

5180092 - (16)
 PD-AAB-960-F1

PROJECT APPRAISAL REPORT (PAR)

1. PROJECT NO. 15-90-02237	2. PAR FOR PERIOD: 6/1/73 TO 5/31/74	3. COUNTRY Ecuador	4. PAR SERIAL NO. 74-7
5. PROJECT TITLE URBAN DEVELOPMENT - Urban Development			
6. FISCAL YEAR 70	7. DATE LATEST PROP 7/31/70	8. DATE LATEST PIP None	9. DATE PRIOR PAR 7/3/73
10. CURRENT FY ESTIMATED BUDGET: \$ -0-		11. ESTIMATED BUDGET TO COMPLETION AFTER CURRENT FY: \$ -1-	
12. ACTION AGENCIES (Contractor, Participating Agency or Voluntary Agency)			
a. NAME		b. CONTRACT, PASA OR VOL. AG. NO.	
		AID-518-337 T	
		AID-518-357-T	

13. ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

a. LIST OF ACTIONS	b. PROPOSED ACTION COMPLETION DATE
As the project has terminated, no new actions are requested.	

14. REPLANNING REQUIRES						15. DATE OF MISSION REVIEW	
REVISED OR NEW:	<input type="checkbox"/> PROP	<input type="checkbox"/> PIP	<input type="checkbox"/> PRO AG	<input type="checkbox"/> PIO/T	<input type="checkbox"/> PIO/C	<input type="checkbox"/> PIO/P	June 27, 1974
16. PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE				17. MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE			
Patricio Maldonado				Peter M. Cody, Director			

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II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUTSTANDING		LOW		MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
1. Fernando Guardia						X						
2. Wilhelm Von Moltke					X							
3.												

Comment on key factors determining rating **Urban Planning**

- Fernando Guardia** was effective in performing the diagnostic portion of developing the Metropolitan Area Development Plan for Quito, in training counterparts to work effectively with such plans, and in coordinating the efforts and information produced by short term specialists. He was highly qualified for the task, and was able to develop and maintain good working relationships with Municipal officials at all levels during his assignment. He trained and developed counterparts and left behind a well organized Municipal Planning Office. His performance in all aspects was outstanding.
- W. Von Moltke** was a highly qualified urban designer whose idea for physical design of urban improvements in Quito was fully approved and accepted by the Municipality.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating

Urban Planning

No participant training during reporting period.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating

Urban Planning

No commodities during reporting period.

6. COOPERATING COUNTRY	a. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. OTHER				X								

Comment on key factors determining rating

Urban Planning

National Planning Board. The role of the NPB continued to be very limited in this program. No more than periodic coordination and review of Municipality plans was provided.

Municipality of Quito. During the reporting period the Municipality has improved its cooperation in the program in terms of providing needed technical and logistical support in a timely manner. In addition, approval of the Metropolitan Area Development Plan was given top priority: the corresponding documents were approved, and constitute the major policy instruments for the Municipality's present and future activities.

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5
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(See Next Page for Comments on Other Donors)

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II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUTSTANDING		LOW		MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
1. Employment Generation - None												
2.												
3.												

Comment on key factors determining rating

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating

Employment Generation

No participant training during reporting period.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating **Employment Generation: Two vehicles and office equipment were donated during the year. A USAID audit of equipment used indicated that equipment was being used properly. However, USAID has determined that, as a result of problems with Employment Generation and questions as to Employment Generation's ability to function effectively, equipment should be recalled and donated to the Ministry of Industries for 034.**

6. COOPERATING COUNTRY	c. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. OTHER												

Comment on key factors determining rating

Employment Generation

See Block IV. B. 2., page 4A

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5
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(See Next Page for Comments on Other Donors)

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II. 7. Continued: Comment on key factors determining rating of Other Donors

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMU- LATIVE PRIOR FY	CURRENT FY		FY ____	FY ____	END OF PROJECT
			TO DATE	TO END			
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1. Urban Planning: Intermediate Studies Com- pleted.		These were completed on schedule and were acceptable					
2. Urban Planning: A permanent extension pro- gram of TA to small urban communities established in the NPB.		COMMENT: As indicated in last year's PAR, this activity was cancelled.					
3. Urban Planning: Municipality of Quito plan- ning staff adequately trained to develop and implement realistic development plans.		COMMENT: Fifteen staff members of the Municipalities planning office have been trained in the fields of urban planning, socio- logy, economics, geography and preservation and physical design.					

