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 2006 - SEPTEMBER 2007

Submitted to:
USAID/Guatemala Democracy and Governance Office

October 18, 2007

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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

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 Auditoria Gubernamental
SIAFITO	Sistema Integrado de Administración Financiera Municipal (módulo de ejecución presupuestaria)
SIAF-Muni	Sistema Integrado de Administración Financiera Municipal
UDAI	Unidad de Auditoria Interna Municipal

Executive Summary

This is the second **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) 2007 (October 2006 – September 2007). 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 Four (4) Sub-Intermediate Results (Sub-IRs) and 26 Lower Level Results (LLRs). Of the 26 LLRs, four (4) are designed to be completed prior to the end of the Program (by December 2007). These include LLR 2.3.5, which is directly related to the 2007 elections and the three LLRs for the Reconstruction work in San Marcos.

As was expected, the elections had a significant impact on the scope of work and the advancement on the LLRs during the last few months of the fiscal year. Notwithstanding, by September 2007, 18 of the 28 end-of-project indicators had full or partial measurable progress towards being achieved.

Major advancements were achieved under Sub-IRs 2.1 and 2.4, specifically related to the implementation of the tools and structures for financial management, strengthening *mancomunidades* (2.1) and support to the reconstruction of San Marcos (2.4). In addition, PDGL completed its programmatic activities for LLR 2.3.5: "Participation in the 2007 elections, particularly for women and the indigenous in selected municipalities increased."

Report on Lower-Level Result 2.3.5

The Program implemented several activities designed to promote women voters' participation in the general elections on 9 September 2007. The official results by sex for those who voted will not be available for several months; therefore, the final measurement of the indicator: *"Increase in the percentage of voting amongst women in the 2007 elections, in 13 municipalities of the Program"* will be reported in the next annual report. Nevertheless, there are some statistics that are indicative of the pending results.

The number of citizens who registered to vote in the 2007 elections was 5,990,029, representing an 18.1 percent increase over those registered to vote in 2003[1]. Abstention was the second lowest since 1985, when the country began its democratic transition.

Data on the number of voters are not collected by ethnicity. Nevertheless, participation of Guatemala's indigenous population at the municipal level improved moderately. During the 2007 elections, 192 mayors of indigenous origin (38.8 percent) were elected, compared to 118 (35.6 percent) who were elected in 2003. During the last four elections, the tendency for a gradual increase in the number of indigenous mayors has been sustained.

Report on Lower-Level Results–Partially or fully achieved as September 30, 2007

As noted above, PDGL has achieved significant measurable progress on successfully meeting the targets established for 18 of the 26 indicators for the Lower-Level Results. In some cases, the final result has been achieved. The summary progress is as follows:

- SIAF Muni, including the civil and tax registries, have been implemented and are functioning in nine (9) of the municipalities (LLR 2.1.1).
- A Certification Program for municipal financial managers has been developed (LLR 2.1.4)
- Guatecompras (LLR 2.1.5) is installed and utilized in all 13 of the selected municipalities.
- Financial management units (AFIMs) have been created in ten (10) of the municipalities and the Internal Audit Units (UDAIs) have been established in six (6) municipalities (LLR 2.1.6).
- Seven (7) of the 13 municipalities have increased their own-source revenues (LLR 2.1.8) for fiscal year 2007 (see additional discussion below).
- Two of the four (potential) mancomunidades (LLR 2.1.13 and 2.1.14) have established planning processes, consolidated their formal structure and legal foundation, and are holding regular meetings (see detail discussion below).
- In San Marcos (LLRs 2.4.1, 2.4.2, and 2.4.3), PDGL is on schedule to achieve all of the LLRs; the Program successfully monitored the number of activities, strengthened the Departmental Development Council, and established a municipal information system (SIM, acronym in Spanish).

LLR 2.1.8. In seven municipalities, the percentage of own-source revenues to total revenues has increased from 3.65 percent of total in Fiscal Year 2005 to 6.23 percent of total in Fiscal Year 2006. This exceeds the benchmark of an increase of 1 basis point for the selected group. Notwithstanding, there are five (5) municipalities that have had lower levels of collections in fiscal year 2006. For these municipalities, the own-source revenues

[1] Population increased is estimated at 10.4% during the same period.

composition is irregular, and the accounting records are, in some cases, of doubtful quality due to the delay in reporting and inconsistency of the data. With the installation of SIAF-Muni, it is anticipated that this status will improve.

To date, none of the municipalities have succeeded in an integrative reform of their tax base due to the limited fiscal provisions provided for in the law, the political sensitivity of the issue (especially in an election year), and social considerations.

LLRs 2.1.13 and 2.1.14. Two of the four *mancomunidades* that the Program is supporting have made significant progress in consolidating their formal structure and legal foundation (LLR2.1.13 and 2.1.14). Support to the ERIPAZ *mancomunidad* is highly recognized. PDGL has supported the preparation of the Executive Plan for 2006-2007, which included a reform of the Bylaws, the establishment (including furnishings) of a permanent headquarters, the receipt of a donation of Convoy Machinery, creation of a Roads Unit, and the reactivation of the Directors and General Assembly meetings.

The Copán Chortí mancomunidad has reformed its Bylaws and is on the verge of being the first mancomunidad, with the assistance of the Program, to install SIAF-Muni. Copán Chortí has advanced in the design of its local economic development plan and update of its strategic plan with the support of four international donors, under the leadership of PDGL.

In spite of the significant efforts and expression of interests, the Convergencia de los Ocho mancomunidad has not succeeded in reactivating itself. The Mancomunidad of the Central Quiché has never been formed, and as a result as of this fiscal year it is excluded from the quantitative calculations in the Monitoring and Evaluation Plan.

San Marcos reconstruction (Sub-IR 2.4). Of the 55 projects that were selected to be monitored, 86 percent have already been finalized and 11 percent are on schedule. The Plan for Reconstruction and Risk Management and the Municipal Information System (SIM, acronym in Spanish) has been implemented with the Governor's Reconstruction Office. Furthermore, the Program has planned to promote the use of the SIM in the PDGL selected municipalities in the other Departments, and has discussed the possibility that SEGEPLAN will utilize it as a complementary system for the rest of the municipalities in the country.

Also in San Marcos, the Municipal Development Councils (COMUDES, acronym in Spanish), Municipal Planning Offices (OMPs, acronym in Spanish), and the Governor's Reconstruction Office have been strengthened. A detailed report will be presented in December 2007 when this component of the Program is completed.

Report on Lower-Level Results–Not started or without measurable progress

The original design of PDGL included several Lower Level Results that were dependent on successfully achieving several predecessor results. For example, before the *mancomunidades* could implement local economic development plans, they needed to be

consolidated and planning institutionalized. Other examples include those results related to the improvement of basic municipal services and cost-recovery. Consequently, there are several Lower Level Results for which progress on the indicators cannot be measured. In addition, in some cases the political will to undertake reforms has not been forthcoming or the timing (due to the elections has been in appropriate).

LLR 2.1.9. Local Economic Development. Technical assistance to develop a local economic development plan for Copán Chortí has been completed, and it is expected that the plan will be approved in fiscal year 2008. However, it is still unclear whether the Program will be able to take the next steps due to potential funding limitations.

LLRs 2.1.10 and 2.1.11. Improvement in basic municipal services and cost recovery are the two results with the least amount of progress to date under Sub-IR 2.1. This is for several reasons, including a lack of basic infrastructure in many of the municipalities. However, it must be recognized that the political will to address the issues, especially related to cost-recover, was not present during an election year.

