

ASSESSMENT OF THE PL480 TITLE II

PROGRAM IN ECUADOR

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I. EXECUTIVE SUMMARY

The PL 480 food assistance program in Ecuador is scheduled to be phased out at the end of FY 1989. Recently, however, the CRS field staff in Ecuador recommended that the phase out be extended for two years, due to current economic problems in Ecuador and CRS's failure to date to implement an effective phase out strategy.

In order to assess this recommendation, CRS/New York requested an internal assessment of the food program and contracted a consultant to assist the team. CRS was aware that the USAID Mission in Ecuador had scheduled its own evaluation of the PL 480 Title II food program in Ecuador for the fall of this year. This assessment was to complement AID's evaluation. At the beginning of the team's visit, discussions were held with the USAID Mission and it was decided to combine the AID and CRS scopes of work. However, the main purpose of this assessment remained unaltered: to provide information necessary to enable CRS/NY decide whether or not to continue with the original phase down schedule, or perhaps to expand the program.

The team found that the MCH and FFW programs were moderately successful in fostering community development, but suffered from lack of complementary resources and technical assistance. In contrast, Title II commodities provided little more than an institutional subsidy to the OCF centers.

Results of this assessment also suggested that the Title II program was not sufficiently supervised and monitored by either CRS/Ecuador or SENAPS. The few benefits of the program were largely due to the dedication and efforts of some of the Dioceses.

With the exception of the Child Survival program, no other phase out activities had been implemented by August of this year. This was due primarily to the ten month lapse in assigning a CRS Country Program Director to the field office in Ecuador; the lack of a CRS staff person assigned full-time to the food program; and, the lack of complementary resources.

In view of the lack of sound management and supervision of the program and its modest benefits, the team was unable to justify an expansion of the Title II program in Ecuador. While Ecuador is in need of development assistance, it is not a food deficit country. The assessment of the CRS and SENAPS' capabilities suggested that their scarce resources could be more effectively utilized implementing more developmentally oriented activities at the Diocesan level, using local food resources when required.

II. BACKGROUND

A. The CRS Food Program in Ecuador

In 1955, CRS began operating a material assistance program in Ecuador. In 1965, SENAPS (formally Caritas) began handling the distribution of the material resources, leaving CRS in a more planning and supervisory role. At the height of the program in the mid-seventies, 4,266 tons of food were distributed to over 179,562 beneficiaries each year. The program has been gradually reduced over the years; presently 1,575 MT of food a year are distributed to 28,500 beneficiaries. In addition to the commodities provided by PL 480 Title II, US\$423,000 are provided by the Ecuadorian Episcopal Conference, the Government of Ecuador, CRS and the beneficiaries to run the program.

Presently, the CRS/SENAPS Title II Food program operates four assistance programs: Mother/Child Health, Other Children Feeding, School Feeding and Food for Work.

1. Mother/Child Health (MCH)

The MCH feeding program provides monthly commodities to 5,000 mothers and children under five years old in the dioceses of Manabi, Cotopaxi and Azuay through a network of 90 mothers' clubs. A total of 5,000 rations or 22.5 MT of food are distributed each month through this program. The monthly ration consists of two kgs of rice, two kgs of rolled oats and one-half kg of vegetable oil. In FY'88, two kgs of milk will be substituted for the oil.) A total of 270 MT of food valued at US\$100,410 will be distributed in FY'87.

In these three Dioceses, CRS is implementing a Child Survival project that will eventually reach all 90 mothers clubs that currently participate in the Title II program. Each diocese has a nutritionist, a social worker and an agronomist who work at the community level. The goals of the program are to improve the health and nutritional status of 4,050 mothers and their 12,050 children under five years of age, and to establish in the targeted areas nutrition and health programs that will be operated and maintained through local mothers clubs by trained community health workers.

The Child Survival project emphasizes growth and development monitoring, control of diarrheic diseases, vaccinations, nutrition education and income generating activities (primarily gardening and small animal production). Total funding from CRS and USAID for the three year life of the project is US\$549,033.

2. Other Child Feeding (OCF)

OCF benefits 10,000 children a month in day care centers and institutions in the provinces of Pichincha, Cotopaxi, Imbabura, Loja, Azuay, Manabi, Esmeraldas and Guayas. Quito (Pichincha) and Guayaquil (Guayas) receive the largest amounts of assistance. Title II commodities are used by these institutions as food supplements for locally produced and purchased foods. The children in this program depend on the institution for most of their meals.

The monthly ration is composed of one kg of non-fat dry milk (NDFM), one kg of rice, one kg of rolled oats, one kg of dried yellow peas and one-half kg of vegetable oil. 10,000 rations or 45 MT are provided to institutions each month during a year. A total of 540 MT valued at US\$167,200 will be distributed during this fiscal year.

3. School Feeding (SF)

The SF program operates in the Amazonian provinces of Napo, Pastaza, Morona-Santiago and Zamora-Chinchiipe in the eastern lowlands of Ecuador. This program provides 10,000 rations or 45 MT of food a month during a school year (ten months) to 10,000 children in 236 schools. The ration per student is one kg rice, one kg rolled oats, one kg dried yellow peas, one kg NDFM and one-half kg vegetable oil. A total of 450 MT valued at US\$149,150 will be distributed in FY'87.

The food is distributed to the schools through the local Catholic vicariate or mission. The schools are mission and state-supported schools in some of the most isolated communities in Ecuador. Breakfast and snacks are prepared daily in the schools. The parents participate by arranging transportation for the commodities to the school, collecting local support in the form of money and/or local produce, and cooking the meals.

4. Food for Work (FFW)

The FFW program involves 700 workers and their 2,800 dependents each month in the provinces of Cotopaxi, Tungurahua, Azuay, Manabi and Napo. The family ration is composed of 15 kgs of rice, ten kgs of rolled oats, ten kgs of dried yellow peas and two and a half kgs of vegetable oil. Approximately 700 family rations, or 26.25 MT a month, are distributed. 315 MT valued at US\$110,187 will be distributed during this fiscal year.

During FY'87, 75 infrastructure and 12 productive projects were completed under this program. Each FFW project involves about 40 workers and lasts three to four months. The local communal work system, the minga, is used as a basis for implementing FFW projects.

5. EEC Milk Program

The European Economic Community provides 325 MT of NFDM to CRS for distribution by SENAPS in Guayaquil, Loja, Ambato, Ibarra and Quito. About 3.2 kgs of NFDM are distributed to 8,500 children of low-income families.

B. Role of SENAPS

CRS delegates virtually all day-to-day Title II operations to SENAPS. SENAPS handles all the paperwork involved in the logistics of the program as well as the actual distribution of food to regional warehouses and to beneficiaries. CRS coordinates with USAID to fulfill the required planning, reporting and auditing functions.

During the period 1974-1978, CRS concentrated on building a strong national socio-economic counterpart with SENAPS. Economic support was provided for the staffing and the logistical costs of

a project department. However, this attempt at establishing a strong national projects department did not materialize. In 1979, CRS Ecuador began seeking relationships directly with the dioceses.

C. Previous Evaluations

In addition to internal and external audits of the CRS Ecuador program, there have been two program evaluations this decade. The first was completed in April 1983 by a joint USAID-CRS team. The purpose of the evaluation was to determine a basis for planning a new CRS five-year development program, including Title II commodities, to be implemented by CRS and its counterparts.

