del Municipio de Villa Nueva
COMUDE	Consejo Municipal de Desarrollo
COPADES	Construcción y Consultoría para el Desarrollo Socioeconómico
COPREDEH	Comisión Presidencial para los Derechos Humanos
CTM	Código Tributario Municipal
DEMI	Defensoría de la Mujer Indígena



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ERIPAZ	Encuentro Regional Ixil para la Paz (Mancomunidad de municipios del área Ixil)
FONAPAZ	Fondo Nacional para la Paz
FRR	Fondo de Respuesta Rápida
GTZ	Cooperación Alemana al Desarrollo
INAP	Instituto Nacional de Administración Pública
INFOM	Instituto de Fomento Municipal
MAGA	Ministerio de Agricultura, Ganadería y Alimentación
MFP	Ministerio de Finanzas Públicas
OMP	Oficina Municipal de Planificación
PDGL	Programa de Descentralización y Gobernabilidad Local
PNUD	Programa de Naciones Unidas para el Desarrollo
POA	Plan Operativo Anual
PRODERQUI	Programa de Desarrollo del Quiché
PROMUDEL	Programa Municipal de Desarrollo Económico Local
RENICAM	Red Nacional de Instituciones de Capacitación para el Fortalecimiento Municipal
SEGEPLAN	Secretaría de Planificación y Programación de la Presidencia
SEPREM	Secretaría Presidencial de la Mujer
SCEP	Secretaría de Coordinación Ejecutiva de la Presidencia de la República
SIAF-SAG	Sistema Integrado de Administración Financiera y Sistema de Auditoría Gubernamental
SIAFITO	Sistema Integrado de Administración Financiera Municipal (módulo de ejecución presupuestaria)
SIAF-Muni	Sistema Integrado de Administración Financiera Municipal
UDAI	Unidad de Auditoría Interna Municipal



Executive Summary

This is the first **Annual Monitoring and Evaluation** Report for the United States Agency for International Development (USAID) Guatemala Mission's Decentralization and Local Governance Program (PDGL, acronym in Spanish), which covers Fiscal Year (FY) 2006 (October 2005 – September 2006). DevTech Systems, Inc. (DevTech) is the institutional contractor for the Program. The Report reviews the progress to date for the indicators and benchmarks established in the Monitoring and Evaluation Plan (M&E Plan), approved by the USAID/Guatemala Mission on 14 October 2005.

DevTech has conducted this review of Program results from two complementary perspectives. First, the report reviews the *quantitative objectives* included in the "Performance Tracking Table." Second, the report examines the *qualitative benchmarks* included in the "Categories of Performance Matrix" (see Annex A). The unit of analysis is the Program's Lower Level Results, as established and amended in the contract signed between USAID/Guatemala and DevTech.

According to the M&E Plan, USAID's Decentralization and Local Governance Program should achieve positive results for three Sub-Intermediate Results (Sub-IRs) and 25 Lower Level Results (LLRs). A fourth Sub-IR, related to the support in San Marcos, as well as two new, corresponding LLRs will be incorporated into the next Annual M&E Report.

The Program has had its principal **successes** in: i) the area of financial management, specifically the Integrated Financial Management System (SIAF, acronym in Spanish) and *Guatecompras*; ii) support to *Mancomunidades* (planning and institutional strengthening); iii) fostering citizen participation (COMUDES, acronym in Spanish), and iv) reforming the municipal debt regulatory framework.

In the areas of leadership, the support of the Program is recognized at both the municipal level (and in the communities) and the central government. The majority of the partners (selected) municipalities now have stronger organizational structures and financial administration tools. As such they are better prepared for an advanced level of support to improve municipal finance. The Program will achieve several of the Program LLRs related to this last thematic area in the next year, even though it is anticipated that the elections during the year may affect the rate of progress.

There has been significant progress in the institutional strengthening of *Mancomunidades*. The efforts, to date, have been focused on the design of the Economic Development Plan for the *Mancomunidad Copán Chortí* and the Executive Plan for 2006-2007 for the *Mancomunidad ERIPAZ*. In both cases, the process has involved all of the principal stakeholders, including civil society organizations. The program has provided advice in the reform of bylaws, reactivation and regularization of the Board of Director meetings and Assemblies, as well as the search for self-financing mechanisms. PDGL actively



participated in the organization and preparations for the Second National Forum for *Mancomunidades* (*II Encuentro Nacional de Mancomunidades*), held in September 2006.

The Program has worked to foster the creation or reactivation of the COMUDES in nearly half of the partner (selected) municipalities. Technical assistance has been provided in the preparation of internal procedures, to develop more substantive agendas that reflect community interests, to regularize the agreements and create the institutional infrastructure necessary to facilitate meetings for all sectors. The Program financed (through the Rapid Response Fund) a third of the costs associated with the annual meetings, and the other two-thirds were covered by other donor programs and the municipality.

Notwithstanding the initial resistance by various institutions, the Program has had success in promoting a new regulatory framework for municipal debt. The Program's proposal is now the basis for the creation of an inter-institutional commission that is working on refining pending elements of the proposal prior to its formal presentation.

In the area of municipal finance the Program has faced **challenges** in achieving the benchmarks related to municipal services, cost-recovery mechanisms, own-resources, intergovernmental transfers, and the Municipal Tax Code.

The Program had planned to develop a strategy to improve basic municipal services, which would include a cost-recovery mechanism. However, the current state of municipal services is more complicated than originally anticipated. The majority of the municipalities do not have regulations, charge very low rates approved years ago that are not even properly documented, do not have procedures for recouping costs, and in most of the cases are unable to enforce collections.

The program has made significant efforts to promote the Municipal Tax Code, including providing technical assistance to ANAM and AGAAI. Notwithstanding, as a result of obstacles in the legislative process and pre-election politics associated with any reform that is even a perception of increases taxes, it has been difficult to get the approval of the respective Congressional committee reports. The recent establishment of a new Committee to debate the Fiscal Pact (*Pacto Fiscal*), likewise, creates uncertainty about whether it will be this forum that debate municipal fiscal authorities.

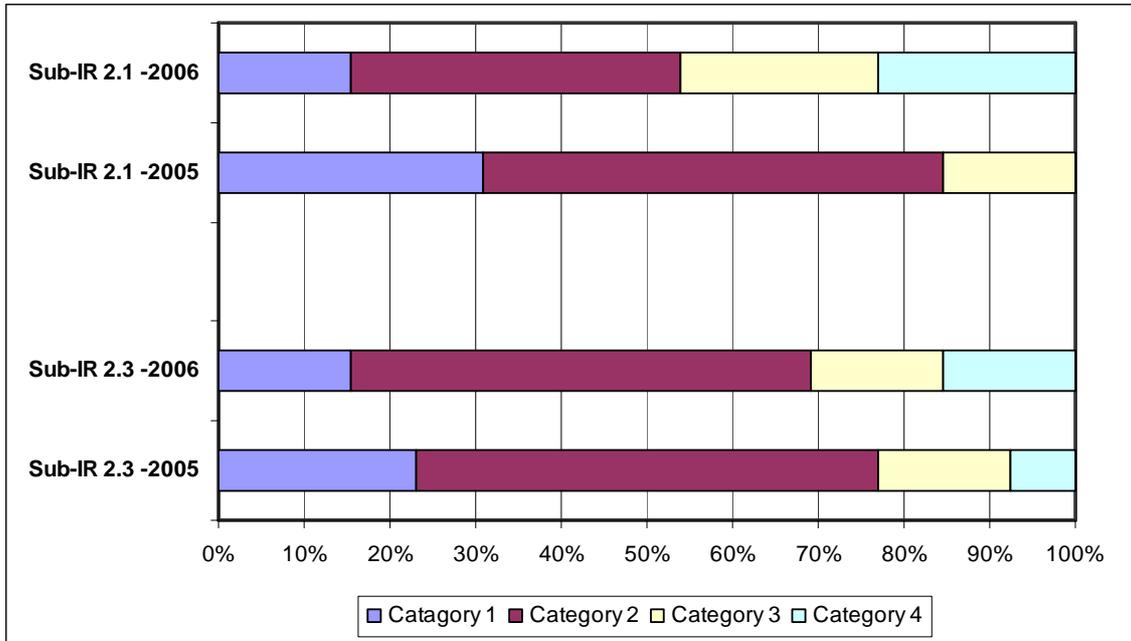
The Program's leadership and conflict resolution efforts were planned solely for Villa Nueva and for working with COMUNIPREVI. Given the difficult conditions and political circumstances encountered during implementation in Villa Nueva, USAID/Guatemala determined that work would be suspended in Villa Nueva. As a result, no progress has been made under the LLR for leadership and resolution.

The Fiscal Year 2006 results are assessed from the perspective of a process of change and development. This examination of qualitative changes is completed utilizing the *Categories of Performance Matrix*. This tool is based on the premise that each municipality will pass through each of the four categories (phases of development), with one (1) being the lowest



and four (4) the highest, signaling that the result has been achieved. The status as of 30 September 2005 compared to 30 September 2006 is illustrated in Figure 1.