LLRs 2.2.1, 2.2.2., 2.2.5. According to what has been validated in the field, the majority of the mayors expect that changes in the general legal framework, such as in the Municipal Tax Code and the intergovernmental transfers will result in a better acceptance by their voters and provide the support for a more broad restructuring of municipal revenues.

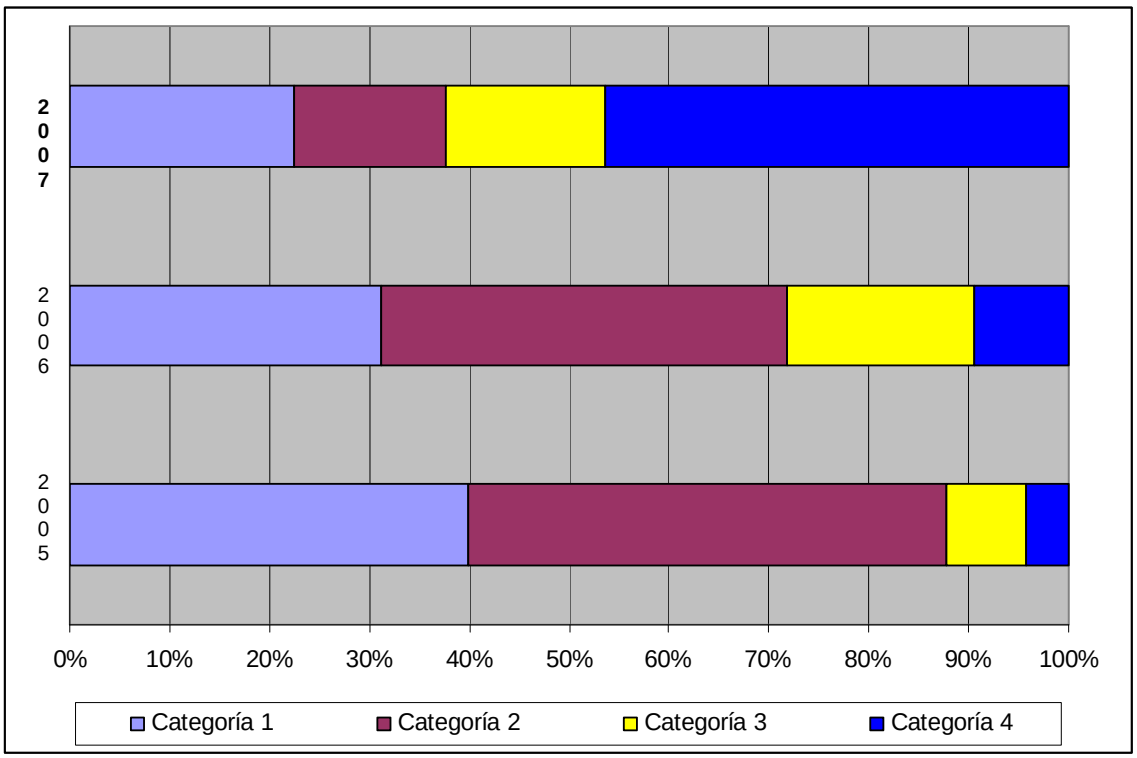
During the Municipal Advocacy events held during the election process (with support by the Program), the two presidential candidates for the second round (November 4, 2007) expressed their support for reforms that improve the fiscal capacities of municipal government.

Report on Indicators of Municipal Development

As part of its performance monitoring plan, PDGL established an index to report on the level of municipal development for Sub-IRs 2.1 and 2.3. As graphically represented in *Figures 1 and 2*, there has been measurable advancement for the 13 selected municipalities.

The most significant change for the Sub-IR 2.1 has been that as of the end of Fiscal Year 2007, 46 percent of the municipalities have achieved the highest category designation ("Category 4") compared to only four (4) percent in the base year and nine (9) percent in fiscal year 2006. The challenge for PDGL in fiscal year 2008 is to intensify and focus its assistance on the municipalities that are still designated as categories 1 and 2 on the municipal development scale (37 percent of the total).

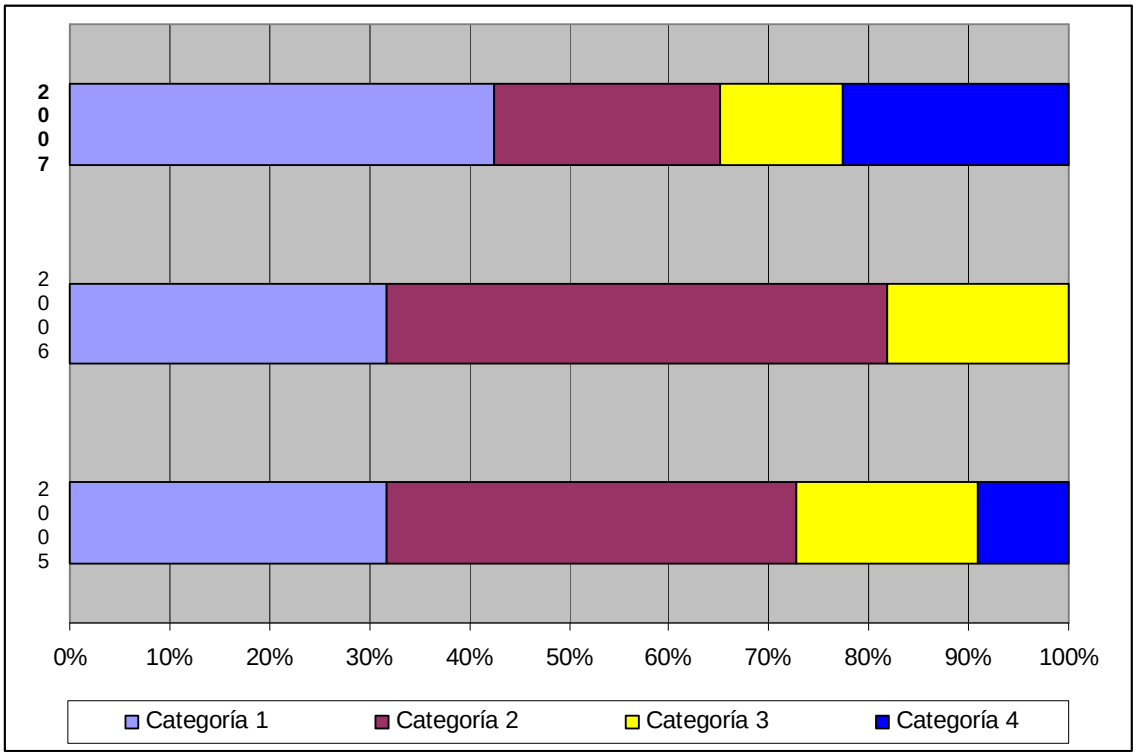
Figure 1: Level of Municipal Development in 13 PDGL Municipalities by Fiscal Year—Sub-IR 2.1



Progress for Sub-IR 2.3 (Figure 2) has been more moderate and reflects the natural process of the LLRs related to participating and citizen oversight. Nevertheless, 23 percent of the municipalities were able to 'graduate' with a Category 4 determination. This scale includes measurements for social auditing, leadership, and conflict resolution. As of the preparation of this Annual Monitoring and Evaluation Report, there is discussion that these components of the index may be eliminated.