The second evaluation was done by a team of three CRS employees in August of 1985. The evaluation was planned because of the lack of information from the field on the program, the need to analyze the management structure for possible clustering with CRS Colombia or Peru-Chile, and the infrequency of field visits for over two years by CRS/NY. In addition, CRS/NY had not approved the 1985 Strategic Program Plan (SPP) or Annual Program Plan (APP).

1. 1983 Evaluation

The evaluation team of David Nelson (USAID, team leader), Helen Bratcher (CRS/NY) and David Stanfield (USAID) studied the CRS Ecuador program in early 1983. The team observed the Title II program as well as the community development projects funded by CRS since 1973. The team analyzed CRS's objectives and strategies, project identification and design criteria, barriers to implementation of projects, the results of implemented projects, and their unintended negative and positive consequences. The projects studied included community development projects as well as Title II food distribution.

The evaluation team found that the food program lacked supervision on the part of CRS and SENAPS; that CRS Ecuador office kept food projects separated from community development projects;

that the MCH and SF programs lacked planning; that all programs lacked complementary inputs, and that there was no data on the nutritional impact of the food program.

In the overall program, they recommended that CRS:

- 1) Increase activities in development projects;
- 2) Seek additional funding to implement projects;
- 3) Make greater use of consultants to do follow-up assessments of CRS, provide technical assistance on specific projects, and to help CRS perfect its group-developmental model;
- 4) Organize meetings with the bishops to inform them about CRS-supported projects and increase the bishops' commitment to these activities;
- 5) Identify those Dioceses most committed to CRS's development philosophy for priority consideration in future projects;
- 6) Arrange exchanges of project personnel at the Diocesan level;
- 7) Introduce CRS counterparts, intermediary agencies and interested outsiders to the community-organization approach to development.

In the food program, they recommended that CRS and SENAFS:

- 1) Upgrade the quality of the program by providing complementary inputs;
- 2) Gradually expand OCF and FFW activities to other areas;
- 3) Have students in SF participate in meal planning, cooking, serving and clean-up on a rotating team basis;
- 4) Strengthen day-care centers through the development and application of teaching/stimulation aids;
- 5) Undertake an experimental project to determine whether day-care centers can be established in rural areas;
- 6) Evaluate the pilot FFW project to determine its impact on community organization, and if the results were positive,

extend FFW to additional (non-sierra) sites, with the careful provision of complementary physical and human resources;

7) Investigate alternatives to be implemented through the mothers' clubs to the Ministry of Health's cancelled MCH feeding program;

8) Consider monetization of Title II food for capitalizing development programs.

2. 1985 Evaluation

David Loretan (CRS/NY), Rhonda Kogen (CRS/NY) and James Noel (CRS/Peru-Chile) assessed the CRS Ecuador program in August of 1985. The team analyzed the entire program including the development situation in Ecuador; CRS's history in Ecuador and project activity; the Title II food program and CRS's relations with the Church, Ecuadorian and international PVO's, and USAID. The team also evaluated the CRS program staff.

The team recommended that CRS continue with the phase out strategy. With regard to the food program they recommended that:

1) CRS add an income generating component to the Child Survival project to ensure its continuation after food aid and Child Survival funds terminate;

2) Alternative approaches be investigated to combat malnutrition in the Amazonian region;

3) CRS assist the centers participating in OCF in exploring other possibilities for funding;

4) Activities in FFW be either income generating or related to health and nutrition;

5) CRS explore possibilities of transferring the EEC milk program to SENAPS so that SENAPS could become the direct recipient.

The status of all of these recommendations will be assessed in Section IV.

D. Phase-out Plan

In 1982, the USAID mission informed CRS/Ecuador that its Title II food program would be phased out within four to five years. The thinking at the time was that Ecuador, a middle income country, no longer merited such assistance. A plan for a phase-out was established in 1984 to be completed by the end of FY'89. In the FY'87-89 Multi-Year Operational Plan (MYOP) of CRS/Ecuador, the phase-out plan for the three remaining years of the project was described. Due to the over-ambitiousness of this plan, an update was written in May 1987 to develop a more realistic and achievable plan.

One component of the phase-out is the Child Survival project, which is designed to replace the Title II MCH feeding program. As each club completes project training, it will be removed from the list of beneficiaries to Title II. In the phase-out plan, the beneficiary level of MCH is decreased by 1,000 recipients each year. The income generating activities of the Child Survival project are planned to replace the donated commodities, at least partially, and provide funds to finance continued Child Survival activities.

The OCF and SF programs have no decrease in recipients during the phase-out. At the end of FY'89 these programs are scheduled to end, but no complementary activities are currently in place to replace the programs or to ease the transition. Although a proposal was submitted by SENAPs to USAID to fund complementary agricultural activities to replace donated food in OCF and SF, the proposal was not considered appropriate at the time for funding by USAID.

The FFW program is scheduled to gradually phase-out with a reduction of 50 families a year.

E. Proposed Extension of Phase Out Plan

In the SPP prepared in 1987, the CRS Ecuador Country Representative recommended that the Title II program be continued for a defined period after FY'89. After FY'89 CRS should continue the phase-out of MCH, decrease OCF and SF to half the total beneficiaries now being served in those programs and increase FFW to 2,500 workers and their dependents. Total beneficiaries after FY'89 would be 22,500, requiring a total of 1,620 MT of commodities.

III. FOOD AID IN ECUADOR

A. Overview

Until recently, total food aid in Ecuador was nominal, ranging from 9,000 to 15,000 MT annually between 1978 and 1983 (see Table 1). Food aid in 1983 was higher than normal because of severe flooding causing a 14.6% decline in production from the previous year. Earlier figures are not complete, but suggest that similar total food aid levels also prevailed throughout the 1970s.

Most food aid has consisted of grains (primarily wheat), NFDM, and vegetable oil. Two notable changes in recent years have been the introduction of small quantities of rice, and a substantial increase in wheat through the introduction of PL 480 Title I and Section 416 programs in 1985.

The introduction of rice appears to be an anomaly, given that Ecuador is self-sufficient in rice and even has an exportable surplus in some years. In fact, rice production reached a record 550,000 MT in 1986 and the government is now facing the prospect of subsidizing its exports, because rice exports are not internationally competitive.

In contrast, Ecuador is highly dependent upon wheat imports to satisfy domestic demand. In 1985, the government imported about 340,000 MT, 97% of it from the U.S.

There are three principal sources of food aid in Ecuador: the PL480 Title I and Section 416 programs mentioned above; PL 480 Title II commodities distributed by CRS and SENAPS; and, the World Food Program. Additionally, small government-to-government donations are made from time to time, primarily for emergencies. These donations should be reflected in the 1978-1983 figures in Table 1 (FAO statistics); however, no complete figures on these ad hoc donations are available for the years 1984 to 1987.

B. PL 480 Title I/Section 416 Programs

As mentioned above, these two programs were recently introduced

in Ecuador. Table 2 provides a brief outline of these two programs which began in 1985 with the delivery of almost 110,000 MT of wheat. As explained to the evaluation team by the USAID mission in Ecuador, the Title I program was initiated after Vice President Bush made a visit to Ecuador following the inauguration of Febres Cordero as President in August, 1984. We were told that the motive for introducing this program was political - a show of support for a President whose views are similar to those of President Reagan, and to a government which is pro-US. We were also told that the USDA is said to be vehemently opposed to this program because of its potential displacement of commercial sales.