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

Urban Planning:

Increase the capabilities of national, municipal and private institutions to identify, establish and implement strategies to deal with problems of rapidly expanding metropolitan areas as they affect low income groups and economic development.

B. 1. Conditions which will exist when above purpose is achieved.

2. Evidence to date of progress toward these conditions.

1. National, municipal and private institutions able to prepare socially balanced, realistic and feasible urban development strategies.

1. Municipality now has budget, a well-trained staff and a model study to work from, and should be able to modify plans as needed.

2. An extension service in an appropriate national government agency that can provide urban planning assistance to municipalities that lack that capability.

2. Cancelled.

3. An on-going program of community education that promotes wider local community participation in the resolution of local development issues and self-help programs at the community level.

3. As reported in last year's PAR this target was cancelled from the project.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

To maximize the participation of all people of Ecuador in the development process.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

As reported in last year's PAR, this portion of the project will have no direct impact on this goal. Any impact would result from implementation of study recommendations, and will not occur in the immediate future.

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II. 7. Continued: Comment on key factors determining rating of Other Donors

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMU- LATIVE PRIOR FY	CURRENT FY		FY ____	FY ____	
			TO DATE	TO END			
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORM- ANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:						
1. Employment Generation: Staff trained to evaluate loan application and moni- tor loan projects.	Two people were trained, but one resigned and the program was cancelled.						
2. Employment Generation: strategy, cash flow projec- tion and operating proce- dures developed.	These were developed on paper, but were never im- plemented.						
3. Employment Generation: Staff mobilized	Mobilization was necessary for effective EDP participa- tion in O34 loan program. EDF has not successfully ne- gotiated participation in O34 program with Central Bank and Program Office, and although the EDF staff has used its mobility well in regard to its own program, it is felt that donated vehicles would serve a better purpose in support of loan objectives.						

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

Employment Generation:

Create within certain existing institutions the capacity to accelerate the growth of employment opportunities in poor urban areas of Guayaquil on a continuing and expanding basis.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>Ecuadorian Development Foundation (EDF):</p> <ol style="list-style-type: none"> 1. A new department effectively deciding the feasibility of loan applications and capable of supervising credit and technical assistance to loan recipients. 2. With a permanent staff of six well-trained professionals, including three credit supervisors, an administrator and an accountant. 	<p>1 and 2</p> <p>During the reporting period USAID/Ecuador made a determination to terminate grant support to the Ecuadorian Development Foundation. This determination was based on a series of managerial and operational problems that continued to exist within the organization, in spite of repeated EDF pledges to effect meaningful changes. Among the specific problems leading to this decision were: (1) overly centralized management, with manager not devoting full time to the organization, (2) failure of EDF to hire an administrator as agreed, (3) extremely high turnover in personnel, (4) EDF's failure to develop viable fund-raising programs and raise pledged counterpart, and (5) EDF's failure to negotiate a participating role in the 034 loan with the Central Bank and the Ministry of Industries, Commerce and Integration, which the grant project was designed to support.</p>

V. PROGRAMMING GOAL

A. Statement of Programming Goal

To raise the level of income of that extremely large segment of the population (estimated by the COE at 53 per cent) which is on the margin of society.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

As the project was unsuccessful in bringing about the changes necessary for EDF's participation in the 034 loan program, it appears that this portion of the project will have no impact on the programming goal.

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged:

2. Same as in PROP? YES NO

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
3. With a loan portfolio of about 25 loans per credit supervisor.	3. No longer relevant
4. A regular fund-raising campaign capable of raising needed donations on a timely basis.	6. EDF's failure to develop an effective fund-raising program was one of the primary reasons for USAID's decision to end support to EDF.
5. With other established sources of loan source ; e.g., lines of credit, public GOE contributions, etc.	5. Partially accomplished, EDF was able to get a line of credit from the First National City Bank.
6. With a well-developed, sensible plan for disbursing the remainder of the AID \$250,000 portion of the small enterprise development loan.	6. Plan was prepared, but EDF did not take steps to implement it. Did not negotiate participation in 034 program with Central Bank and MICEI and did not secure needed counterpart.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.