The next fiscal year will be a good test for whether PDGL has successfully consolidated the achievements reflected in the category 4 designation. Consequently, the Program will focus its efforts on preventing any declines on the indicators

Figure 2: Level of Municipal Development in 13 PDGL Municipalities by Fiscal Year—Sub-IR 2.3



Introduction

The PDGL Contract establishes that Contractor Performance will be evaluated on the basis of the approved M&E Plan and benchmarks. The Plan was submitted to USAID on 21 September 2005 and approved on 14 October 2005. The contractor is required to submit to USAID an Annual Monitoring and Evaluation Report. The first annual report was submitted on 16 October 2006. This is the **Second Annual PDGL Monitoring and Evaluation Report** that covers the period **October 2006 to September 2007**.

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 Second Annual M&E Report, the Program has achieved important results at the municipal level. As would be expected, the Program has had significant success in some LLRS, but only partial success in others..

As this is the Second Annual Report, it will focus on reporting on the benchmarks and 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. It also summarizes changes in Program scope (consolidation of LLRs, 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***.

During Fiscal Year 2007, there are several practical revisions to the Monitoring and Evaluation Plan based on changes in the Sub-Intermediate Results (Sub-IRs), Lower Level Results (LLRs), targets, and indicators. These were:

1. Lower Level Results 2.1.2 and 2.1.7 were integrated into LLR 2.1.1 due to the fact that the SIAF-Muni is the official financial management system that receives ongoing and central government support, and that it includes civil and taxpayer registries.

2. Lower Level Results 2.1.13 and 2.1.14 are both related to institutional strengthening of the mancomunidades. Therefore, although both remain in the contract the same indicator is used.

3. Villa Nueva and Cobán were excluded from the Monitoring and Evaluation Plan. The first because the conditions did not exist to work in the municipality, as agreed with USAID. In Cobán the Program completed the development of a communication strategy, which was the only activity planned for the municipality. For these reasons, the measures and calculations included in this report are based on a maximum possible of 13 municipalities.

4. In October 2006, Sub-IR 2.4 and corresponding LLRs were added to reflect the support provided by PDGL for reconstruction in the Department of San Marcos.

5. Granados replaced Joyabaj as a selected municipality.

6. As a result of all of these changes, the results for each category of the municipal development scale, including the baseline, were adjusted to make possible the comparison for subsequent years based on the same number of municipalities and mancomunidades.

Table 1 summarizes all of the existing Sub-IRs and LLRs that are in force for Fiscal Years 2007 and 2008, taking into account that the activities under Sub-IR 2.4 will be completed in December 2008. [2]

Table 1: PDGL Sub-IRs and LLRs (Revised)

	Sub Intermediate Results (Sub-IRs) and Lower Level Results (LLRs) Descriptions
Sub-IR 2.1: More transparent systems for management of public resources by local governments	
2.1.1	SIAF-Muni fully 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.
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] On 16 October 2006, 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
2.1.13	Planning process strengthened in selected mancomunidades
2.1.14	Selected municipalities 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
Sub-IR 2.2: Increased devolution of responsibilities and resources to the local level resulting in greater responsiveness by local governments to citizens´ needs	
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 opportunities for engagement identified.
Sub-IR 2.3: More opportunities for citizen participation in and oversight of local government decision-making	
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

	Sub Intermediate Results (Sub-IRs) and Lower Level Results (LLRs) Descriptions
	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.
Sub-IR 2.4: Strengthening of local capacity in the implementation of reconstruction programs	
2.4.1	Development and implementation of reconstruction/emergency initiatives by local governments in selected municipalities
2.4.2	Departmental Development Councils strengthened in selected departments
2.4.3	Monitoring and coordination mechanisms developed and implemented in selected municipalities of the Hurricane Stan affected area

2. Granados, Baja Verapaz

Due to the internal conflicts in Joyabaj, USAID/Guatemala authorized the program to substitute Joyabaj for El Chol, Baja Verapaz. Nevertheless, it was not possible to initiate technical assistance to El Chol. In spite of the mayor's initial commitment, the municipality demonstrated repeated lack of interest due to the election process.

USAID/Guatemala approved that El Chol be replaced with Granados, Baja Verapaz. In spite of the fact that Granados was under-developed in nearly all of the aspects of municipal management, technical assistance by the Program has begun with good results.[3] Nevertheless, support to Granados is two years behind the rest of the municipalities, which will affect the relative pace of results.

[3] The Letter of Intention with Granados was signed May 2007.

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 percent 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:

Table 2: Distribution of Municipalities

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 revised M&E Plan, the USAID's Decentralization and Local Governance Program should achieve positive results for four (4) Sub-Intermediate Results (Sub-IRs) and 26 Lower Level Results (LLRs).

This Report presents the level of completion for the benchmarks for Fiscal Year 2007, reflecting the status as of 30 September 2007. The level of completion for the 3 Sub-IR and 26 LLRs (in some cases there are two indicators for a single LLR) is summarized in Table 3. [4]

Table 3: Summary Table: Quantitative Benchmarks for LLRs

Benchmark	Number	Comments
Benchmarks completed	1	The planned target has been fully completed.
Benchmarks achieved fully or partially	18	Full: Percentage greater than or equal to the target. Partial: Percentage less than the target.
Benchmarks pending	9	Utilized when the target is yes/no or no progress (0%), see progress report in the next section.

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

[4] Although there are 26 LLRs there are 28 indicators.

Table 4: Level of Completion: Quantitative Benchmarks

Sub-IR or LLR	Indicator	Planned 2007	Actual	Met
Sub-IR 2.1	% annual increase in tax revenues collected in the group of municipalities selected by the Program	1%	1.70%	Yes
2.1.1	% of Municipalities that have implemented the SIAF Muni, in relation to the total Program target for this LLR	50%	69%	Yes
	% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	100%	100%	
	% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	75%	75%	
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%	Partial
2.1.4	Signature of corresponding letter or agreement	Oct 2007	Agt. 2007	Yes
2.1.5	% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	62%	100%	Yes
2.1.6	% of Municipalities that have AFIMS operating effectively, in relation to the total Program target for this LLR	77%	77%	Yes
	% of Municipalities that have UDAIs, in relation to the total Program target for this LLR	20%	120%	
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	29%	54%	Yes

Sub-IR or LLR	Indicator	Planned 2007	Actual	Met
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	56%	0%	Pending
2.1.11	% of Municipalities that have implemented a cost recover system, in relation to the total Program target for this LLR	56%	0%	Pending
2.1.12	% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	64%	36%	Partial
2.1.13	% de Mancomunidades with Strategic Plans approved, in relation to the total Program target for this LLR	50%	50%	Yes
Sub-IR 2.2	Number of Municipalities that have developed at least one new competency as detailed in the National Decentralization Policy	2	0	Pending
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	44%	0%	Pending
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	33%	0%	Pending
2.2.4	Presentation of the study on legal framework of municipal debt	August 2005	Completed	Yes

Sub-IR or LLR	Indicator	Planned 2007	Actual	Met
	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	Partial
	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	Pending
	Approval dates of new statutes for AGAAI	Sept. 2006	Pending	
Sub-IR 2.3	Number of Municipalities with COMUDE Citizen Participation Commissions operating	5	6	Yes
2.3.1	% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	77%	46%	Partial
	% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	14%	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	64%	0%	Pending
2.3.3	% of Municipalities with COMUDEs conformed, in relation to the total Program target for this LLR	100%	54%	Partial
2.3.4	% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	100%	33%	Partial
2.3.5	Increase in the percentage of voting amongst women in the 2007 elections, in 3 municipalities of the Program.	100%	N.D.	Completed

Sub-IR or LLR	Indicator	Planned 2007	Actual	Met
Sub-IR 2.4	Local capacity for the development and implementation of reconstruction programs strengthened			
2.4.1	Number of reconstruction projects monitored and implemented in the selected municipalities	37	55	Yes
2.4.2	Disaster Reconstruction and Risk Mitigation Plan validated	Feb. 2007	Feb. 2007	Partial
	Disaster Reconstruction and Risk Mitigation Plan implemented	Marzo 2007	Pending	
2.4.3	Municipal Information System developed (SIM)	Julio 2007	Julio 2007	Yes
	SIM institutionalized in Reconstruction office	Agto. 2007	Agto. 2007	

2. Analysis of Benchmarks Achieved

As of September 2007, the benchmarks (targets) for 18 of the 28 indicators have been fully or partially achieved. The Program has had the most success in achieving LLRs under Sub-IRs 2.1 and 2.4, in particular the implementation of tools for financial management, municipal debt regulation, strengthening of COMUDEs, and support to the reconstruction of San Marcos.