As Table 2 shows, subsequent shipments have been smaller than the first shipment although they are still significant. Two shipments were made under the Section 416 Sugar Quota Compensation Program which provides commodity assistance to sugar exporting countries suffering foreign exchange losses resulting from reduced sugar exports to the U.S. Additionally, a shipment of 30,000 MT under the Food for Progress program is proposed for 1988.

Although the primary motive of these programs may be political, this does not necessarily mean their potential disincentive effects have not been considered. All of programs are 100 percent monetized, with the local currency proceeds providing revenue to support the USAID mission's on-going agricultural development projects. Furthermore, recent import statistics suggest that the large quantities of wheat currently imported through the Title I/Section 416 Programs are just displacing commercial imports. USAID imported a total of 167 thousand metric tons of wheat between the first delivery under the program in November of 1985 and the end of 1986. At the same time, commercial imports of wheat dropped from 341 thousand metric tons in 1985 to 121 thousand metric tons in 1986.

These new programs bear little relation to the CRS PL 480 Title II program, either in magnitude or in commodity composition. There is also no guarantee that the Title I/Section 416 programs will continue after elections next year if, as the local polls are suggesting, a less conservative government is elected to office.

C. World Food Program

The World Food Program has been operating for 20 years in Ecuador. In the last five years the program has increased from 4,500

MT in 1982 to 10,600 MT in 1987 (see Table 3). WFP currently distributes its commodities to 1,285,000 beneficiaries in almost all of Ecuador's 20 provinces.

The WFP is similar to the CRS/SENAPS program in that it seeks to provide donated commodities to the poor and malnourished through Mother-Child programs, Food for Work and School Feeding. WFP also promotes a dairy development project by providing NFDM and vegetable oil to a dairy plant to reconstitute milk and generate funds for investment activities.

Despite this similarity, WFP provides much smaller rations than CRS in all of its programs. For example, the program distributes rations averaging about 1.8 kg per month to 300,000 school children, whereas in the CRS Title II program, school rations are 4.5 kgs. The WFP program in Ecuador is not projected to increase in the next few years.

D. CRS/SENAPS Title II Program

CRS has operated a food assistance program in Ecuador since 1955. In the last ten years, the program has been gradually reduced from just over 4,000 MT to about 1,750 MT, including EEC milk donations (see Table 4). As a result, the CRS/SENAPS program is very small in relation to the other two major programs, contributing on average only 2.5% of total assistance in 1986 and 1987. Even if the PL 480/Section 416 programs were to be phased-out next year, CRS/SENAPS would still only be contributing 17% of the total.

IV. EFFECTIVENESS OF THE FOOD PROGRAM

As with any development program, the effectiveness of the CRS/SENAPS food assistance program should ideally be judged against the objectives the program was designed to achieve. This is not to say that any program should be judged solely by these objectives because frequently programs can produce unintended benefits that should not be discounted.

A. CRS Objectives

CRS recently articulated its goals and objectives for food assistance in the FY'1987-89 MYOP for Ecuador. These goals and objectives are based on expectations of achievements over the next three years rather than past performance because in the past, goals were poorly defined and unrealistic. For instance, in 1985 CRS stated that one of its goals for the MCH program was to reduce infant mortality by 50% within two years. Thus, the team felt it was more appropriate to use the new set of objectives despite the fact they were written after the event. Admittedly, this is an unusual way to proceed especially since the goals and objectives of the food program changed and evolved over the last few years, but the program itself did not. Nevertheless, had the original set of objectives been used, the results of this evaluation would be too obvious.

For the MCH program the FY'1987-89 MYOP states that the objectives for this program are:

- 1) To improve the health and nutritional status of 12,050 children between 0-5 years in 90 communities in the provinces of Cotopaxi, Azuay and Manabi;
- 2) To establish a nutrition and health program in three targeted provinces that will be operated and maintained through local womens' clubs by trained promoters and health workers.

For the OCF centers the objectives are:

- 1) To provide additional food to supplement childrens' diets, thereby increasing daily caloric intake;
- 2) Improve learning capacity by preventing hunger during early stimulation exercises (pre-school children) and lessons (school-age children).

For SF the objectives are:

- 1) To encourage and increase more regular school attendance through a school breakfast feeding program;
- 2) Improve learning capacity by preventing hunger during lessons and to contribute to increased concentration of primary school children.

The sole objective for FFW projects is:

- 1) To increase production and productivity through the development of needed infrastructure.

CRS does not actually implement the Title II programs; this function is reserved exclusively for SENAPS. Thus, the team felt it was important to take into consideration SENAP's own goals and objectives, especially since their objectives are different than those of CRS.

SENAP's overall objectives for the food assistance program include:

- 1) To provide the adequate distribution of resources so that beneficiaries receive the food in a just and equitable manner;
- 2) In acknowledgement of the fact that the donation of food is a temporary form of assistance, to assist communities learn how to solve their own economic problems;
- 3) To create the necessary conditions to ensure that the donation of food aid does not engender paternalism, but rather preserves human dignity and initiative;
- 4) To use food aid as an instrument to accelerate economic development and support social development.

While these four objectives comprise the only stated objectives of the food assistance program, the list is probably incomplete. One must bear in mind that SENAPS is an operational arm of the Catholic Church in Ecuador. As such, it must share and promote the overall objectives of the Church and specifically, the objectives of the Bishops under which the program operates. While these goals are difficult to enumerate, they most likely include the giving of charity to the truly needy and the promotion of the Catholic Social Doctrine. Furthermore, at the Diocesan level

the food distributed to MCH clubs is handled through the Department of Human Promotion (Promocion Humana). Objectives for this department include:

- 1) To help prepare women to better participate in family and community decisions through improving their social and cultural formation;
- 2) To develop mechanisms of production and marketing which will permit women to improve the economic situation of their families.

B. Field Observations

The purpose of this section is to document the observations the team made during its field visits. The team feels that CRS lacks information about how the program is operated in the field. Without such information, it is difficult to determine whether or not the program is improving over time. Hopefully this information will be used as "baseline" information from which to judge progress.

The team was only able to allocate three days for field visits: one day to visit FFW projects; another day to visit MCH, Child Survival activities and OCF centers; and, the last day to visit additional OCH centers and the port operations in Guayaquil. It was not possible to observe any school feeding programs since the schools were in recess for the summer.

1. FFW Program

The team was told that for FY'1987 FFW activities are programmed to operate in five provinces. However, during the team's visit, FFW was only operating in the province of Tungurahua. This is due in part to the diversion of food commodities from the FFW program to the earthquake emergency program since March 5, 1987.

The local Diocesan supervisor accompanied the team to three projects: two community centers and a communal latrine project. The supervisor explained that approximately 200 family rations per month are distributed to his Diocese, enough to operate in four to six communities depending on the size of each community. The Diocese had decided it wanted to work in more communities. Rations sizes are therefore divided in halves or thirds so that

about 15 FFW projects operate at any one time.

In this province, and throughout the Sierra, communal work is organized through the minga system, a traditional form of communal organization. Projects undertaken by communities include the construction of schools, community centers, potable water systems and feeder roads.

The Diocese has specific rules regarding the use of FFW for mingas: 1) the communities have to be in the midst of a project before FFW will be approved for that project; 2) at least one member of each family has to work a minimum of four mingas per month (four days of work) to be eligible for the family ration; 3) the community has to contribute its own resources to the project.