Figure 1: Progress of Municipal Development in 13 PDGL municipalities



Note: Sub-IR 2.2 is not included in this table because work under the Sub-IR is primarily applicable at the national level.

There has been significant qualitative progress for Sub-IR 2.1. In Fiscal Year 2005, 14 percent of the municipalities were classified as either Category 3 or 4 (the highest). In 2006, this proportion has increased to 48 percent. Furthermore, in 2006, an average of three (3) municipalities are classified as Category 3, one point from ‘graduating’ for the respective LLR and passing to the Category of 4, which signifies that the LLR has been achieved.

For Sub-IR 2.3, progress has not been as notable due primarily to the nature of the ‘process’ for those LLRs related to citizen participation. Notwithstanding, there are two important qualitative changes. In 2005, a quarter of the municipalities did not have any interest in citizen participation. This proportion has decreased to 15 percent in 2006. In addition, in 2005 only six (6) percent of the municipalities reached Category 4 while in 2006 almost a fifth had reached this category and achieved the target.

For Sub-IR 2.2, the Program has had success in promoting the new regulatory framework for municipal debt, and to a certain extent progress related to promoting the Municipal Tax Code, by increasing the number of municipalities classified as Category 3 or 4.



Notwithstanding, the results indicate that there has been a slowing of reform in the areas of intergovernmental transfers, implementation of decentralization policy, municipal public investment mechanisms. In Fiscal Year 2006, PDGL dedicated limited resources to working in these three areas due to the institutional context. Specifically, there has been a trade-off in resources dedicated to the area of intergovernmental transfers with that of the policy work on the Municipal Tax Code. As planned, during Fiscal Year 2006 PDGL's focus was on the Municipal Tax Code given the importance of this reform to the financial independence of the municipalities with the intent on working on intergovernmental transfers later. However, work in the area of intergovernmental transfers has been postponed until sufficient funds become available.

The LLR related to decentralization policy is inter-connected with other work at the national and local levels (the supply and demand side of reform). Presently, the SCEP is defining the responsibilities and authorities (services or specific tasks related to education and health, for example) to decentralize to the municipal level and the corresponding regulatory mechanisms (legal framework and budget to transfer the resources to match the responsibilities devolved to the municipal governments). Yet, there have only been six requests made from all municipalities to the central government by municipalities to further devolve responsibilities, and not final decisions to date. Of the municipalities participating in the Program, only *Pachalum* has expressed an interest in decentralizing primary education. However, the request is at an impasse due to the uncertainty of the specific mechanisms (actions to be taken by SCEP) to realize the transfer of the resources to match the responsibility. The SCEP has announced that it is still in the process of creating the conditions for decentralization, and for this reason transfer of new responsibilities has taken more time than expected.

The Program did not sign a separate MOU with SEGEPLAN in Fiscal Year 2006, the main implementing partner for municipal public investment at the national level. Notwithstanding, in Fiscal Year 2007, its efforts directed towards this LLR will be comprised of replicating in *Quiché* and *Chiquimula* the experience gained in PDGLs work with CODEDEs in San Marcos.

In summary, in comparison to the Program's FY 2005 baseline, PDGL has achieved **significant measurable progress** towards achieving the targets for Fiscal Year 2006, as reflected in both the qualitative and quantitative benchmarks. In those cases where progress has been less than expected for the year, the Program has made appreciable advancement towards achieving the LLRs during the Life of the Program.

As would be expected, some refinement of the Results Framework for the Program is necessary after one-year of on-the-ground implementation. As such, the Contractor submitted for USAID contracts on 28 August 2006 a request to eliminate two LLRs (those related to the Civil and Taxpayer Registries) because they incorporated into the full-implementation of the SIAF-Muni in the selected municipalities, and as conceived are difficult to measure.



Introduction

The PDGL Contract establishes that Contractor Performance will be evaluated on the basis of the approved M&E Plan and targets met. The Plan was submitted to USAID on 21 September 2005 and approved on 14 October 2005. The Contractor is required to submit a comprehensive Annual Monitoring and Evaluation Report at least annually beginning October 2006 for the basis of evaluating performance.

This report provides the basis for evaluating progress for each of the LLRs from two distinct perspectives. On the one hand, the report reviews achievement of the *quantitative benchmarks* established for Fiscal Year 2006 in the “Performance Tracking Table.” On the other hand, this report analyzes the advancement in the process of development, towards achieving the Lower Level Results. This process reflects the *qualitative changes* identified in the “Categories of Performance Matrix” designed specifically for the Program.

As is reflected in this First Annual M&E Report, the Program has achieved at an accelerated base results at the municipal level. As would be expected, the Program has had significant success in some LLRS, but only partial success in others. The dynamics at the local level and the initial delay in some municipalities related to work for several LLRs are some of the factors that explain the partial results.

As the first Annual Report, this report is more than an accounting of benchmarks achieved or not achieved, and instead is designed to identify lessons learned as the basis to make decisions on changes in course.

Section I of the report summarizes the strategic objective, sub-intermediate results and the Program’s LLRs, which are included as part of the M&E Plan. This section also summarizes changes in Program scope (San Marcos and the substitution of a municipality) that affect the M&E Plan.

Section II of the report details the methodology utilized to calculate the level of completion for the quantitative and qualitative benchmarks. In addition, the section provides a guide for interpreting the indicators.

Section III begins with the presentation of the primary results. In order to provide the basis for understanding the results to date, the report also presents an overall and specific evaluation of those LLRs for which the Program met or exceeded the targets, as well as those for which the Program achieved only partially the targets. This analysis is based on the “Performance Tracking Table,” included in the section.

Section IV presents a qualitative analysis of the current situation as compared to the Baseline Study, completed at the start of the Program. The Categories of Performance Matrix (see Annex A) demonstrates how the municipalities have advanced in almost all of the LLRs, even though they have not yet achieved the benchmark target.



I. Strategic Objective, Purpose and Intermediate Result

1. PDGL's Strategic Framework

The overarching USAID Central America and Mexico (CAM) strategic objective to which this program will contribute is *more responsive and transparent governance*.

The purpose of this program is to significantly improve capacity and resources made available to local governments to respond to citizens' needs for efficient and transparent delivery of basic services, security and employment so citizens can play a more active role in the decision making process and democracy.

The Intermediate Result to be achieved by this program is: *greater transparency and accountability of governments*. The Program will work to achieve the intermediate result by achieving three Sub-IRs and 25 lower level results (LLR) during the life of the project. *Table 1* summarizes the Sub-IRs and LLRs for the Life of the Program.¹

Table 1: PDGL Sub-IRs and LLRs

	Sub Intermediate Results (Sub IRs) and Lower Level Results (LLRs) Descriptions
<i>Sub IR 2.1: More transparent systems for management of public resources by local governments</i>	
2.1.1	SIAF-Muni fully implemented in selected municipalities.
2.1.2	Civil Registry System implemented in selected municipalities.
2.1.3	Certification Program for municipal financial managers developed and implemented in selected municipalities.
2.1.4	National level replication plan for municipal financial managers Certification Program promoted
2.1.5	Improved transparency in municipal procurement processes, procedures & systems (Guatecompras) in selected municipalities.
2.1.6	Internal audit units and financial management units (AFIMs) are operating effectively in selected municipalities and best practices developed are disseminated nationally.

¹ On 16 October 2007, the Contract was modified to include Sub-IR 2.4 for Fiscal Year 2007 and the first quarter of Fiscal Year 2008.



	Sub Intermediate Results (Sub IRs) and Lower Level Results (LLRs) Descriptions
2.1.7	Electronic tax roll system developed for USAID under previous decentralization program fully operational in selected municipalities and the system is disseminated at the national level.
2.1.8	Selected municipalities present sustained increase in own-source revenues.
2.1.9	Public-private partnership for local economic development (LED) functioning in selected municipalities and mancomunidades, based on USAID strategic planning methodology.
2.1.10	Critical basic municipal service improved in selected municipalities.
2.1.11	Cost recovery system improved in selected municipalities.
2.1.12	Municipal level planning improved in selected municipalities.
2.1.13	Planning process strengthened in selected mancomunidades
2.1.14	Selected mancomunidades are fully functioning and consolidated, with a formal structure and legal foundation, and regular meetings taking place that result in concrete activities that are jointly implemented.
<i>Sub IR 2.2: Increased devolution of responsibilities and resources to the local level resulting in greater responsiveness by local governments to citizens' needs</i>	
2.2.1	Increased transparency and efficiency in the system of intergovernmental transfers.
2.2.2	Pilot implementation of decentralization policy (and/or de-concentration efforts) in selected municipalities (and/or departments) & development of policies & procedures for successful national replication.
2.2.3	Better coordination between municipal investment and national social investment, especially those that complement USAID Programs in health, education, security, etc.
2.2.4	Policies and practices that regulate and stimulate responsible municipal indebtedness developed and disseminated nationally.
2.2.5	Municipal Tax Code (MTC) passed and implementation supported.
2.2.6	Ability of ANAM, AGAAI, and (possibly) select departmental associations to participate in national policy dialogue strengthened and



	Sub Intermediate Results (Sub IRs) and Lower Level Results (LLRs) Descriptions
	opportunities for engagement identified.
<i>Sub IR 2.3: More opportunities for citizen participation in and oversight of local government decision-making</i>	
2.3.1	USAID Accountability and Citizen Oversight methodologies fully institutionalized in selected municipalities and disseminated broadly at the national level.
2.3.2	Leadership and conflict resolution and negotiation skills of local community and municipal leaders improved in selected municipalities.
2.3.3	Development councils functioning according to applicable Law in selected municipalities.
2.3.4	Innovative media and communication mechanisms to improve transparency of municipal operations in place in selected municipalities.
2.3.5	Participation in the 2007 elections, particularly for women and the indigenous in selected municipalities increased.