Tools for Financial Management. As of September 2007, nine (9) of the 13 selected municipalities have installed SIAF-Muni, including the civil and taxpayer registries. The four other municipalities (Cotzal, Nebaj, San Antonio Ilotenango, and Granados) have taken the actions to install the system.

All of the selected municipalities have installed Guatecompras (LLR 2.1.5). The quantitative measure has been achieved fully, but there are still actions necessary to achieve the qualitative targets for the LLR. For example, it is necessary to strengthen the use of the system given that some of the municipalities are still using the system on a discretionary basis and are not updating online an active procurement.

In spite of the legal requirements stipulated in the Municipal Code, not all municipalities have established AFIMs and UDAIs. Nevertheless, the goal of establishing the UDAI was exceeded in fiscal year 2007 (see Annex A).

Of the 13 selected municipalities, nine (9) recognized an increase in the proportion of own-source revenues to total revenues.[5] In 2005, for those nine municipalities that identified this as a target area of assistance, the coefficient of own-resources to total resources was 3.75 and for fiscal year 2006 this had increased to 5.45, representing an increase of 1.70 basis points (the target was 1 basis point). In those municipalities, own-source revenues increased on average 50% as compared to a 3 percent increase in total revenues.

Chajul, Cotzal and Olopa demonstrated the best improvements in collections of own-source revenues. In contrast, four municipalities suffered declines: San Martín Jilotepeque (-51%), San Juan Ermita (-29%), San Antonio Ilotenango (-51%) y Granados (-97%).

The Program provided technical assistance in the development and updating of the strategic plans of Pachalum, Camotán, Olopa, San Juan Ermita and the Mancomunidad ERIPAZ. The format design of the Executive Plan for 2006-2007 was adopted as the methodology or model for use by other mancomunidades. PDGL has also helped advance the planning process for the municipalities of Jocotán, San Antonio Ilotenango, Santa Cruz del Quiché and the Mancomunidad of Copán Chortí.

Municipal debt. The municipal debt regulatory commission has continued to work on reforms with support from the Program. The commission has achieved agreement on the substantive issues and is awaiting the inauguration of the new government to continue the commitment to this topic.

In 13 selected municipalities supported by the PDGL, 11 COMUDES have been created; however 2 of them have not start their normal work, as it happens in the rest of municipalities (9). Program has initiate support to create COMUDEs in Pachalum y Chajul.

San Marcos Reconstruction. PDGL technical assistance for San Marcos reconstruction in response to the damage caused by Hurricane Stan (Sub-IR 2.4) has proceeded as planned and is scheduled to meet all of the benchmarks. Of the 55 projects that have been monitored, 86 percent have been completed and 11 percent are on schedule. Only 4 percent of the projects have had difficulties. PDGL has completed and delivered the Reconstruction and Risk Management plan to USAID on 6 February 2007. Final approval is pending.

The Municipal Information System (SIM) was successfully designed and delivered to the San Marcos Reconstruction office, and all indications are that it will be continued to be implemented. The Program is planning on promoting the use of SIM in the other selected PDGL municipalities and will be discussing the possibility with SEGEPLAN about using the system in municipalities nationwide.

[5] Pachalum, Jocotán, Camotán, Olopa, Nebaj, Chajul, Cotzal, Chiché y Santa Cruz. The four municipalities that reported decreases in their own-source revenue are San Martín Jilotepeque, San Juan Ermita, San Antonio Ilotenango and Granados (Granados' data are from the SIAFITO, are for 2005 and appear inconsistent)

The third area of technical assistance under Sub-IR 2.4 was to strengthen institutional structures, including the Municipal Development Councils (COMUDEs, acronym in Spanish), Municipal Planning Offices (OMPs, acronym in Spanish), and the San Marcos (Department level) Reconstruction office. A detailed report on this component will be presented by the Program in December 2007.

3. Analysis of Benchmarks pending

At the end of September 2007, nine (9) of the 28 indicators has limited progress toward achieving the end-of-project targets because technical assistance was not provided due to funding constraints or the electoral process. Those LLRs that are pending are concentrated on local economic development, municipal basic services, and cost recovery (Sub-IR 2.1); intergovernmental transfers, decentralization policy, coordination of investment, and the approval of reforms of the municipal associations (Sub-IR 2.2); and the promotion of leadership and resolution of conflicts (Sub-IR 2.3).

Sub-IR 2.1. In early 2007, the Local Economic Development Plan for the four municipalities of the Mancomunidad Copán Chortí was completed, and the final preparation of the plan was to be prepared by the Mancomunidad with technical assistance by PDGL. This process is still underway. Also, during the fiscal year, a Guide to Promote Local Economic Development was prepared and is being validated during the first quarter of fiscal year 2008. This Guide is expected to provide an important tool that does not exist to date to the municipalities.

The Program has promoted reforms to the regulations for basic municipal services with the twofold purpose of improving the delivery of the services and recovery of costs. In two municipalities (Olopa y San Martín), reform proposals are being considered by the Municipal Council and three other municipalities (Nebaj, San Juan Ermita y Santa Cruz) have expressed an interest in beginning the process. The Program has promoted a participatory process through the COMUDE for developing the reforms. The consequence of this approach is that while it can strengthen citizen involvement it can take longer. Furthermore, since it was an election year, the political will among municipal officials to discuss cost recovery was not present.

Sub-IR 2.2. Activities directly related to fiscal decentralization during the fiscal year were generally suspended due to the confluence of funding constraints and it being an election year. Notwithstanding, as appropriate the Program provided support to the three major municipal associations during the election period to advocate on behalf of municipal interests, including fiscal decentralization.

During the first few months of fiscal year 2007, there appeared to be hope in the passage of the Municipal Code, which included various meetings among municipal officials, the

SCEP, and the president of the Congressional Municipal Committee with support by the Program. Nevertheless, the change in officials in the SCEP and the Ministry of Finance, as well as the electoral campaign led to a significant decrease in the interest in the Municipal Code and the other two areas related to municipal finance.

During the fiscal year, the Program provided technical assistance to three municipal associations ANAM, AGAAI, and ASMUGOM. Specific legal assistance was provided to ANAM and AGAAI on reforms to their bylaws and statutes. However, as of the end of the fiscal year the reforms have not been approved. In July 2007, ANAM held an extraordinary general assembly to approve the reforms but did not achieve the quorum necessary. The AGAAI assembly is scheduled for February 2008.