During our visit to three FFW projects, the team made the following observations:

Rations - As noted above, FFW rations in this province were divided arbitrarily at the discretion of the local Diocese. The size of the monthly ration varied by project, ranging from 15 to 30 pounds of food per family. Each community contributed to the local Diocese for food received--three sucres per pound of dry food and ten sucres per liter of oil. The monies were being used for two activities: a revolving loan fund for purchasing community tools and for the training of about 40 first-aid workers to distribute donated medicines.

Project selection - Two of the three projects visited were community centers. The team had mixed feelings about the need for these centers. In one case, the community center was built because the women's club has no meeting place. In the second community, there were already two recently constructed school-rooms (one built with help of a former FFW project) and a small warehouse, all of which were empty.

In the latrine project, FFW was combined with resources and technical assistance provided by the government. In no case did the Diocese supervisor support FFW projects for more than three months, even if this was not sufficient time to complete the project.

Targetting - Most participants in FFW projects appeared to be

poor farmers and their families. They said almost everyone had some land. The average size of their farms was about one hectare, not enough to feed a family given current productivity levels. There seemed to be no lack of day work for men (albeit at very poor wages), so the women often worked the mingas.

2. MCH/Child Survival

The team spent a full day visiting MCH and Child Survival activities in the province of Cotopaxi. In this province, there are presently 76 womens' clubs being promoted by the local Diocese. Of these 76 clubs, 30 are receiving Title II commodities, an additional 20 or so are receiving donated clothing, and the rest receive no material resources besides promotional visits from the Diocesan team.

Ten of the 30 clubs receiving food have also been receiving Child Survival training for about a year. In September of this year, the project will expand to incorporate ten more womens' clubs, and the following year the remaining ten will be incorporated. After each club has received a year of intensive assistance from the Child Survival team, the club will receive one more year of guidance. At the end of the second year, both the food and the guidance will be discontinued, the idea being that the club will be able to continue as an independent group.

Dividing each of the ten womens' clubs into three groups, the schedule for the Child Survival program works as follows:

FY'87 - Group 1 (CS and food); Groups 2 and 3 (food only)
FY'88 - Group 1 (guidance and food); Group 2 (CS and food); Group 3 (food only)
FY'89 - Group 2 (guidance and food); Group 3 (CS and food).

As scheduled, the third group of women will not receive a year of guidance, nor will they receive food after their year of Child Survival training. It might be wise to continue MCH rations for group three through FY'90 to complete the Child Survival program as planned.

While visiting the province, the team was able to visit some of the Child Survival beneficiaries in their homes (we were not able to see a Child Survival meeting), and two MCH club meetings (groups that are not yet receiving Child Survival). The following

observations were made:

Rations - It was difficult to ascertain the exact ration size or composition. The Diocesan supervisor said that she often did not have all the commodities she was supposed to receive so she mixed and matched commodities as she saw fit. Each mother was donating approximately 150 sucres per month for the ration. The fund was used to finance transport costs and capitalize the club's activities.

Technical Assistance - The team visited home gardens supported by Child Survival. The gardens appeared to be struggling because it was the dry season and there was no model garden to demonstrate improved techniques. The agronomist seemed to have difficulty in establishing which vegetables to grow in each season. The latter point is particularly important because all of the gardens are rain-fed with no irrigation, as is all agricultural production in the region.

Club Activities - All of the womens' clubs the team visited are involved in various activities such as knitting and crocheting (some clubs had sold their products), gardening, chicken raising and community stores. Many of these activities suffer from lack of financial and/or technical assistance. The MCH clubs, not receiving Child Survival training, receive occasional nutritional and health instruction from nuns although there appears to be a lack of teaching aids.

3. OCF Centers

OCF centers include day care centers, boys and girls reformatories, orphanages and centers for mentally and physically handicapped children. Some of the centers are supported by the state, others by the church or other private organizations such as Lion's clubs.

The team's visits to a reformatory, two orphanages and day care centers were brief - there was little time to do more than ask questions and form general impressions. The centers appeared clean, well-staffed, and well run. It was impossible to determine either actual numbers of beneficiaries or ration sizes. Both the number of children at the centers, and the amount of food received varies from month to month, the former not necessarily corresponding to the latter.

All of the institutions expressed a clear need for the assistance CRS is providing and have not yet made plans to solicit addi-

tional assistance should CRS terminate its contributions.

C. Assessment

1. Nutritional Impact

It is impossible to determine whether any of the programs are having any nutritional impact on the intended beneficiaries, with the exception of the Child Survival Program. This is the only program collecting data, weighing children, and providing a reasonable level of nutrition education. Since CS has only been in operation for one year, none of the baseline data have yet been analysed so the team was unable to use the information. Analysis is scheduled to begin this fall.

Since the other programs have not been designed to measure nutritional impact, nutritional impact is difficult and costly to assess. Without baseline data, one would have to design comprehensive field surveys to evaluate beneficiaries from all programs, establishing control groups for each. Samples would have to be carefully selected and statistically valid. Data would then have to be collected and the analysis performed. This is well beyond the Scope of Work for this assessment.

It is important to point out that CRS/Ecuador's operational plan for OCF and SF programs specifically avoid stating the achievement of a nutritional improvement as an objective. Instead, the objectives of these programs emphasize increasing daily caloric intake and improving learning capacity through the provision of food. Nevertheless, neither of these programs has been designed to measure the achievement of these objectives either.

2. Income Supplementation

Although not a stated objective of the PL480 Title II program in Ecuador, the team was asked to assess whether or not the provision of food aid provides an income supplement to the beneficiaries.

It is impossible to determine the exact amount of the income supplement received by these groups as the amount depends on transport costs, administration fees (which vary by Diocese), the total amount each group collects for the food and how much food is actually distributed.

In theory, if the food ration is additional to the recipient's diet, then the food is being invested to increase food consumption, not as savings for other purposes. If not (i.e., total food consumption by the family does not increase from the provision of food aid), then the income supplement is equal to the local market value of the ration less the transport and administration costs mentioned above. The local market value of the rations for each of the programs is as shown in Table A.

In order to arrive at a figure, one would have to know family consumption patterns both before and after receiving Title II commodities, in addition to a detailed breakdown of the costs mentioned above. This information is not available.

Table A

Local Market Value of Title II Rations - Ecuador

Commodity	FFW		MCH		OCH/SF	
	Quan. (kg)	Value (suc)	Quan. (kg)	Value (suc)	Quan. (kg)	Value (suc)
SF Oats	2	132	2	132	1	66
Rice	3	198	2	132	1	66
Veg. Oil	.5	165	.5	165	.5	165
Peas	2	154	-	-	1	77
NFDM	-	-	-	-	-	-
Total	7.5	649	4.5	429	4.5	759

Source: Retail prices in Ambato and Latacunga.

\$1.00 = 195 sucres.

We did ask the beneficiaries if they are saving on their food costs, and if so, how they are investing these savings. In FFW, the communities are using their group funds to buy cement and concrete blocks for the projects. In MCH, two of the groups visited have invested their savings in a community store allowing them to buy in bulk and sell at cost. In one store, rice for example, was selling at 20% off the local retail price. None of the groups, however, could give us exact figures.

3. Community Development

The team believes that the most important benefit of the Title II program in Ecuador is its impact on community development. While the womens' clubs the team visited were originally organized to receive Title II donations, all of the clubs are active in income-generating and other activities as noted above. Furthermore, there is some evidence (based on our observations and interviews) that the increased social interaction of the women in both FFW and MCH is providing a sound support system while the activities are increasing their confidence in their ability to handle money, make decisions, and solve their own problems. This benefit should not be discounted.