2. Support to San Marcos

The incorporation of **Sub-IR 2.4: Strengthening of local capacity in the implementation of reconstruction programs** into the Contract Scope of Work is for a period of approximately 15 months beginning in Fiscal Year 2007. The Program's activities in support of this Sub-IR are related to technical assistance in San Marcos, which was initiated under the Rapid Response Fund in May/June 2006.²

In support of this new Sub-IR as included in the Fiscal Year 2007 work plan, the Program will provide targeted technical assistance by:

² During fiscal year 2006, PDGL assembled a team of professionals consisting of a Regional Coordinator and four (4) local advisors who are providing technical assistance to the San Marcos highland municipalities of Tacaná, San José Ojetenam, Sibinal, Ixchiguán, Tajumulco, Tejutla, Comitancillo, Sipacapa, Concepción Tutuapa, San Miguel Ixtahuacán and San Lorenzo, as well as, the *Mancomunidad* ADIMAM. These activities will continue into Fiscal Year 2007 and the first quarter of Fiscal Year 2008.



1. Monitoring the progress of Hurricane Stan reconstruction projects in the 11 selected municipalities of San Marcos.
2. Supporting the directors of the Municipal Planning Offices (OMPs, acronym in Spanish), in coordination with the *Mancomunidad* of ADIMAM, in the preparation, presentation, implementation and supervision of reconstruction projects in the 11 selected municipalities of San Marcos.
3. Improving the level of coordination of the 11 selected municipalities of San Marcos with the national and departmental authorities in the programming and implementation of the reconstruction projects.
4. Providing support to strengthen the institutional capacity of the Commission for Reconstruction of Department of San Marcos and the Office of the Director for Reconstruction (*Gerente*)³ to implement the Reconstruction Plan and put in place natural disaster prevention and mitigation measures.
5. Developing and implementing an information system that helps improve inter-institutional coordination in the aftermath of natural disasters in the Department of San Marcos.

Table 2 summarizes the new LLRs and the Indicators that will be incorporated into the PDGL M&E Plan, and included in the next Annual M&E Report.⁴

Table 2: New LLRs and Indicators for San Marcos

Level Local Results (LLRs)	Performance Indicator
Sub-IR 2.4: Strengthening of local capacity in the implementation of reconstruction programs	
<i>2.4.1 Developing and implementing reconstruction and emergency initiatives in selected municipalities.</i>	Thirty-seven reconstruction projects implemented in the eleven selected municipalities, and accepted and accounted for by the respective Municipal Development Councils.
<i>2.4.2 Departmental Advisors of Development strengthened in selected Departments</i>	Disaster Reconstruction and Risk Reduction Plan, including the information system for its management fully validated and implemented.

³ The PDGL counterpart in the Office of Director is titled Manager, Gerente in Spanish.

⁴ They have not been included in the above table at this time because as planned these activities are not for the Life of the Program.



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3. El Chol, Baja Verapaz

Due to the internal conflicts in Joyabaj, USAID/Guatemala authorized the Program to substitute Joyabaj with El Chol, Baja Verapaz. At the time of the submission of this Report, the Program is still defining the specific LLRs in which it will work in El Chol. The baseline and the LLRs will be incorporated into the M&E Plan, and included in the second annual M&E report.



II. Methodology

1. Scope of the M&E Plan and Report

The M&E Plan is an integral part of the Program. The Plan's active integration into the program is important because it will:

1. Serve as a tools for a learning organization (PDGL team and USAID)
2. Provide a solid basis for decisions about program activities
3. Guide corrective action in those instances when benchmark targets as detailed in this First Annual M&E Report have only been partially met.

To this end, this First Annual M&E Report:

4. Audits the benchmark targets (see Performance Tracking Table, Planned and Actual Targets).
5. Reviews the current level of progress towards achieving these targets (see Categories of Performance Matrix).

2. Benchmarks

To correctly interpret the level of completion for the quantitative benchmarks included in this Report it is important to note that these targets were established in accordance with:

1. The baseline data collected in May 2005.
2. The priorities identified in the Memorandum of Understandings signed with each Municipality, *Mancomunidad*, and Institution.

The selected benchmarks for the life of the program were based on four primary factors:

1. Nature of the process for some LLRs
2. Analysis by the team of the local context
3. Technical viability and/or dependence on institutional alliances for each LLR
4. Balance between the number of municipalities and areas supported in each geographic sub-region.

For these reasons, even though the achievement of the target percentage (of the benchmark) for each LLR is important in itself, this Report also attempts to highlight those factors that influence the process for achieving success.



To assist in this analysis, the Contractor has prepared the Categories of Performance Matrix as part of its M&E Plan. For each LLR, the Contractor has identified four possible categories of ‘development’ or ‘change’, with number 1 representing the lowest level and four the highest level. When a municipality successfully achieves the classification of Category 4, this means that the benchmark and thereby the LLR has been achieved.

It is important to clarify that the calculation of the percentage for these benchmarks is based on taking as 100% the specific number of municipalities in which the Program is working under each specific LLR (and not over the total number of municipalities supported by the Program).

The level of completion of the quantitative benchmarks is a comparison of the percentage projected in the Plan and the actual percentage achieved. The actual percentage achieved is taken by dividing the number of municipalities that have achieved the classification of Category 4 for each LLR of the total municipalities in which the Program is working in the LLR (see the far right column in the “Performance Tracking Table” of the Plan de M&E).

For example, the calculation of how many municipalities are classified, on average, “Category 1” for the four LLRs of Sub-IR 2.3, where PDGL worked in Fiscal Year 2006, is as follows:

Local Level Results (LLRs)	Number of Municipalities	
	2005	2006
Accountability (Rendición de cuentas)	4	3
Social Auditing	4	4
COMUDEs	4	1
Communications	1	0
Total	13	8
Average (Total / 4 LLRs)	3.25	2.0

Note: The LLRs for leadership and conflict resolution, as well as women’s participation in the elections of 2007 are excluded since there were no activities in 2006.



III. Report on Benchmarks

1. Summary Assessment

According to the M&E Plan, the USAID’s Decentralization and Local Governance Program should achieve positive results for three (3) Sub-Intermediate Results (Sub-IRs) and 25 Lower Level Results (LLRs).

This Report presents the level of completion for the benchmarks for Fiscal Year 2006, reflecting the status as of 30 September 2006. The level of completion for the 25 LLRs (in some cases there are two indicators for a single LLR) is summarized in Table 3.

Table 3: Summary Table: Quantitative Benchmarks for LLRs

Benchmark	Number	Comments
Benchmarks not applicable	6	Those benchmarks for which activities were not programmed for 2006.
Benchmarks achieved fully or partially	10	Full: Percentage greater than or equal to the target. Partial: Percentage less than the target.
Benchmarks pending	7	Utilized when the target is yes/no or no progress (0%), see progress report in the next section.
Benchmarks to be eliminated	2	The formal contract modification is pending, but the USAID CTO have agreed to their elimination.

The level of completion for each of the Sub-IRs and LLRs are summarized in *Table 4*.



Table 4: Level of Completion: Quantitative Benchmarks

Sub-IR or LLR	Indicator	Planned	Actual	Met
Sub-IR 2.1	% annual increase in tax revenues collected in the group of municipalities selected by the Program	0%	0%	N/A
2.1.1	% of Municipalities that have implemented the SIAF Muni, in relation to the total Program target for this LLR	43%	43%	Yes
2.1.2 ⁵	% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	78%	56%	TBE
2.1.3	% of Municipalities in which the Certification program for municipal financial managers is developed, in relation to total Program target for this LLR	0%	0%	N/A
2.1.4	Signature of corresponding letter or agreement	0%	0%	N/A
2.1.5	% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	38%	92%	Yes
2.1.6	% of Municipalities that have AFIMS operating effectively, in relation to the total Program target for this LLR	21%	7%	Partial
	% of Municipalities that have UDAIs, in relation to the total Program target for this LLR	0%	0%	
2.1.7 ⁶	% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	75%	50%	TBE

⁵ This LLR is planned to be removed from the PDGL Contract Scope of Work.

⁶ This LLR is planned to be removed from the PDGL Contract Scope of Work.