Sub-IR 2.3. During the fiscal year, due to funding constraints the Program did not deliver technical assistance in the area of leadership and conflict resolution. The project initiated recruitment for specialists in the area and held coordination meetings with INTRAPAZ and the Universidad Rafael Landívar to design a strategy for Program support in this area. Through this process it became clear that the resources for what is needed would not be available under the Program. It was agreed during these meetings that what was needed was a discrete program that would be at least two years in length, and would include technical assistance to COMUDEs and local leaders. Furthermore, the demand for training or assistance in this area in the four geographic regions where PDGL is working has not been significant.

4. Analysis of Benchmarks Completed: 2007 Elections

As scheduled, the Program was actively involved in promoting voting by women in the general elections of 9 September 2007. The official results by sex of voters will not be available for several months. Therefore, the final measure is pending for the indicator: *"Increase in the percentage of voting amongst women in the 2007 elections, in 3 municipalities of the Program".*[6]

Those registered to vote was 5,990,029 individuals, representing an 18.1 percent increase over those who registered to vote in 2003. The growth rate in the electoral registers is almost 5 percentage points greater than the prior growth rate.

Year	Registered Voters
1985	2,753,572
1990	3,204,955
1995	3,711,589
1999	4,459,213
2003	5,073,282
2007	5,990,029

[6] Generally the Supreme Elections Tribunal publish this information one year alter the elections.

Abstention was the second lowest since 1985, when the country began its democratic transition.

Year	Percentage
1985	31.0%
1990	44.0%
1995	53.0%
1999	46.9%
2003	42.2%
2007	40.7%

Of the total number of citizens registered to vote 46.9 percent were women. This does not recognize the number of women that were candidates and then were elected. Prior to this election cycle, the highest level positions of state agencies were held by women. In the Executive Agency, the number of women in key positions represented only 13 percent, in the Legislative branch, the number of women representatives was 8.8 percent, and in the Judiciary women represent 29 percent of the total. At the municipal level, only 2.4 percent of the mayors are women. Furthermore, only 13 percent of the 16 national leadership positions of political parties are held by women.

The participation of the indigenous population improved moderately at the municipal level. During the 2007 elections, 192 mayors of indigenous origin (38.8 percent) were elected, compared to 118 (35.6 percent) who were elected in 2003. During the last four elections, the tendency for a gradual increase in the number of indigenous mayors has been sustained.

Year	Indigenous Mayors	%
1995	110	33.2
1999	113	34.1
2003	118	35.6
2007	129	38.8

The Program is preparing a specific report the results of the technical assistance provided during the election process that includes

5. Granados, 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 possible to anticipate all potential internal conflicts in the municipalities, the role of the local facilitators (who were placed in the municipalities alter 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.

For these reasons and following USAID/Guatemala approval, the municipality of Joyabaj was replaced by Granados, Baja Verapaz as a selected PDGL municipality for technical assistance.

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									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
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%	**51%**	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%	**69%**	79%		100%		100%	13

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%		100%	9
% 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%	**75%**	100%		100%		100%	12
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									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%	**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%	September 2007	**Agt 2007**						Letter or agreement
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%	**100%**	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												

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%	77%	**77%**	93%		100%		100%	13
% of Municipalities that have UDAIs, in relation to the total Program target for this LLR	PDGL, Controller General, and local government records	0%	0%	0%	20%	**120%**	80%		100%		100%	5
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%	**129%**	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.												

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%	**0%**	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%	**0%**	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									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%	**0%**	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%	**36%**	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%	**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												

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
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	2	**0**	0		2		2	2
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		August 2006	**Pending**						Proposal
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												

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%	**0%**	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%	**0%**	100%		100%		100%	6
LLR 2.2.4. Policies and practices that regulate and simulate responsible municipal indebtedness developed and disseminated nationally.												

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
Presentation of the study on legal framework of municipal debt	PDGL and Ministry of Finance records	August 2005		Completed	100%	**100%**						Proposal
Presentation of the proposal regarding the regulation of municipal indebtedness practices	PDGL and Ministry of Finance records		June 2006	Completed	100%	**100%**						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	100%	**100%**						Proposal
Resolution by the Congressional Commissions of Municipal Affairs and Public Finances Affairs.	PDGL, Congress and Ministry of Finance records		Nov 2006	Pending	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	March 2006	**Pending**						Reform Approved

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
Approval dates of new statutes for AGAAI	PDGL and AGAAI records		Sept 2006	Pending	Sept 2006	**Pending**						Reform approved
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	**6**	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.												
% 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%	**46%**	100%		100%		100%	13

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
% 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%	**0%**	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%	**0%**	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%	**54%**	100%		100%		100%	13

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
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%	33%	100%		100%		100%	6
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%	**Completed**	0%		0%		100%	3
Sub-IR 2.4: Strengthening of local capacity in the implementation of reconstruction programs												
Number of reconstruction projects monitored and executed	PDGL, Reconstruction Office and local government records	0%	0%	0%	37	**55**	0%	0%	0%	0%	100%	21

Table 5: Performance Tracking Table – Planned and Actual Targets												
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									
			Year 2006		**Fiscal Year 2007**		Year 2008		Year 2009		Life of Project	
	Data Source	Value	Planned	Actual	**Planned**	**Actual**	Planned	Actual	Planned	Actual	Planned	Mun cipalities (#)
Reconstruction and Risk Management Plan developed	PDGL, Reconstruction Office and local government records	0%	0%	0%	Feb 07	**Feb 07**	0%	0%	0%	0%	100%	Plan developed
Reconstruction and Risk Management Plan implemented	PDGL, Reconstruction Office and local government records	0%	0%	0%	Mar 07	**Pend**	0%	0%	0%	0%	100%	Plan implemented
SIM developed	PDGL, Reconstruction Office and local government records	0%	0%	0%	Jul. 07	**Jul. 07**	0%	0%	0%	0%	100%	SIM developed
SIM institutionalized in Reconstruction Office	PDGL, Reconstruction Office and local government records	0%	0%	0%	Ag. 07	**Ag. 07**	0%	0%	0%	0%	100%	SIM implemented

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.