Both the team and the Diocesan supervisor feel that some of the MCH and FFW groups are ready to graduate from the food program to more complex forms of development activities, but they will have to find the resources to help them expand their activities. Whether or not they can or do, is an important question and points to a lack of information within both CRS and SENAPS. Neither organization has established an information system to evaluate what has happened over the years to the hundreds of groups they have assisted. If food acts as a catalyst to bring groups together to begin solving their own problems, then a test of whether this is a justifiable motive for donating food lies in knowing whether or not these groups stay together after the food is withdrawn. We believe that many of the groups will stay together but we have no evidence indicating that this objective has been met in the past.

D. Conclusions

Without performing a detailed analysis, it can not yet be determined whether the Title II program is improving the nutritional status of the program beneficiaries. The Child Survival program is the only program designed to readily measure such an impact, but until this program was established, achieving a nutritional impact received very little emphasis either by CRS or SENAPS.

In the FFW projects, although it is possible for CRS to meet its objectives in the water and hygiene projects, it is doubtful they can be met with community centers. There is little evidence that community centers either increase the income of communities or enhance productivity. A more logical way to proceed might be to approve the construction of community centers only in instances where the community has already established income generating

activities, not just construct centers in the hopes that such activities will be established.

Finally, there is no information collected to establish that the distribution of Title II commodities to OCF centers either increase daily caloric intake or improve the learning capacity of the children. A much more tightly designed and monitored program is necessary in order to achieve these objectives.

In contrast, SENAFS believes that their objectives are being met. The Diocesan supervisor for the FFW projects believes that reducing ration sizes to cover many more communities is a much more 'just and equitable' way to deliver the food, and helps avoid paternalism and dependency. The team did learn that the local market value of the approved monthly family FFW ration is 3250 sucres. Once estimated transport and administrative costs are subtracted, this is equivalent to payment for approximately 11 days of work at the local daily wage rate. Since families only work an average of 4 mingas a month, the Diocesan supervisor's decision to reduce ration sizes may be justified. SENAFS should consider, however, the trade-off between these benefits and completing and achieving high quality projects.

Much of the same can be said about the MCH clubs not receiving Child Survival training. The emphasis is not on nutrition but rather on the social and economic development of women improving their ability to fulfill their obligations as a wife, mother and member of the community.

A few words should also be said about the the 1983 and 1985 evaluations. With the exception of the recommendation in the 1983 evaluation to expand the OCF program, both evaluations are valid and offer reasonable suggestions. The 1983 evaluation provides a particularly good discussion on CRS's community development strategy and offers several suggestions on how 'process-oriented development' can be evaluated.

After the field trip and many discussions the team learned that, with very few exceptions, the recommendations for the PL480 Title II program in both evaluations have not been implemented. Regarding the 1983 evaluation, with the exception of Child Survival, the quality to the Title II program has neither been upgraded nor received any complementary inputs. The OCF centers have not been strengthened nor has any pilot FFW project been evaluated.

Regarding the 1985 evaluation, no alternative approaches to combat malnutrition in the eastern lowlands have been investigated, nor has CRS helped OCF centers obtain other sources of funding. Additionally, FFW projects have not been upgraded. The only input to the food program since this evaluation has been Child Survival.

V. CURRENT STATUS OF THE PHASE-OUT PLAN

A. Activities Established To Date

With the exception of the Child Survival program, no other phase-out activities have been implemented to date. Since FFW has a built-in phase out, the concern has been with OCF and the SF programs.

With respect to OCF, the difficulty of designing and implementing a phase-out strategy for these centers is that they are charitable institutions. As such, they are by their very nature dependent upon external resources, be it from CRS, the Government, or other international donors.

Both USAID, CRS/Ecuador and the local Church are concerned about what would happen if the food donations to these institutions were simply cut off. It must be stressed that food is an essential expenditure these institutions must make. As such, if the food were cut off, these institutions might be forced to substitute into more economical and less nutritious food, or simply feed the children less. However, these institutions are equally likely to make sacrifices in other areas such as cutting back on maintenance costs, equipment, and perhaps even staff. The point is that because Title II donations represent only about 20% of a child's food needs (and even this is uncertain given how the program is presently operated), no child is necessarily going to go hungry if the program is terminated.

This view is reinforced by the fact that several of the institutions visited are already receiving financial and in-kind support from a variety of both private and public institutions. There is reason to believe that these institutions would simply step up their efforts to obtain more resources if the food assistance were discontinued. In fact when asked, several of the institutions responded that that is just what they would do.

CRS must also ask itself if it should have a role in supporting charitable institutions in developing countries. If the answer is affirmative, than a more cost-effective approach to assisting these institutions may be to provide them with some financial support or teaching and stimulation aids.

If CRS does not believe supporting charitable institutions is its proper role, then it should get out of the institutional feeding business, except perhaps in the poorest countries where the food may be achieving an improvement in nutritional status and/or the country is too poor to look after its own charities. However, any decision to do must also consider CRS's relations with the local Church.

Regarding the SF program, SENAPS has suggested that CRS help start school gardening projects, the idea being that the produce from the garden could substitute, at least partially, for the food program. This strategy is questionable on several grounds: first, the record of achievement of school gardens is less than sterling; and secondly, it would take a very large garden indeed to substitute for even just a portion of Title II donations. Moreover, CRS has not given much priority to date in providing the necessary resources such a strategy would entail. A more effective approach might be to establish food production FFW projects with the community as a whole, such as small animal raising and the cultivation of staple crops.

B. Alternative Sources of Assistance

CRS/Ecuador is aware of the specific problems associated with phasing out food assistance programs in SF and OCF centers. A major consideration is the position of the local Church which strongly supports such programs.

Several months ago CRS began discussing the issue with the WFP to assess their interest in incorporating these programs into their own. WFP did not express much interest in the OCF program reminding CRS of the the program's history. Apparently, UNICEF used to handle the program but phased it out some years ago with the understanding that the Social Welfare Ministry would assume responsibility. The Ministry, however, appealed to the Church and the Church to CRS - thus the reason why these institutions are included the the Title II program. The response by WFP was that the UN does not want to pick up a program which was meant to be phased out years ago.

The WFP has expressed an interest in the SF program. It would present both a challenge and an opportunity to expand their particular type of school feeding program to more remote areas. Current WFP school feeding program sites are usually determined

by their proximity to food processing centers, facilitating the daily preparation and transport of pre-prepared snacks to the schools.

The team met with the local WFP representative who again expressed her interest in taking over the program. She informed us that since they are already feeding 300,000 school children, an additional 10,000 could easily be incorporated, provided the logistics did not prove insurmountable.

CRS/Ecuador should pursue WFP's offer. A trip to the Oriente with them should be planned to begin assessing whether WFP can respond to the challenge of providing food to remote jungle locations.

To the team's knowledge, no other institutions that might assume responsibility for the OCF and SF programs have been contacted to date; CRS/Ecuador should make this a priority. At the very least, both the provincial and national governments should be informed if the intended phase-out plan is continued. This will give them time to fill the gap, should they choose to want to do so.

VI . ADMINISTRATIVE AND MANAGEMENT CAPABILITY OF CRS/ECUADOR.

A. RESPONSIBILITIES

Under the terms of PL480 Title II, Catholic Relief Services must account for commodities from the Port of Loading in the United States until it is consumed by the end-use beneficiary overseas. In Ecuador, this responsibility is transferred to CRS/Ecuador which must establish a system of administration to assure records of receipt and distribution are kept accurately and up to date, and fully account for all supplies.