Sub-IR or LLR	Indicator	Planned	Actual	Met
2.1.8	% of Municipalities that register an increase in tax revenue as a percentage of total revenues , in relation to the total Program target for this LLR	0%	0%	N/A
2.1.9	% of Municipalities with local economic development plans elaborated, in relation to the total Program target for this LLR	57%	0%	Pending
2.1.10	% of Municipalities with at least one critical basic service improved, in relation to the total Program target for this LLR	33%	0%	Pending
2.1.11	% of Municipalities that have implemented a cost recover system, in relation to the total Program target for this LLR	33%	0%	Pending
2.1.12	% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	18%	11%	Partial
2.1.13	% de Mancomunidades with Strategic Plans approved, in relation to the total Program target for this LLR	33%	33%	Yes
2.1.14	% de Mancomunidades with statutes approved in relation to the total Program target for this LLR	33%	33%	Yes
Sub-IR 2.2	Number of Municipalities that have developed at least one new competency as detailed in the National Decentralization Policy	0%	0%	N/A
2.2.1	Presentation to the Ministry of Finance of the proposed modification to the system of Inter-governmental transfers system	August 2006	Pending	Pending
2.2.2	% de Municipalities with staff trained regarding the implementation of the National Decentralization Policy, in relation to the total Program target for this LLR	0%	0%	N/A



Sub-IR or LLR	Indicator	Planned	Actual	Met
2.2.3	% de Municipalities in which coordination between national and municipal public investment has been improved, in relation to the total Program target for this LLR	0%	0%	N/A
2.2.4	Presentation of the study on legal framework of municipal debt	August 2005	Completed	Yes
	Presentation of the proposal regarding the regulation of municipal indebtedness practices	June 2006	Completed	
2.2.5	Presentation of the study on the Municipal Tax Code	July 2005	Completed	Pending
	Resolution by the Congressional Commissions of Municipal Affairs and Public Finances Affairs.	November 2006	Pending	
2.2.6	Approval dates of new statutes for ANAM	March 2006	Pending	Partial
	Approval dates of new statutes for AGAAI	Sept. 2006	Pending	
Sub-IR 2.3	Number of Municipalities with COMUDE Citizen Participation Commissions operating	2	2	
2.3.1	% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	69%	23%	Partial
	% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	0%	0%	
2.3.2	% of Municipalities in which leadership and conflict resolution training has been delivered, in relation to the total Program target for this LLR	27%	0%	Pending
2.3.3	% of Municipalities with COMUDEs conformed, in relation to the total Program target for this LLR	8%	54%	Yes



Sub-IR or LLR	Indicator	Planned	Actual	Met
2.3.4	% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	17%	0%	Pending
2.3.5	Increase in the percentage of voting amongst women in the 2007 elections, in 3 municipalities of the Program.	0%	0%	N/A

2. Analysis of Benchmarks Achieved

The Program has achieved its primary success in improving the level of financial administration (SIAF and Guatecompras), strengthening the planning by and institutions of the Mancomunidades, fostering citizen participation, and reforming the regulatory framework for municipal debt.

Through 30 September 2006, six (6) of the thirteen (13) participating municipalities have installed SIAF-Muni (LLR 2.1.1) and another three have requested the installation in the near-term. In addition, twelve (12) of the thirteen (13) participating municipalities are using *Guatecompras* (LLR 2.1.5), which represents twice the expected level. The partnerships the Program has established with national-level entities responsible for these systems and the direct technical assistance to the municipalities, and in some cases the provision of computer equipment, have been the key factors for success.

The Program is a leader in the area of Mancomunidades in the country as illustrated by active Program participation in the Second National Forum on *Mancomunidades* in September 2006 (LLR 2.1.13 and 2.1.14). For Fiscal Year 200, PDGL had planned to support the design of Local Economic Development (LED) plans in two (2) municipalities. The quantitative benchmark was not achieved because the conditions did not exist in the two selected municipalities (Pachalum and San Martín Jilotepeque). Nevertheless, PDGL did begin working on the issue of LED with the four municipalities of the *Mancomunidad Copán Chortí*.

Technical assistance to the *ERIPAZ Mancomunidad* has also been substantial. Key benchmarks for LLR 2.1.13 and 2.1.14 achieved include the reactivation of the Board of Directors and the Assembly, the establishment of the *Mancomunidad* central office in Cotzal, equipping the office with the necessary infrastructure, reforming of the bylaws, and the creation of the *Unidad Vial Mancomunada*, that was completed with a donation of a



convoy of machines delivered by the Guatemalan President during the Mobile Cabinet (*Gabinete Móvil*).

In spite of being a highly-charged sensitive topic area, the Program succeeded in achieve its two benchmark targets related to promoting a new regularly framework for municipal debt (LLR 2.2.5). The proposal prepared by a PDGL international consultant was well received, and as a result an inter-institutional commission has been created and is working towards developing the final reform proposal.

3. Analysis of Benchmarks pending

The seven (7) benchmarks that were only partially achieved as of 30 September 2006 are as follows:

1. Local Economic Development. The Program has initiated the design of the Local Economic Development plan in the *Copán Chortí Mancomunidad*, in eastern Guatemala. In order to ensure sustainability, the Program worked to build a strong alliance between the municipal government and the private sector, which required more time than expected due to the relatively low levels of collective action in this region. Currently, the municipal governments, private sector, civil society organizations, including the academic sector, and three international donors (USAID, EU, and AECI) are working in close collaboration in the design of the plan, under the leadership and utilizing the methodology of the Program.

2. Improvement of Basic Services. The Program had planned to develop a strategy to improve basic municipal services, which would include a cost-recovery mechanism. However, the current state of municipal services is more complicated than originally anticipated. The majority of the municipalities do not have regulations, charge very low rates approved years ago that are not even properly documented, do not have procedures for recouping costs, and in most of the cases are unable to enforce collections.

3. Cost Recovery for Basic Services. Before starting to work on adjusting rates charged for municipal services or increasing own-tax resources, the Program determined that it was more important to begin with the basics, proper financial accounting of debits and credits. For this reason, efforts have been focused on SIAF-Muni, AFIM and UDAIs. To date, one of the most basic problems has been that the municipal ledgers for revenue are very inconsistent. There are three sources of information, including the municipality, SIAF-Muni and INFO. By working on consolidating two of these sources, each municipality will be in a better position to understand its true state of finances.

4. Intergovernmental Transfers. In Fiscal Year 2006, PDGL dedicated limited resources to this area due to the institutional context. Specifically, there has been a trade-off in resources dedicated to the area of intergovernmental transfers with that of the policy work on the Municipal Tax Code (see below). As planned, PDGL's focus was on the Municipal Tax Code given the importance of this reform to the financial independence of the



municipalities with the intent on working on intergovernmental transfers later. However, work in the area of intergovernmental transfers has been postponed until sufficient funds become available.

5. Municipal Tax Code. The program has made significant efforts to promote the Municipal Tax Code, including providing technical assistance to ANAM and AGAAI. Notwithstanding, as a result of obstacles in the legislative process and pre-election politics associated with any reform that is even a perception of increases taxes, it has been difficult to get the approval of the respective Congressional committee reports. The recent establishment of a new Committee to debate the Fiscal Plan, likewise, creates uncertainty about whether it will be this forum that debate municipal fiscal authorities during the election year.

6. Leadership and Conflict Resolution. The Program's effort in the area of leadership and conflict resolution was planned to be focused solely in Villa Nueva and working with COMUNIPREVI. Given the difficult conditions and political circumstances encountered during implementation in Villa Nueva, USAID/Guatemala determined that work would be suspended in Villa Nueva. As a result, no progress has been made under the LLR for leadership and resolution.

7. Innovative Communications Strategies. Even though the design of the communication strategy for Cobán is not complete, it is very advanced. In the near term, the strategy will be approved by the municipality and this benchmark will be achieved.

4. Joyabaj, A special Case

When the Program began working in the municipalities, the expectations for Joyabaj were very good primarily due to the good will of the authorities and prior experiences of USAID programs in the municipality.

Notwithstanding, shortly after the Program began working in Joyabaj, the team observed that there was a virtual divorce between the Mayor and the majority of the municipal council members. The internal dispute reverberated in the disposition of the staff of the municipality to work in the Program areas, as had been agreed.

As has already been reported to USAID/Guatemala, the conflict resulted in a several serious confrontations that made it impossible for the Program to work in the municipalities. For this reason, all of the LLRs related to work in Joyabaj reflect no progress, and in some measure are reflected in the aggregate results for the LLRs.

The Program has learned from this experience that political will and expressions of interest are not sufficient to provide the foundation for working in the LLRs. Although it is not



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possible to anticipate all potential internal conflicts in the municipalities, the role of the local facilitators (who were placed in the municipalities after selection) has been fundamental to provide continuous monitoring of the situation on the ground, and to provide information quickly for the purposes of changing strategies or as in the case of *Joyabaj* ending assistance. The Program suspended assistance before the ‘internal conflict’ made it into the national newspapers.