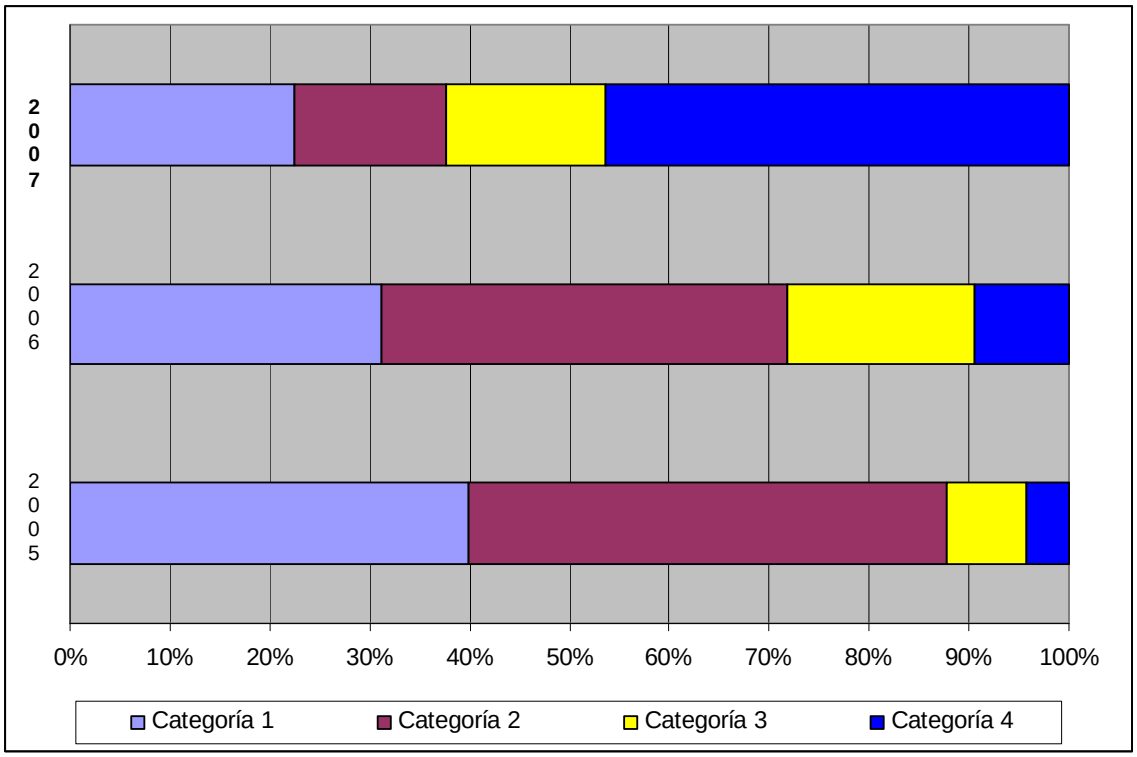
Category 3: There has been progress towards the LLR, and acceptance of the change recommendations. The approval and/or execution of the change plan are pending.

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.

As observed in Figure IV.1, the majority of the municipalities have progressed in nearly all of the LLRs for Sub-IR 2.1. The most significant change for the Sub-IR 2.1 scale has been that as of the end of Fiscal Year 2007, 46 percent of the municipalities have achieved the highest category designation ("Category 4") compared to only four (4) percent in the base year (2005) and nine (9) percent in fiscal year 2006. During the base year (2005), 40 percent of the municipalities were classified as "Category 1," the lowest ranking. By 2007, only 22 percent of the municipalities received the lowest ranking.

The challenge for PDGL in fiscal year 2008 is to intensify and focus its assistance on the municipalities that are still designated as categories 1 and 2 on the municipal development scale (37 percent of the total).

Figure IV-1: Level of Municipal Development in 13 PDGL Municipalities by Fiscal Year—Sub-IR 2.1



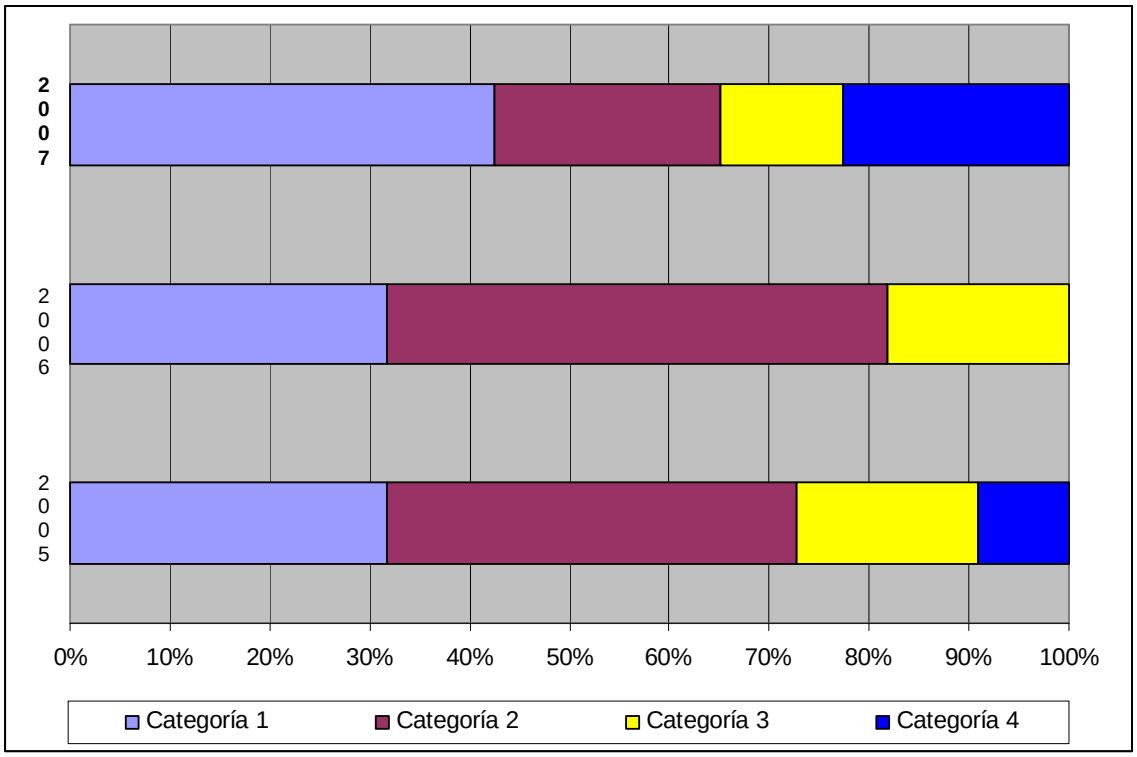
Note: The calculation is based on 13 municipalities where the Program is only working in one LLR.

Progress for Sub-IR 2.3 (Figure IV.2) has been more moderate that last year as illustrated in Figure 2. The situation in fiscal year 2007 reflects an apparent contradiction. At the same time that 23 percent of the municipalities were able to 'graduate' (an improvement over fiscal year 2006). The percentage of municipalities in "Category 1," increased from 32 percent in 2006 to 52 percent in 2007.

These results have two explanations. First, they reflect the impact of the electoral process and the fact that nearly three-fourths of the mayors of the selected municipalities sought reelection and in some bases decided to not address the 'sensitive' issues that might affect decisions by voters. Second, the number of municipalities in Category 1 was elevated with the remove of Villa Nueva and Cobán, two of the municipalities with higher levels of ranking on the performance scale of nearly all of the LLRs.

The index includes measurements for social auditing, leadership, and conflict resolution. As of the preparation of this Annual Monitoring and Evaluation Report, there is discussion that these components of the index may be eliminated.

Figure IV-2: Level of Municipal Development in 13 PDGL Municipalities by Fiscal Year—Sub-IR 2.3