1. PLANNING.

Planning a Title II program involves the submission of an Operational Plan to the local USAID Mission which describes the problem being addressed, the intervention proposed, the objectives to be achieved, the food resources required, and the administrative system to be utilized to deliver the resources and monitor program performance. Also included is a summary of the local financial inputs to be made by CRS and others to support the program activities. When the Operational Plan is approved by USAID, an AER is presented for signing specifying the recipient breakdown by program category, the rations per recipient, and the total metric tonnage required of each commodity.

The AER and the Operational Plan are forwarded to CRS/NY after the USAID/MISSION Director signs it. When CRS/Ecuador receives approval of the AER from AID/W, CRS informs SENAPS in writing specifying the recipients and tonnages approved by category and commodity.

2. SUPERVISION.

CRS/Ecuador must provide adequate staffing to administer the program, and must have an American citizen representative. In addition CRS should provide a Manual of Operations to guide the

counterpart organization in administering Title II resources. This Manual should define responsibilities at all levels of operation beginning with port operations through receipt by the end-use beneficiary. The system of record keeping and reporting should be outlined in the Manual.

3. MONITORING/EVALUATION.

Another important responsibility of CRS/Ecuador under Title II is to establish a system to monitor the flow of resources and obtain reports which will account for the delivery and use of food resources provided by the program. There are three basic monitoring elements required under Title II:

a). COMMODITY REPORTS.

CRS/Ecuador must report the flow of food resources from the port of entry to the Diocesan centers on a Commodity Status Report. Actual food distribution at the centers must be reported on the Recipient Status Report. These reports are prepared on a quarterly basis for USAID and a copy is sent to CRS/NY.

b). CLAIMS REPORT.

A Survey Report is provided by an independent surveyor at the port of entry to record all losses at discharge. Reports of losses are forwarded to CRS/NY for Claims action.

A Claim/Loss Register must be maintained to record all losses, and as necessary claims must be pursued against any party liable for them.

c). FIELD REVIEWS.

Field reviews or end-use checks are required under Title II. CRS/Ecuador should perform end-use checks and record the findings on a report form. Any action which must be taken to improve performance at the center must be shown on the report.

d). INTERNAL REVIEWS

Evaluations may be performed when an Operational Plan has defined quantifiable objectives, such as in MCH or FFW projects. These evaluations, designed to measure the achievements of the food program against stated objectives, could be conducted by an outside agency which has experience in evaluating development programs in the country. Independent of these evaluations, the country program should carry out periodic internal reviews to measure performance against annual objectives.

B. PAST PERFORMANCE.

1. PLANNING.

The team examined the planning process for developing the FY 87 AER request to determine how the Operational Plan information was collected and whether any analysis was undertaken to measure the performance of the previous year's program. AER statistics and the Operational Plan were compiled based on the phase-out plan and the guidelines forwarded to CRS/Ecuador by USAID. However, there was no written request from SENAPS detailing their needs.

SENAPS concurred that the AER form was completed by them based upon the three-year figures provided by CRS/Ecuador in the 1987-1989 Multi Year Operational Plan. There was no dynamic planning process involving the Diocesan offices, and overall planning was minimal.

In FY 87, CRS/Ecuador did not give written approval of the AER to SENAPS. SENAPS notified Diocesan offices through a general circular which listed the recipients for each Diocese by program category.

This could explain the lack of enthusiasm and uncoordinated programming during our visits to Diocesan programs in Guayaquil and Ambato. Without being involved in the planning process each year, the Dioceses could become distant from CRS and Title II program goals. The exception to this is in the MCH centers which also participate in the Child Survival Project. Regular visits by CRS staff have instilled motivation and enthusiasm for CRS program objectives.

2. SUPERVISION.

In recent years there has been very little supervision of the Title II program by CRS/Ecuador, since there were no staff positions assigned to Title II food management in the FY 86 and FY 87 budgets. It was only with the arrival of the present country representative in September 1986 that interest in the food program was renewed. The USAID audit pointed out the ten-month lapse in assigning a US country representative to the CRS/Ecuador office.

The audit also requested that CRS develop a formal plan to conduct periodic internal reviews, make physical inventories and assume control over report preparation and end-use checks. In response to the USAID audit recommendations, the CRS will prepare a formal plan of internal reviews. In addition, CRS appointed a second US citizen assigned at least 50% of the time to the Title II program.

3. MONITORING/EVALUATION

a). REPORTING

One of the major findings of the USAID audit was inaccurate and late CSR/RSR reporting, and the fact that SENAPS records cannot be reconciled with the actual state of affairs at the Diocesan warehouses. The audit also stated that SENAPS and CRS/Ecuador do not check the accuracy of reports nor do they analyze the contents before forwarding them to USAID and CRS/NY.

CRS/NY pointed out to CRS/Ecuador in a May 1987 memo that the CSR/RSR reports are not being completed correctly. Currently SENAPS and CRS/ECUADOR report the same levels of distribution by category on both the CSR and the RSR reports. Since the CSR reflects Diocesan distributions from the warehouses and the RSR shows distributions at community-level centers, it is unlikely that the amounts would be the same. SENAPS assumes Diocesan distribution is the same as end-use distribution of commodities; however this indicates that SENAPS and thus CRS are not aware of the actual utilization of supplies by the end users. This reporting deficiency was confirmed by SENAPS.

b). CLAIMS REPORTING

Currently, CRS/Ecuador does not maintain a claims register to record losses reported from the port and by Dioceses. Due to the small amount of the losses reported (under \$300), claims are normally not pursued. However, according to regulations, all losses should be reported to USAID. Port losses are nominal but some effort should be made to reconcile differences between survey reports and the summary of shipments from the port, which is provided by the Guayaquil Diocesan office.

c). END USE CHECK REPORTS.

CRS/Ecuador has not undertaken a sufficient number of field reviews to monitor performance of the food program. There is no end-use check form used by CRS, and only after September 1986 were a few written reports on visits to Diocesan or distribution centers found. CRS/Ecuador should design an end use check form which should be completed by staff during visits to the field.

C. CAPABILITY OF CRS TO ASSUME RESPONSIBILITY FOR AN EXTENDED PROGRAM OPERATION

1. STAFF REQUIRED

With the arrival of the present CRS Country Representative in Ecuador in September 1986, the program began to move toward better food management. An initial field visit to a Diocese revealed deficiencies in management and control of the food program, and after a follow-up audit of the situation, CRS and SENAPS took corrective action.

CRS recently appointed another US citizen to the program who will spend 50% of her time to supervising the food program. CRS/Ecuador indicated in its response to the USAID audit that additional SENAPS staff could be assigned to this activity if it was found that current SENAPS coverage in the field was insufficient.

2. SENAPS/CRS

The CRS/SENAPS relationship has always been good. Surprisingly, discussions about the USAID audit have brought the two agencies closer together to improve program management. Although CRS/Ecuador has dedicated minimal management attention to the food program in past years, recent meetings with the President of the Bishop's Conference and SENAPS concerning the USAID AUDIT have emphasized the shared responsibility of CRS and SENAPS to manage the food program. The Bishops feel CRS should resume its role as a cooperating partner in the program.

3. KEY MANAGEMENT PRIORITIES

CRS/Ecuador must re-examine its role in Ecuador with regard to the food program. If food is to be resource in CRS's strategy of assistance in Ecuador, CRS must make reasonable efforts to see that it is managed well and has an effective impact.