Table 5: Performance Tracking Table – Planned and Actual Targets

Intermediate Result 2: Greater Transparency and Accountability of Governments

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
Sub-IR 2.1: More transparent systems for management of public resources by local governments.												
% annual increase in tax revenues collected in the group of municipalities selected by the Program	PDGL and Ministry of Finance records	0%	0%	0%	1%		3%		5%		5%	7
LLR 2.1.1. SIAF-Muni fully implemented in selected municipalities												
% of Municipalities that have implemented the SIAF Muni, in relation to the total Program target for this LLR	PDGL, SIAF SAG, and local government records	7%	43%	43%	50%		79%		100%		100%	14
LLR 2.1.2. Civil Registry System implemented in selected municipalities												
% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	PDGL, SIAF SAG, and local government records	78%	78%	56%	100%		100%		100%		100%	9
LLR 2.1.3. Certification Program for municipal financial managers developed and implemented in selected municipalities.												



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
% of Municipalities in which the Certification program for municipal financial managers is developed, in relation to total Program target for this LLR	PDGL, RENICAM, and local government records	0%	0%	0%	0%		33%		100%		100%	9
LLR 2.1.4. National level replication plan for municipal financial managers Certification Program promoted												
Signature of corresponding letter or agreement	PDGL and RENICAM records		0%	0%	October 2007							
LLR 2.1.5. Improved transparency in municipal procurement processes, procedures & systems (Guatecompras) in selected municipalities.												
% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	PDGL, SIAF SAG, and local government records	38%	38%	92%	62%		77%		100%		100%	13
LLR 2.1.6. Internal audit units and financial management units (AFIMs) are operating effectively in selected municipalities and best practices developed are disseminated nationally												
% of Municipalities that have AFIMs operating effectively, in relation to the total Program target for this LLR	PDGL, Controller General, and local government records	21%	21%	7%	79%		93%		100%		100%	14
% of Municipalities that have UDAs, in relation to the total Program target for this LLR	PDGL, Controller General, and local government records	0%	0%	0%	20%		80%		100%		100%	5



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
LLR 2.1.7. USAID electronic tax roll system fully operational in selected municipalities and the system is disseminated at the national level.												
% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	PDGL, SIAF SAG, and local government records	75%	75%	50%	75%		100%		100%		100%	12
LLR 2.1.8. Selected municipalities present sustained increased in own-sources revenues.												
% of Municipalities that register an increase in tax revenue as a percentage of total revenues , in relation to the total Program target for this LLR	PDGL, Ministry of Finance, INFOM, and local government records	0%	0%	0%	29%		71%		100%		100%	7
LLR 2.1.9. Public-private partnership for local economic development (LED) functioning in selected municipalities and mancomunidades, based on USAID strategic planning methodology.												
% of Municipalities with local economic development plans elaborated, in relation to the total Program target for this LLR	PDGL and local government records	57%	57%	0%	57%		86%		100%		100%	7
LLR 2.1.10. Critical basic municipal service improved in selected municipalities.												
% of Municipalities with at least one critical basic service improved, in relation to the total Program target for this LLR	PDGL and local government records	33%	33%	0%	56%		100%		100%		100%	9
LLR2.1.11. Cost recovery system improved in selected municipalities.												



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
% of Municipalities that have implemented a cost recover system, in relation to the total Program target for this LLR	PDGL and local government records	33%	33%	0%	56%		78%		100%		100%	9
LLR2.1.12. Municipal level planning improved in selected municipalities.												
% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	PDGL and local government records.	18%	18%	11%	64%		91%		100%		100%	11
LLR2.1.13. Planning process strengthened in selected mancomunidades.												
% de with Strategic Plans approved, in relation to the total Program target for this LLR	PDGL and Mancomunidades records.	25%	25%	25%	50%		75%		100%		100%	4
LLR2.1.14. Selected mancomunidades are fully functioning and consolidated, with a concrete structure and legal foundation, and regular meetings taking place that result in concrete activities being carried out jointly.												
% de Mancomunidades with statutes approved in relation to the total Program target for this LLR	PDGL and Mancomunidades records	25%	25%	25%	50%		75%		100%		100%	4
Sub-IR 2.2 Increased devolution of responsibilities and resources to the local level resulting in greater responsiveness by local governments to citizens' needs												
Number of Municipalities that have developed at least one new competency as detailed in the National Decentralization Policy	PDGL, SCEP, and local government records	0	0	0	0		0		2		2	2



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
LLR 2.2.1. Increased transparency and efficiency in the system of inter-governmental transfers and results well communicated to Guatemalan municipalities												
Presentation to the Ministry of Finance of the proposed modification to the system of Inter-governmental transfers system	PDGL and Ministry of Finance records		August 2006	Pending								
LLR 2.2.2. Pilot implementation of decentralization policy (and/or de-concentration efforts) in select municipalities (and/or departments) & development of policies & procedures for successful national replication												
% de Municipalities with staff trained regarding the implementation of the National Decentralization Policy, in relation to the total Program target for this LLR	PDGL, SCEP, and local government records.	0%	0%	0%	44%		67%		100%		100%	9
LLR 2.2.3. Better coordination between municipal investment and national social investment, especially those that complement USAID programs in health, education, security, etc.												
% de Municipalities in which coordination between national and municipal public investment has been improved, in relation to the total Program target for this LLR	PDGL, SEGEPLAN, and local government records	0%	0%	0%	33%		100%		100%		100%	6
LLR 2.2.4. Policies and practices that regulate and simulate responsible municipal indebtedness developed and disseminated nationally.												
Presentation of the study on legal framework of municipal debt	PDGL and Ministry of Finance records	August 2005		Completed								



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
Presentation of the proposal regarding the regulation of municipal indebtedness practices	PDGL and Ministry of Finance records		June 2006	Completed								Proposal
LLR 2.2.5. Municipal Tax Code (MTC) passed and implementation supported.												
Presentation of the study on the Municipal Tax Code	PDGL and Ministry of Finance records	July 2005		Completed								
Resolution by the Congressional Commissions of Municipal Affairs and Public Finances Affairs.	PDGL, Congress and Ministry of Finance records		Nov 2006	Pending								Favorable resolution
LLR 2.2.6. Ability of ANAM, AGAAI, and (possibly) selected departmental associations to participate in national policy dialogue strengthened and opportunities for engagement identified.												
Approval dates of new statutes for ANAM	PDGL and ANAM records		March 2006	Pending								
Approval dates of new statutes for AGAAI	PDGL and AGAAI records		Sept 2006	Pending								
Sub-IR 2.3 More opportunities for citizen participation in and oversight of local government decision-making												
Number of Municipalities with COMUDE Citizen Participation Commissions operating	PDGL and local government records	0	2	2	5		7		7		7	7
LLR 2.3.1. USAID Accountability and Citizen Oversight methodologies are fully institutionalized in selected municipalities and disseminated broadly at the national level.												



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	PDGL, Controller General, and local government records	69%	69%	23%	77%		100%		100%		100%	13
% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	PDGL, COMUDES and local government records	0%	0%	0%	14%		86%		100%		100%	7
LLR 2.3.2. Leadership and Conflict Resolution and negotiation skills of local community and municipal leaders improved in all selected municipalities.												
% of Municipalities in which leadership and conflict resolution training has been delivered, in relation to the total Program target for this LLR	PDGL and local government records	9%	27%	0%	64%		82%		100%		100%	11
LLR 2.3.3. Municipal Development Councils conforming to and functioning in accordance with the applicable law in the selected municipalities.												
% of Municipalities with COMUDES conformed, in relation to the total Program target for this LLR	PDGL, COMUDES and local government records.	0%	8%	54%	100%		100%		100%		100%	13
LLR 2.3.4. Innovative media and communication mechanisms to improve transparency of municipal operations in place in selected municipalities.												
% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	PDGL and local government records	0%	17%	0%	100%		100%		100%		100%	6



Table 5: Performance Tracking Table – Planned and Actual Targets

Sub IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Fiscal Year 2006		Year 2007		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Municipalities (#)
LLR 2.3.5. Participation in the 2007 elections, particularly for women and indigenous in selected municipalities increased.												
Increase in the percentage of voting amongst women in the 2007 elections, in 3 municipalities of the Program.	PDGL, TSE and local government records	0%	0%	0%	100%							3



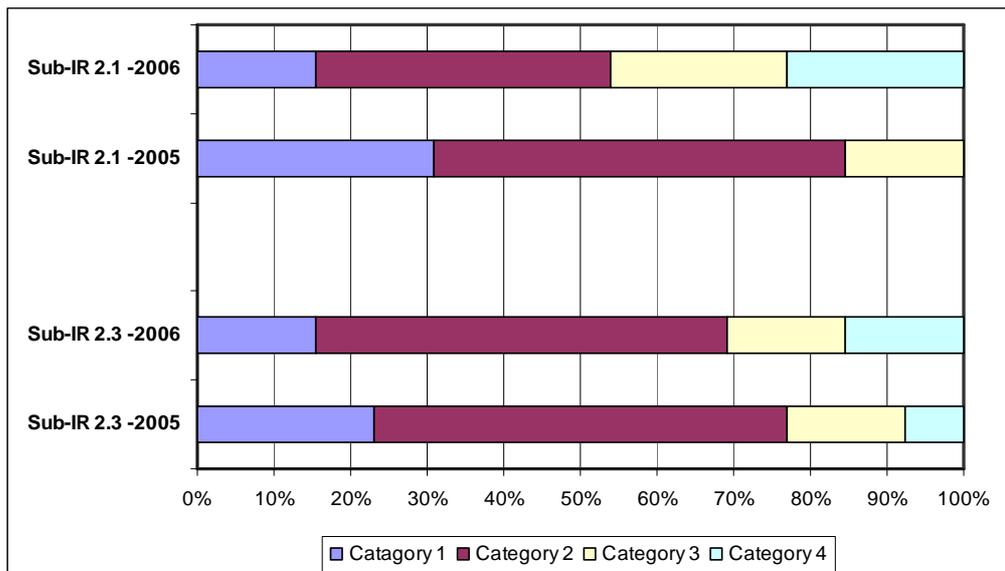
IV. Monitoring Qualitative Change

Achievement of the benchmarks programmed for each LLR requires working with municipalities that are at different stages of development. These differences can be very stark and vary by LLR. In order to adequately reflect the closing of the gaps among municipalities for each LLR, the Program developed a “Category of Performance Matrix.”