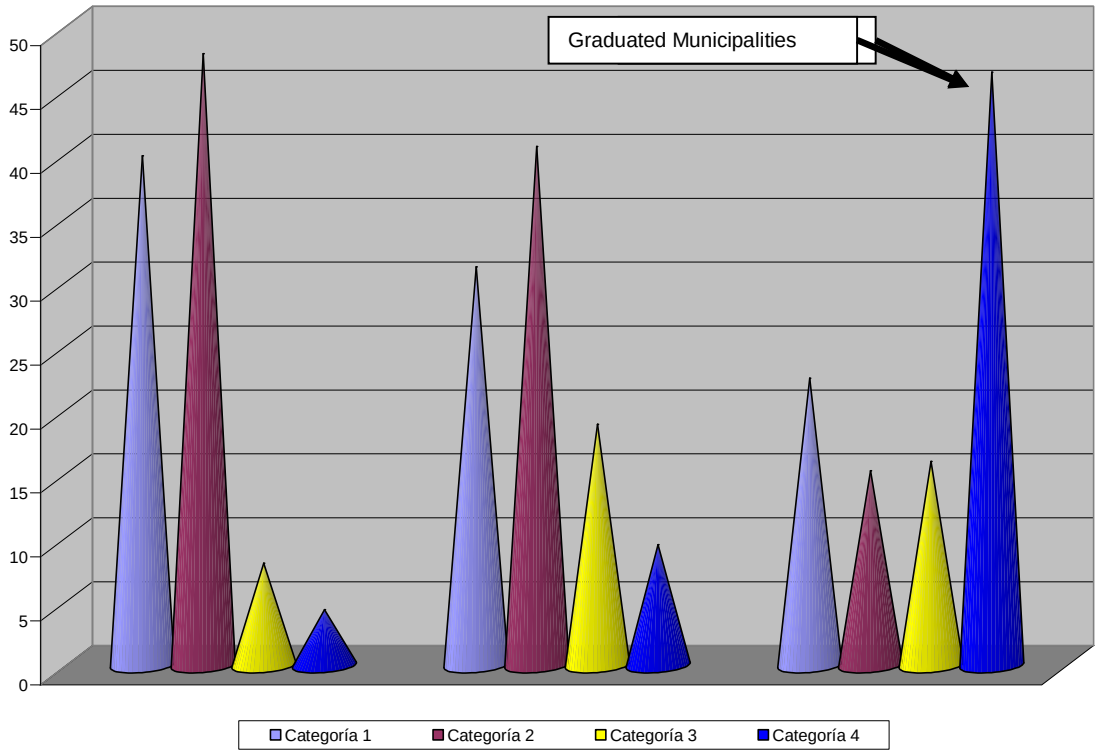


Note: The calculation is based on 13 municipalities where the Program is only working in one LLR.

As illustrated in Figure IV-3, during fiscal year 2007, the municipalities that are in category 4 (of graduation) increased considerably with respect to two years ago. This improvement is attributed to the increased use of the financial management tools and training provided by PDGL. The number of municipalities ranked in the two lowest categories (categories 1 and 2) has decreased significantly.

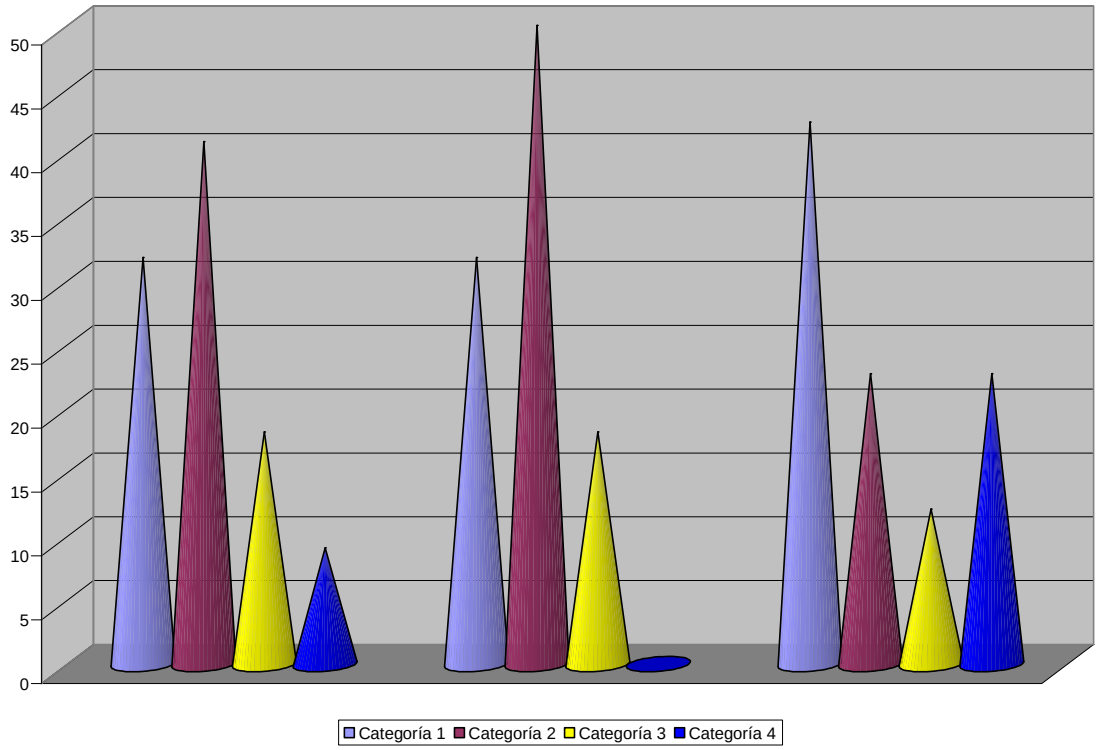
The number of municipalities in category 3—municipalities prepared to graduate—has not increased. It is likely that this situation will continue into fiscal year 2008 given that the new municipal administrations will begin in January 2008, and it will take some time for them to learn about and implement the tools developed for Sub-IR 2.1.

Figure IV-3: Percentage of Municipalities in each Category—Sub-IR2.1



Progress for Sub-IR 2.3 (Figure IV-4) has been more moderate and reflects the natural development of citizen participation and oversight. Nevertheless, the number of municipalities that graduated (category 4) nearly doubled from the previous year. The greatest challenge for PDGL in fiscal year 2008 is to intensify and focus its assistance on the municipalities that are still designated as categories 1 and 2 on the municipal development scale (37 percent of the total). The Program technical team sees an opportunity to initiate these actions with the new administrations take office in January. On the other hand, a number of mayors have expressed their interest in preparing for an accountability meeting (rendición de cuenta) and publish a report at the end of their term.

Figure IV-4: Percentage of Municipalities in each Category—Sub-IR 2.3



For those results under Sub-IR 2.2 the Program has achieved progress on the qualitative measures. The Program provided technical assistance in the preparation on a new regulation for municipal debt. The proposal supported the creation of an Inter-institutional Commission that has become to actively work on preparing the technical and legal tools for implementing the proposal.

During the first few months of fiscal year 2007, there appeared to be hope in the passage of the Municipal Code, which included various meetings among municipal officials, the SCEP, and the president of the Congressional Municipal Committee with support by the Program. Nevertheless, the change in officials in the SCEP and the Ministry of Finance, as well as the electoral campaign led to a significant decrease in the interest in the Municipal Code and the other two areas related to municipal finance.

Given the elimination of the *Impuesto Extraordinario y Temporal sobre Actividades Productivas (IETAP)*, which will result in a significant reduction of nearly Q2,000 million in fiscal revenues, it is expected that the next government will re-establish a policy dialogue about the fiscal pact in order to improve the finances. This could be the perfect backdrop to promote a discussion on all of the Program LLRs related to fiscal decentralization.

However, due to the limitation of funds, work in the area of intergovernmental transfers will be primarily coordinating activities with other donors.

ANAM and AGAAI have discussed and prepared with the PDGL assistance reforms for their respective bylaws and statutes. For ANAM, the reform can only be approved if at least 230 mayors (of 332) attend the meeting and vote. AGAAI has scheduled a vote during its next assembly in February 2008.

ASMUGOM has incrementally and gradually increased its involvement in advocating for municipal issues. In coordination with other donors, PDGL has provided technical assistance in institutional strengthening, and there is a recognized increase in exposure of ASUMOGM related to local governance. It is hoped that with the election of a new board of directors in the early months of fiscal year 2008 that the recently elected mayors will be given a prominent role.