The present SENAPS administrative system is slow and inefficient. A management tool which could be utilized by CRS/Ecuador is a computerized system to record commodity requests and shipments, to allocate commodities, to record and follow-up on claims and to measure accountability and impact. Communications systems in Ecuador appear to be adequate, except perhaps in the Amazonian provinces, so that the information flow between Diocesan Centers and Quito could be efficient enough to provide information and obtain reports quickly. CRS/NY is developing a computerized commodity tracking system, and CRS/Ecuador should request that CRS/NY Information Systems Office send information about it.

VII. ADMINISTRATIVE AND MANAGEMENT CAPABILITY OF SENAPS

The 1966 formal agreement between CRS and SENAPS defines SENAPS' responsibilities regarding the Title II Food Program. SENAPS is expected to carry out the administrative activities required of CRS under Title II PL480 legislation.

SENAPS has full responsibility for the day to day operations of the food program and makes day-to-day decisions with minimal consultation with CRS/Ecuador. SENAPS seeks regular guidance from CRS on programmatic issues. SENAPS' principal responsibilities are:

- 1) To establish an office in Quito to manage program operations, with a staff of three;
- 2) To establish an office in Guayaquil to receive and monitor food shipments, to dispatch commodities to 15 Diocesan warehouses, to obtain an independent survey report on each shipment to report losses, and to deal with Port Authority officials on any issues effecting clearance and forwarding operations;
- 3) To organize Diocesan offices so that they can administer and control food resources, including storage and transport;
- 4) To pay transportation costs of commodities from the port of entry to Diocesan warehouses. Transportation expenses are later reimbursed by the Government of Ecuador based upon a 1983 Agreement between the Ecuadorian Bishops Conference and the Government;
- 5) To provide CRS/Ecuador with survey reports on each shipment;
- 6) To carry out field reviews of a significant sampling of food centers during the program year, and to provide end-use check reports on their performance;

- 7) To obtain monthly reports of commodity receipts and distribution from Diocesan offices, and to provide CRS with quarterly status reports;
- 8) To track losses reported from port, Diocesan and distribution centers and to maintain a claims register and to pursue claims against any party responsible for the losses;
- 9) To prepare and present each year to CRS/Ecuador the AER and Operational Plan;
- 10) To provide CRS/Ecuador with any program information required by CRS/NY or USAID/Ecuador.

B. PAST PERFORMANCE

* 1. OVERVIEW

The CRS PL 480 Title II food program has operated in Ecuador for 30 years; SENAPS has run it for 20 years. Commodities have generally moved from the port to Diocesan warehouses with very few losses. However, in assessing overall SENAPS management, it is useful to examine their reasons for providing food assistance. SENAPS' goal is to meet the immediate needs of the poor, and build on this relationship to lead the poor to self-sufficiency.

2. PLANNING

SENAPS' planning for the annual Title II AER is minimal. In FY'87 SENAPS used beneficiary and tonnage levels that had been approved by CRS and USAID in 1986 as part of the phase-out plan. The Diocesan offices were not asked to submit a plan requesting and justifying the need for food. However, the team finds that without the participation of the Dioceses in the planning of the program, the Operational Plan has little meaning. The exception to this is the MCH program, which through the Child Survival program undergoes a regular planning process involving CRS and the Dioceses.

The general lack of planning was evident when the team visited the Diocesan offices, where ad hoc decisions are frequently made to provide resources as new needs occur. Initially, five FFW projects had been approved for the Diocese of Ambato at full ration levels. However, as more centers applied for resources, the Diocese approved new projects and the ration was simply divided among the new number of projects, cutting the ration per worker. It could not be determined if the amount of food actually approved for a project had been distributed.

3. SUPERVISION

SENAPS' Physical Resources Department provides overall supervision of the food program in Quito, and is staffed by a Department Chief and two Supervisors. SENAPS reported that in accordance with their objectives, it supervised only about 30% of the centers in FY 86. The team thinks it is technically feasible and that SENAPS should increase the number of supervisory visits to the Diocesan offices and distribution centers.

The USAID audit indicated that supervisory visits done by SENAPS were deficient and that the distribution centers were unaware of many Title II administrative requirements. The audit recommended that CRS and SENAPS develop a supervisory visit plan for the balance of 1987. This has been implemented.

4. MONITORING AND EVALUATION

The USAID audit found SENAPS' monitoring activity to be deficient. Little guidance is given to Diocesan offices and distribution centers, and there is little analysis and follow-up done of reports. The Chief of the SENAPS Physical Resources Department agreed that many deficiencies exist, but said the system could be improved.

The USAID audit basically separated their recommendations into accounting (record keeping) and management areas. The recommendations indicated that SENAPS/CRS must concentrate on improving the national and Diocesan administration and management. The team finds that involving the Dioceses in planning and specifying operational procedures through a new Manual of Operations would greatly improve the present system.

C. CAPABILITY OF SENAPS TO ASSUME RESPONSIBILITY FOR AN EXTENDED FOOD PROGRAM

1. OVERVIEW

Despite the weaknesses, the team found that SENAPS has an effective system in place to manage food resources. In FY'86 there were only nine Title II commodity shipments to Ecuador, and in FY'87 there should be a similar number. Therefore the administrative burden to track the commodities to their final destination and report on utilization is not overwhelming.

SENAPS should focus on upgrading its national and Diocesan level management. The major areas needing improvement are planning, establishment and implementation of guidelines for project and beneficiary selection, consistent allocation of resources and expanded monitoring of distribution centers by Diocesan as well as national staff.

2. STAFF REQUIREMENTS

The current SENAPS staff has sufficient experience in implementing the shipping and logistics aspects of the food program, and they perform these functions well. However, the two supervisors require training to upgrade their skills in supervision and monitoring, and these skills should be then transferred to Diocesan and distribution center personnel.

SENAPS also requires upgrading in program planning and evaluation. SENAPS should consider hiring one additional SENAPS staff member in Quito to clearly establish program objectives, dynamize the Diocesan planning process, analyze reports and follow-up on supervisory visits made by the two supervisors. This person would also help develop the annual AER and operational plan, by integrating critical information from the Diocesan plans and from reports of supervisory visits.

The team finds that perhaps the most important staffing area requiring improvement is at the Diocesan level. Diocesan staff should be trained (or re-trained) to plan their programs, to better select projects and beneficiaries based on clear criteria, to better use the information they collect for their reports, and to improve the quality and number of end-use checks performed.

3. KEY MANAGEMENT PRIORITIES

- a). Improve the planning, monitoring and reporting capability at the national and Diocesan level.
- b). Institute a practice of annual, quality internal reviews.
- c). Improve program performance at distribution centers.

VIII. OUTLOOK FOR FOOD AID RECIPIENTS

A. The Economic Crisis in Ecuador

1. Background

To assess the outlook of Title II beneficiaries in the context of the current economic situation in Ecuador, one must have some knowledge of both the origins and nature of Ecuador's current problems. This section provides such an overview.

For Ecuador, the discovery of oil has been a mixed blessing. It has greatly accelerated development and increased per-capita income, but has also created an over dependency on a single source of foreign exchange. The economic boom of the 1970's, facilitated by the quadrupling of world oil prices in 1973, allowed considerable progress in health care and education, as well as nutrition, so that Ecuadorians are now better fed, clothed and educated than ever before. Real per capita GNP rose from US\$862 in 1970 to US\$1,373 in 1980 (at constant 1980 prices), elevating Ecuador to middle income status in the hemisphere.