The basic concept is that to achieve each benchmark (and ultimately result) each municipality will progress through four distinct categories (or phases). Even though each category varies by LLR, there is a general schematic associated with this classification:

- Category 1: There is no advancement towards achieving the specific LLR. There is no interest in doing so, or doing so will cause some type of conflict.
- Category 2: There is interest in working with the Program, and some of the specific steps necessary have been taken. This is the preparatory phase.
- Category 3: There has been progress towards the LLR, and acceptance of the change recommendations. The approval and/or execution of the change plan are pending.
- Category 4: The municipalities have achieved the necessary conditions for each performance indicator as established in the M&E Plan. When a municipality has reached this stage of development, the benchmark (and LLR) is considered achieved.

Figure 1: Progress of Municipal Development in 13 PDGL municipalities



NOTAS: The calculation is based on 13 municipalities, excluding Villa Nueva and Cobán where the Program is only working in one LLR.



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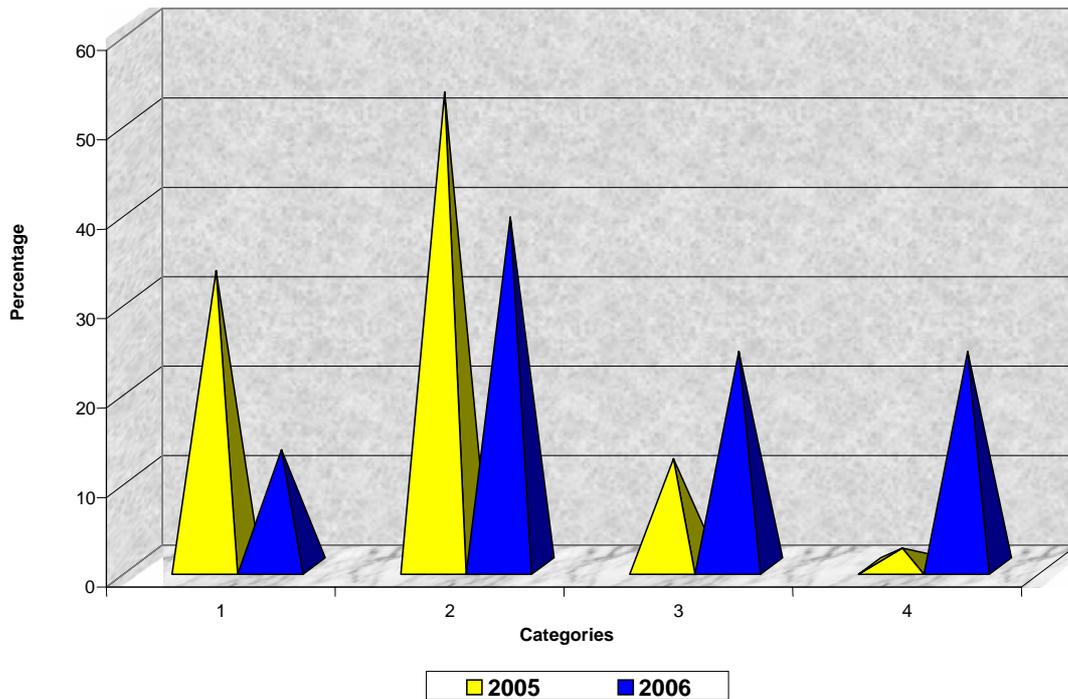
As illustrated in *Figure 1* for Sub-IR 2.1 the change has been significant. At the end of Fiscal Year 2005 (the baseline), 14 percent of the municipalities were classified as either category 3 or 4 (the highest). By the end of Fiscal Year 2006, this proportion had increased to 48 percent. Furthermore, in 2006 three (3) municipalities were in “Category 3,” which means that they were at the point of graduating in each LLR, and progress to “Category 4” and meet the desired benchmark.

Under Sub-IR 2.1 (see Figure 2), the majority of the Program success has been directly related to the benefits of implementing SIAF-Muni and Guatecompras. In the first case, six (6) of the 13 selected municipalities are using SIAF-Muni and another three (3) will have it installed during the first quarter of Fiscal Year 2007. In addition, 12 of the 13 partner municipalities are already using Guatecompras.

Eleven municipalities have established their AFIMs, six (6) have established their UDAs, and three (3) have installed the software for taxpayer registration, although these systems are not fully-operational at this time (and therefore reflect “Category 3”). When this occurs, the internal structure and basic financial management tools will be fully operational in the majority of the selected municipalities. The next step will be to improve their financial capacities, including cost recovery and improvement of local revenues, complemented with the eventual passage of the Municipal Tax Code and the reform of the intergovernmental transfer system.



Figure 2: Percentage of Municipalities in each Category (Sub-IR 2.1)

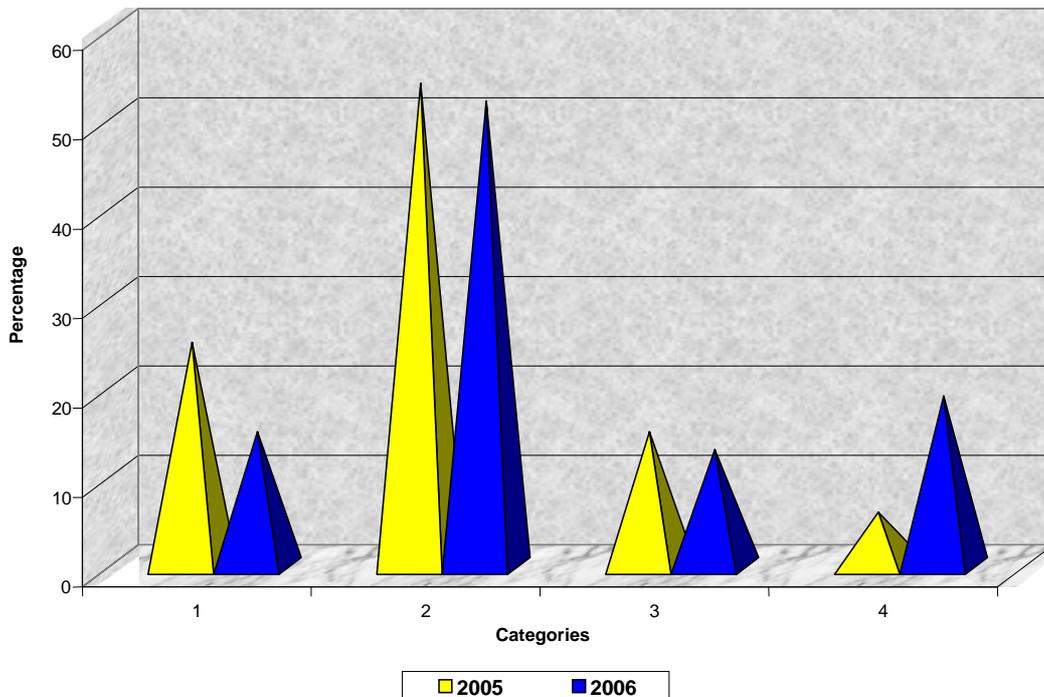


The progress to date for Sub-IR 2.3 (see *Figure 3*) has not been as great as Sub-IR 2.1, primarily due to the natural process for the LLRs related to citizen participation. Notwithstanding, there are two qualitative changes that merit further explication. In 2005, a quarter of the municipalities were not even interested in citizen participation. This proportion has been reduced to 15 percent in 2006. Furthermore, in 2005 only six percent of the municipalities were classified as “Category 4” and by the end of 2006, almost a fifth of the municipalities are not classified as “Category 4.”

The high distribution of municipalities classified as either Category 2 or 3 is due to the success of the Program in promoting the reactivation of the COMUDES and the public accounting (*rendición de cuentas*). However, the program has yet to be able to produce the conditions to promote leadership, conflict resolution, or social auditing. The Program’s effort in the area of leadership and conflict resolution was planned to be focused solely in Villa Nueva, but given the circumstances in the municipality the Program has stopped working in Villa Nueva (with USAID/Guatemala’s approval).