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

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	4	2	0			Use of a traditional financial registry system and/or the version before SIAFITO (w/o 1.4)
		2	SIAFITO working	9	6	1			Version 1.4 (s/b v 1.7) not installed and registered.
		3	SIAF Muni installed	0	5	3			Software installed and working. In a process of migrating registries and beginning operations.
		4	SIAF Muni working (Executed)	0	0	9			Without basic models (of budget, of accounting, of treasury) working and being implemented.

2.1.1 a) CIVIL REGISTRY MODULE

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	3	3	0			Traditional Civil Registry operating. There is no interest, or there is resistance or conflict.
		2	Have software, but not in use	8	3	0			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	1	6	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)	1	1	9			The Municipality has installed and is utilizing the software included in SIAF Muni.

2.1.1 B) TAX PAYER REGISTRY MODULE

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	2	2			Traditional form of registry of taxpayers operating. There is no interest or there is resistance or conflict
		2	Software in place. No usage.	6	6	2			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.	3	3	0			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)	2	2	9			The Municipality has installed and is utilizing the software included in SIAF Muni.

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	W/O Proposal	X					There is no interest, or there is resistance or conflict.
		2	Proposal designed		x				Proposals presented and validated. Logistics prepared.
		3	Certification Program approved			X			National institution aprove Certification Program.
		4	Certification Program operating						Training institutions officially began the Program.

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	*Signature of corresponding letter or agreement*	1	W/O Proposal	X					There is no interest, or there is resistance or conflict.
		2	Proposal designed and subject to be improve by national actors.		x				National Institutions show interest to aprove a Certification System and work together to improve initial proposal.
		3	Certification Program is analyzed by technicians of national institutions involved in decentralization		X	X			Technical Departments on National Institutions work in a comitte to improve initial propossal.
		4	Programa aprobado			x			Institución responsable aprueba y asume la propuesta.

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	6	0	0			There is no interest, or there is resistance or conflict.
		2	There is interest to use the system	0	2	0			Council or Mayor shows interest. Steps have been taken to install it.
		3	Implementation began	5	3	0			Software installed, there is personnel capacity. Request of use transmitted. Partial use.
		4	Guatecompras systems working (Executed)	2	8	13			The municipality has published some acquisitions or contracting on Guatecompras.

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	0	0			There is no interest, or there is resistance or conflict.
		2	There is interest	5	4	0			Council or Mayor shows interest to create AFIM.
		3	AFIM created, not implemented.	2	9	3			Council approves AFIM. Approval of working manual in process.
		4	AFIMs working (Executed)	0	0	10			AFIM working (there is a boss, personnel and manual).

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	6	4			There is no interest, or there is resistance or conflict.
		2	There is interest.	7	7	3			Personnel contracted working as auditor, without manual or rules.
		3	UDAI approved, not implemented.0	0	0	0			Council approves UDAI. Auditor contracted, No manuals or procedures.
		4	UDAIs working (Executed)	0	0	6			Auditor contracted, manual in place or rules approved.

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	*Number of municipalities that had an increase in the coefficient of own-source revenues/total revenues over prior year.*	1	With reduction of tax income	6	4	5			Negative variation in the coefficient of own-source revenues/total revenues
		2	With slight increases of tax income	3	4	3			The coefficient for own-source revenues/total revenues varies between 0 and 0.5 basis points
		3	Moderate increase	2	2	1			The coefficient for own-source revenues/total revenues varies between 0.6 y 1.0 basis points
		4	Significant increase	1	2	3			The coefficient for own-source revenues/total revenues varies more than 1 basis point

Note: The above recognizes that support to Granados began in fiscal year 2007 and that there is not reliable data for prior years.

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	2	2	0			There is no interest, or there is resistance or conflict.
		2	There is interest	4	4	2			Council or Mayor shows interest. There is an act or written request.
		3	Design initiated	0	0	4			Workshops building capacity conform to the approved programs.
		4	Local Economic Development plans created (Executed)	0	0	0			Plan approved for COMUDE and/or Municipal Council.

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	3	9	8			There is no interest, or there is resistance or conflict.
		2	There is interest	10	4	3			Council or Mayor shows interest. There is an act or written request.
		3	Proposal approved	0	0	2			Priority service selected. Process for identifying and proposing improves began. Proposal approved.
		4	Improving municipal service (Executed)	0	0	0			Mayor or municipal Council approves the proposal strategy for improving services. Implementation initiated.

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	3	9	8			There is no interest, or there is resistance or conflict.
		2	There is interest	10	4	4			Council or Mayor has interest. There is an act or written request.
		3	Design of initiated plan	0	0	1			Diagnostic of municipal finance and technical proposal in process.
		4	Recuperation system of costs implemented (Executed)	0	0	0			Council or Mayor approves the plan.

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	13	5	3			There is a plan, no perceived necessity to implement it.
		2	Interest in achieving Strategic Plan	0	8	3			Council or Mayor shows interest.
		3	Initiating plan	0	0	3			Implementation in process.
		4	Plans elaborated and/or implemented (Executed)	0	0	4			COMUDE, Mayor or Municipal Council approves plan. Implementation begins.

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	0	0	1			There is a plan, no perceived necessity to implement it.
		2	Interest in achieving Strategic Plan	3	3	0			Joint Director, Assembly or Manager shows interest.
		3	Plan initiated	0	0	1			Process achieved.
		4	Plans in progress or achieved (Executed)	0	0	1			Joint Director approves plan. Implementation begins.

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	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.

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	X	X				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.

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	X	X	X			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.

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	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.

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	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,

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			X			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.

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	2	1	2			There is no interest, or there is resistance or conflict.
		2	There is interest	1	9	1			Council or Mayor express interest with a written act or request.
		3	Partial reporting	10	3	4			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	0	6			At least one annual report presented to the COMUDE.

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	6	6			There is no interest, or there is resistance or conflict.
		2	There is interest	9	7	7			Members of the COMUDE express interest with a written act or request.
		3	Implementation strategy designed	0	0	0			Committee for social auditing, with the support of PDGL design a strategy and formats for presenting reports.
		4	Reports presented (Completed)	0	0	0			At least one annual report is presented to the Social Auditing Committee of the COMUDE.

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	12			There is no interest, or there is resistance or conflict.
		2	There is interest	1	1	1			The mayor or members of the COMUDE express interest. There is an act or request.
		3	Strategy designed	0	0	0			PDGL team designs a training strategy for leadership and conflict resolution.
		4	Training in process (Completed)	0	0	0			At least 2 COMUDEs have received training.

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	1	2	3			The COMUDE is created, but does not meet and committees are not integrated.
		2	COMUDE created	4	5	0			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	6	3			The COMUDE meets at least 3 times per year. Committees integrated. There are acts, and procedures are established.
		4	COMUDEs fully-functioning (Completed)	6	0	7			The COMUDE meets at least 3 times per year, and has procedures. Committees are working, and there are acts.

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	2	0	5			There is no interest, or there is resistance or conflict.
		2	Isolated use of mechanisms	12	11	6			Office of the Mayor uses releases, local radio and other means intermittently. Publish public record and/or Bulletins.
		3	There is interest	0	3	1			Communication strategy design in process.
		4	Strategy is being implemented (Completed)	0	0	2			Strategy approved by the Mayor or Municipal Council, and is being implemented.

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)**			Pend.			The adjusted percentage of women voting increases by more than 3% over the percentage voting in the 2003 elections.