Figure 3: Percentage of Municipalities in each Category (Sub-IR 2.3)



In the area of social auditing, in general, the municipal officials are fearful that this process can be used for political purposes. The communities consider that taking a position of the auditor could actually reduce the number of community projects undertaken, and that the process of holding public accounting events is sufficient. The Program team has been able to detect that the social organizations are more inclined to undertake social auditing about specific topics. In the next year, the Program will utilize this insight to adjust the strategy related to social auditing.

In general terms, the will of the municipal officials and communities to work to increase citizen participation is influenced by the current political and social dynamic surrounding the upcoming elections.

Under Sub-IR 2.2, the Program has had success in promoting a new regulatory framework for municipal debt. In spite of being a highly-charged sensitive topic area, the Program succeeded in achieving its two benchmark targets related to promoting a new regulatory framework for municipal debt (LLR 2.2.5). The proposal prepared by a PDGL international consultant was well received, and as a result an inter-institutional commission has been created and is working towards developing the final reform proposal.



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The Program has focused its efforts to reactivate the discussion and eventual passage of the Municipal Tax Code in close coordination with other donors. The Program prepared a new version of the Municipal Tax Code with the participation of SCEP and the Ministry of Finance. A key point of dispute is the possibility to discount the tax payments of the ISR. The proposed legislation presented to the Congress has expired and as such provides an opportunity to design a new version and validate it with the municipal associations. The fact that the Fiscal Pact dialogue has been reactivated may help develop a constituency for this important topic, although there is a fair amount of uncertainty about if this will be the forum to discuss fiscal decentralization.

The Program has supported ANAM and AGAAI in the preparation of proposals for strategic plans and modification of the bylaws, therefore, resulting in progress from "Category 1" to "Category 2." In congruence with the general approach of the Program, support in the same areas is now being provided to ASMUGOM, in order to strengthen and increase the influence of women in decision-making in municipal governments.

Notwithstanding, the results indicate that there has been a slowing of reform in the areas of intergovernmental transfers, implementation of decentralization policy, municipal public investment mechanisms. In Fiscal Year 2006, PDGL has dedicated limited resources to working in these three areas due to the institutional context. Specifically, there has been a trade-off in resources dedicated to the area of intergovernmental transfers with that of the policy work on the Municipal Tax Code. As planned, during Fiscal Year 2006 PDGL's focus was on the Municipal Tax Code given the importance of this reform to the financial independence of the municipalities with the intent on working on intergovernmental transfers later. However, due to the limitation of funds, work in the area of intergovernmental transfers has been postponed until funds become available.

See *Annex A* for the *Categories of Performance Matrix*, and details the progress of the municipalities by LLR.

Annex A: Matrix for Qualitative Benchmarks by LLR

Table 6: Categories of Performance Matrix by LLR

Table 6: Categories of Performance Matrix by LLR

2.1.1 SIAF MUNI									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
SIAF Muni implemented	% of Municipalities that have implemented the SIAF Muni, in relation to the total Program target for this LLR	1	No SIAFITO	3	0				Use of a traditional financial registry system and/or the version before SIAFITO (w/o 1.4)
		2	SIAFITO working	9	7				Version 1.4 (s/b v 1.7) not installed and registered.
		3	SIAF Muni installed	1	0				Software installed and working. In a process of migrating registries and beginning operations.
		4	SIAF Muni working (Executed)	0	6				Without basic models (of budget, of accounting, of treasury) working and being implemented.
			Planned		6				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.
2.1.2 CIVIL REGISTRY									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Civil Registry module installed and functioning at municipal level	% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	1	No electronic civil registry	7	2				Traditional Civil Registry operating. There is no interest, or there is resistance or conflict.
		2	Have software, but not in use	4	2				The Municipality acquired software (including USAID's), but is not being used or implementation delayed (at least 6 months without usage).
		3	Use USAID software	2	4				The Municipality has installed USAID's software and it is operation (no more than 3 months behind in its registries).
		4	Civil Registry module working (Executed)	0	5				The Municipality has installed and is utilizing the software included in SIAF Muni.
			Planned		7				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.1.3 PROGRAM OF OFFICIAL CERTIFICATION										
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions	
				2005	2006	2007	2008	2009		
Certification Program implemented	% of Municipalities in which the Certification Program for municipal financial managers is developed, in relation to total Program target for this LLR	1	No program	X						There is no interest, or there is resistance or conflict.
		2	Interest in the Program							Training institutions express interest. There is agreement. A consultant has been contracted.
		3	Program designed		X					Proposals presented and validated. Logistics prepared.
		4	Program implemented (Executed)							Training institutions officially began the Program.
			Planned			0				

2.1.4 PROGRAM OF CERTIFICATION REPLICATED										
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions	
				2005	2006	2007	2008	2009		
Certification Program replicated	Number of Municipalities participating in Certification Program	1	Without participation in the Program	X	X					There is no interest, or there is resistance or conflict.
		2	There is interest in the Program							Council or Mayor shows interest.
		3	Program managed							Steps have been taken for those municipal financial officials participating.
		4	Program implemented (Executed)							Municipal financial officials have the capacity.
			Planned			0				

Table 6: Categories of Performance Matrix by LLR

2.1.5 GUATECOMPRAS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Guatecompras implemented	% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	1	Not using the system	5	1				There is no interest, or there is resistance or conflict.
		2	There is interest to use the system	0	0				Council or Mayor shows interest. Steps have been taken to install it.
		3	Implementation began	6	0				Software installed, there is personnel capacity. Request of use transmitted. Partial use.
		4	Guatecompras systems working (Executed)	2	12				The municipality has published some acquisitions or contracting on Guatecompras.
			Planned		5				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

2.1.6 AFIMs									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
AFIMs implemented	% of Municipalities that have AFIMs operating effectively, in relation to the total Program target for this LLR	1	There is no AFIM	6	1				There is no interest, or there is resistance or conflict.
		2	There is interest	7	0				Council or Mayor shows interest to create AFIM.
		3	AFIM created, not implemented.	0	11				Council approves AFIM. Approval of working manual in process.
		4	AFIMs working (Executed)	0	1				AFIM working (there is a boss, personnel and manual).
			Planned		3				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.1.6 (A) UDAIs									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
UDAIs implemented	% of Municipalities that have UDAIs, in relation to the total Program target for this LLR	1	There is no UDAI	6	2				There is no interest, or there is resistance or conflict.
		2	There is interest.	7	5				Personnel contracted working as auditor, without manual or rules.
		3	UDAI approved, not implemented.	0	6				Council approves UDAI. Auditor contracted, No manuals or procedures.
		4	UDAIs working (Executed)	0	0				Auditor contracted, manual in place or rules approved.
			<i>Planned</i>		0				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

2.1.7 TAXPAYER REGISTRY									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Tax roll system implemented	% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	1	Without electronic system of taxpayer registry.	2	0				Traditional form of registry of taxpayers operating. There is no interest or there is resistance or conflict
		2	Software in place. No usage.	6	4				The Municipality acquired software (including USAID's software), but it is not being used or that implementation has been delayed (at least 6 months without usage).
		3	Use USAID software.	4	3				The Municipality has installed USAID's software and it is operational (no more than 3 months behind in its registries).
		4	Taxpayer Registry implemented (Executed)	1	6				The Municipality has installed and is utilizing the software included in SIAF Muni.
			<i>Planned</i>		9				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.1.8 OWN INCOME RESOURCES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Increase in municipal tax revenues	% of Municipalities that register an increase in tax revenue as a percentage of total revenues, in relation to the total Program target for this LLR	1	With reduction of tax income						Negative variation of tax income in relation to the previous year.
		2	Without variation of tax income						The tax income increase less than 1.0% in whichever direction, in respect to the previous year.
		3	With slight increases of tax income						The tax income increase between 1.01% and 5.00%, with respect to the previous year.
		4	Increments of own income (Executed)						The income tax/totals increase more than 5.0%, with respect to the previous year.
			Planned						NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

2.1.9 LOCAL ECONOMIC DEVELOPMENT									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Local Economic Development Plans designed	% of Municipalities with local economic development plans elaborated, in relation to the total Program target for this LLR	1	There is no plan	5	4				There is no interest, or there is resistance or conflict.
		2	There is interest	8	9				Council or Mayor shows interest. There is an act or written request.
		3	Design initiated	0	0				Workshops building capacity conform to the approved programs.
		4	Local Economic Development plans created (Executed)	0	0				Plan approved for COMUDE and/or Municipal Council.
			Planned		4				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.1.10 IMPROVING MUNICIPAL SERVICES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Basic Municipal Service improved	% of Municipalities with at least one critical basic service improved, in relation to the total Program target for this LLR	1	There is no interest	4	3				There is no interest, or there is resistance or conflict.
		2	There is interest	9	10				Council or Mayor shows interest. There is an act or written request.
		3	Proposal approved	0	0				Priority service selected. Process for identifying and proposing improves began. Proposal approved.
		4	Improving municipal service (Executed)	0	0				Mayor or municipal Council approves the proposal strategy for improving services. Implementation initiated.
			Planned		3				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.
2.1.11 COST-RECOVERY SYSTEM									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Cost recovery system implemented	% of Municipalities that have implemented a cost recover system, in relation to the total Program target for this LLR	1	There is no plan	4	4				There is no interest, or there is resistance or conflict.
		2	There is interest	9	7				Council or Mayor has interest. There is an act or written request.
		3	Design of initiated plan	0	2				Diagnostic of municipal finance and technical proposal in process.
		4	Recuperation system of costs implemented (Executed)	0	0				Council or Mayor approves the plan.
			Planned		3				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.1.12 MUNICIPAL PLANNING									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Participatory strategic planning implemented and/or strengthened	% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	1	Without interest in achieving	1	0				There is a plan, no perceived necessity to implement it.
		2	Interest in achieving Strategic Plan	9	7				Council or Mayor shows interest.
		3	Initiating plan	3	5				Implementation in process.
		4	Plans elaborated and/or implemented (Executed)	0	1				COMUDE, Mayor or Municipal Council approves plan. Implementation begins.
			Planned		2				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.
2.1.13 PLANNING OF MANCOMUNIDADES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Mancomunidad strategic plans improved	% de Mancomunidades with Strategic Plans approved, in relation to the total Program target for this LLR	1	Without interest in achieving						There is a plan, no perceived necessity to implement it.
		2	Interest in achieving Strategic Plan	4	2				Joint Director, Assembly or Manager shows interest.
		3	Plan initiated		1				Process achieved.
		4	Plans in progress or achieved (Executed)		1				Joint Director approves plan. Implementation begins.
			Planned		1				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.1.14 STRENGTHENING OF MANCOMUNIDADES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Mancomunidad institucional structures are strengthened	% de Mancomunidades with statutes approved in relation to the total Program target for this LLR	1	Without interest	1	0				No perceived necessity to reform statutes or of the executive plan.
		2	Interest in Strategic Plan	9	7				Joint Director shows interest. .
		3	Plan initiated	3	5				Reforms and/or executive plan in process.
		4	Reformed statutes and/or executive plans approved (Executed)	0	1				Joint Director or Assembly approves reform of statutes. Joint Director or Assembly approve the reform of statutes and/or the executive plan. Implementation begins.
			<i>Planned</i>		2				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.
2.2.1 INTERGOVERNMENTAL TRANSFERS									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Inter-governmental transfer system strengthened	Presentation to the Ministry of Finance of proposed modifications to the inter-governmental transfer system	1	No Proposal	X	X				There is no interest, or there is resistance or conflict.
		2	Proposal developed						There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated						Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)						Ministry of Public Finance receives and assumes responsibility to present the proposal.
			<i>Planned</i>		X				

Table 6: Categories of Performance Matrix by LLR

2.2.2 SUPPORT TO DECENTRALIZATION POLICY									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Decentralization policy implemented	Percentage of municipalities with authorities trained in the implementation of the National Decentralization Policy, in relation to the total Program target for this LLR.	1	Policy not implemented						There is no interest, or there is resistance or conflict.
		2	Operational Plan Designed	☐	☐				SCEP designs an Operational Plan for Decentralization. Validation in progress. Training needs assessment defined for municipalities.
		3	Interest in Training						Mayor or Council express interest. There are oral or written requests. Process initiated.
		4	Municipalities trained (Completed)						Municipal officials and staff have received training about decentralization by the Program or other institutions.
		Planned				0%			

2.2.3 COORDINATION OF MUNICIPAL PUBLIC INVESTMENT									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Investment coordination mechanisms established and/or improved	Percentage of Program municipalities that exhibit improved coordination, in relation to the total Program target for this LLR.	1	Mechanism not implemented	×	×				There is no interest, or there is resistance or conflict.
		2	Design of mechanism in process						SEGEPLAN, Municipalities and PDGL debate possibilities to coordinate and design in collaboration a mechanism.
		3	Mechanism approved						Municipalities approve the designed coordinating mechanism, and express interest in its use.
		4	Mechanism being implemented (Completed)						The mechanism is applied in the preparation of budgets in the selected municipalities.
		Planned				0%			

Table 6: Categories of Performance Matrix by LLR

2.2.4 MUNICIPAL DEBT REGULATORY FRAMEWORK									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Strengthened regulatory framework for municipal debt	Proposed reforms presented to the Ministry of Finance	1	No Proposal						There is no interest, or there is resistance or conflict.
		2	Proposal developed	X					There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated		X				Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)						Ministry of Public Finance receives and assumes responsibility to present the proposal.
		Planned				X			
2.2.5 MUNICIPAL TAX CODE									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Municipal Tax Code supported	The Congressional Commissions on Municipal Affairs and Public Finances formalizes its supports	1	No Proposal						There is no interest, or there is resistance or conflict.
		2	Proposal developed	X					There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated		X				Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)						Congressional committees release report in favor of the legislation,
		Planned				X			

Table 6: Categories of Performance Matrix by LLR

2.2.6 STRENGTHENING ANAM AND AGAAI									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Strategic plan or/and statutes revised, updated, and approved	ANAM and AGAAI strategic plan or/and statutes approved and/or updated	1	No Proposal	X					There is no interest, or there is resistance or conflict.
		2	Proposal developed		X				There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated						Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)						ANAM and/or AGAAI approve a strategic plan and/or reform of bylaws.
			Planned		X				

2.3.1 ACCOUNTABILITY									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Accountability and citizen oversight reports published	% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	1	No Reports presented	4	3				There is no interest, or there is resistance or conflict.
		2	There is interest	3	2				Council or Mayor express interest with a written act or request.
		3	Partial reporting	6	5				Municipalities present reports with partial information or delayed by more than 6 months. Dissemination is restricted. Outside of the framework of the COMUDE.
		4	Reports presented (Completed)	0	3				At least one annual report presented to the COMUDE.
			Planned		9				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

Table 6: Categories of Performance Matrix by LLR

2.3.1 (A) SOCIAL AUDITING									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Social auditing mechanisms in place	% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	1	No reports presented	4	4				There is no interest, or there is resistance or conflict.
		2	There is interest	9	9			Members of the COMUDE express interest with a written act or request.	
		3	Implementation strategy designed					Committee for social auditing, with the support of PDGL design a strategy and formats for presenting reports.	
		4	Reports presented (Completed)	0	0			At least one annual report is presented to the Social Auditing Committee of the COMUDE.	
			Planned		0			NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.	

2.3.2 LEADERSHIP AND CONFLICT RESOLUTION									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Local leaders trained	% of municipalities in which leadership and conflict resolution and negotiation skills training has provided, in relation to total Program target for this LLR	1	No interest	12	12				There is no interest, or there is resistance or conflict.
		2	There is interest	1	1			The mayor or members of the COMUDE express interest. There is an act or request.	
		3	Strategy designed					PDGL team designs a training strategy for leadership and conflict resolution.	
		4	Training in process (Completed)		0			At least 2 COMUDEs have received training.	
			Planned		3			NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.	

Table 6: Categories of Performance Matrix by LLR

2.3.3 COMUDES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
COMUDES formed and functioning	% of Municipalities with COMUDES conformed, in relation to the total Program target for this LLR	1	No COMUDES	4	1				The COMUDE is created, but does not meet and committees are not integrated.
		2	COMUDE created	4	4				The COMUDE does not meet regularly. It does not have procedures. Integrated Committees are not functioning. No documentation of acts or agreements.
		3	COMUDE strengthened	2	1				The COMUDE meets at least 3 times per year. Committees integrated. There are acts, and procedures are established.
		4	COMUDES fully-functioning (Completed)	3	7				The COMUDE meets at least 3 times per year, and has procedures. Committees are working, and there are acts.
			Planned		1				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.

2.3.4 COMMUNICATION MECHANISMS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Innovative communication mechanisms in place	% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	1	There are not communication mechanisms	1					There is no interest, or there is resistance or conflict.
		2	Isolated use of mechanisms	12	12				Office of the Mayor uses releases, local radio and other means intermittently. Publish public record and/or Bulletins.
		3	There is interest		1				Communication strategy design in process.
		4	Strategy is being implemented (Completed)						Strategy approved by the Mayor or Municipal Council, and is being implemented.

Table 6: Categories of Performance Matrix by LLR

			<i>Planned</i>		1				NOTE: The target benchmark is the respective percentage excluding Cobán and Villa Nueva, except for the LLR 2.3.4.
2.3.5 WOMEN'S PARTICIPATION IN 2007 ELECTIONS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Participation of women in 2007 elections	% of women voting increased in 2007 elections (over 2003 statistics) in 3 Program municipalities	1	Participation decreases						The adjusted % women voting decreases compared to the 2003 elections.
		2	No change in participation						The adjusted percentage of women voting is the same as the 2003 elections.
		3	Small Increase						The adjusted percentage of women voting increases by 3% over the percentage voting in the 2003 elections.
		4	Significant increase (Completed)						The adjusted percentage of women voting increases by more than 3% over the percentage voting in the 2003 elections.
			<i>Planned</i>						