The rising income of the 1970s produced significant changes in the dietary patterns of the population. The consumption of wheat bread, refined sugar, vegetable oil, beef and poultry expanded, while consumption of potatoes, soft corn, barley, and unrefined sugar declined. Rapid population growth and urbanization magnified the effect of these changes on food demand. Wheat bread, heavily subsidized until recently, has become the favored staple. Wheat has also become the primary food import, and quantities have grown significantly from only 65 thousand tons in 1970 to over 340 thousand metric tons in 1985. (See table 5 for some recent import statistics.)

The oil revenues enabled Ecuador to embark upon a substantial investment program, with investment expenditure almost doubling between 1973 and 1980. Despite increased revenues, consumption outpaced the growth of revenues, and the current account deficit increased from US\$77 million in 1972 to US\$640 in 1980. It then almost doubled again to US\$1,195 by 1982. This situation was exacerbated by an overvalued exchanged rate, stagnating agriculture, low domestic savings, and import protection cushioning industry from the need to be competitive.

By 1979, it was becoming clear that Ecuador was too heavily in debt. The huge deficits were financed by substantial foreign borrowing, mostly medium-term loans at high interest rates. The situation deteriorated further in the early 1980s when cocoa, coffee and oil prices fell and interest rates rose.

This prompted the government undertake a series of economic measures (an IMF stabilization package) including the devaluation of the sucre, higher taxes, a start to the removal of food subsidies and the institution of demand management policies.

The country's problems were compounded in 1983 when freak weather conditions badly affected agricultural production, including the main export earners. The Nino floods, together with sharply increased domestic fuel prices, further phasing out of subsidies and additional devaluations, led to an inflation rate of 48.1% in 1983, compared to 12.8% in the previous year.

In August of 1984, Leon Febres Cordero was elected as President on a platform emphasizing free markets and monetarist economic policies. The government's priority was to fight inflation via balanced budget and a tight grip on the money supply, and to diversify exports. To that end foreign investment was encouraged, ceilings on interest rates eliminated, and the sucre was again devalued.

B. Recent Performance

Recent economic performance has been affected by two events: the precipitous fall in oil prices in 1986, and the earthquake in March of this year which interrupted oil production. Both events have necessitated restricted government spending, the suspension of debt servicing, an 80% increase in the domestic price of gasoline, and the freezing of prices for 17 staple goods including rice, sugar, cooking oil, potatoes, and wheat flour. As a result, GDP growth slowed to 1.7% in 1986 compared to a 3.8% increase in 1985. The prospects for economic growth this year, tenuous before the earthquake, are dismal and a contraction, or at best stagnation, is now the most likely scenario. CONADE, the National Development Council, has recently forecast a big increase in the current account deficit, a steep rise in the public sector deficit, higher inflation and a deepening recession.

On the brighter side, overall agriculture GDP grew by 5.0% in 1986. The strongest subsectors were crops for domestic consumption (6.5% growth) and fisheries up by 8.0%. Export agriculture grew by 6.0%. The prospects for 1987, however, are discouraging. A combination of bad weather and tumbling international commodity prices now seem sure to damage severely the prospects for agricultural growth and increased export earnings. Producers are predicting shortages of basic foods whose prices have been frozen and this will add inflationary pressure as hoarding and black market rates take their toll.

In the present situation unemployment is sure to increase. Unemployment was around 14% in 1984 and, after dropping to 10% in 1985, rose again to 12% in 1986. Most estimates predict that joblessness will rise a further 2 percentage points in 1987.

C. Outlook for Recipients

Broadly speaking, Title II beneficiaries are the rural poor in Ecuador. While many of the recipients (or their families) are engaged in farming, their average size of land holding is about 1 hectare or less, insufficient to sustain an entire family given current productivity levels. The heads of households seek full-time off-farm employment working in construction or as farm laborers. Thus, these recipients are net consumers of foodstuffs rather than net producers and as such, they are hurt by rising food prices to the extent that rural wages do not keep pace with inflation.

The present government has made a conscious attempt to keep wage increases lagging behind inflation as table 6 shows, and since 1983, real farmgate prices have been rising (see table 7). The difficulty with these statistics is that there is no guarantee that day labor wage rates have even kept pace with the recent rises (in nominal terms) in minimum rural wages. Presently, a fulltime farm worker earns around 6000 sucres per month (based on a five day work week) but there is no published information on trends.

In general, however, since the poor have a higher marginal propensity to consume food out of additional income, any drop in their income will affect their expenditure on food more in percentage terms than those who are better off. To analyse the effect a decrease in expenditure of food has on consumption

patterns and nutritional status, one would need detailed price and income information, income and cross-price elasticities for various foodstuffs, and detailed household consumption surveys. This information does not exist. One might get a general feel for the situation by looking at recent Ministry of Health statistics to see if there had been an increase in reported cases of malnutrition, diarrhea, etc. Unfortunately, this information does not exist either.

Information gathered in this assessment indicates that since food prices are rising faster than inflation and wage rates, it is landless laborers, the urban and rural unemployed, and the very small farmers who are the most affected by the current economic situation, as they depend on the market for most or all of their food needs. In this context, the team believes that CRS is targetting the right groups in the rural areas.

In terms of the outlook, much depends on the future price of oil, international commodity prices, interest rates, and how the economy responds to the series of free market policies implemented by the present government. Sources say that the present government has come to realize that it must invest in the rural sector if it wants to slow urban migration and diversify the economy. Whether the government's interest is translated into sound policies remains to be seen.

D. National Nutritional Survey

CONADE is currently in the process of completing a national nutrition survey based on data collected in 1986. The last national survey was performed in the early 1970s and so did not provide information useful for this assessment. This new survey is cross-sectional and includes anthropometric, housing, consumption and related health information for 10,800 families and their 7,900 pre-school children in both the coastal and sierra regions of the country. The survey is due to be released in the fall of this year and should be very useful to CRS in planning future programs and projects.

IX. CONCLUSIONS

Most of our findings are included in the text. The following are, however, the more important conclusions of this assessment.

1. It is unlikely that food aid in Ecuador has had a significant and measurable disincentive effect on domestic agriculture and government policy. Recently, the agricultural sector has been stimulated through the abolition of price controls and successive devaluations.
2. Recent import figures suggest that wheat imports under PL 480 Title I/Section 416 programs are displacing commercial imports, thereby having no effect on domestic supply-demand relationships.
3. It is impossible to measure the nutritional impact of a food program without either baseline data or the time and resources to perform an indepth survey using control groups and statistical methods. At least 10 weeks would be necessary to perform such an exercise alone.
4. The MCH and FFW programs have been moderately successful in fostering community development. Title II commodities act as a catalyst to bring groups together to begin solving their own problems and provides them with a resource to assist their efforts. However few follow-up activities are carried out with the clubs, leaving them dependent on food as their sole resource.
5. Both CRS and SENAPs have very little information regarding the OCF program. There does not exist an inventory of these centers providing information regarding their beneficiaries, nor their financial status. No assessment has been made of their need for food aid or their capability to attract other sources of assistance.
6. FFW rations are excessive in view of traditional communal practices (the minga) in the Sierra. There is also too much emphasis on simply the provision of resources rather than on the quality of the project and its potential impact on production and income.
7. With the exception of the Child Survival program, no other phase-out activities have been established to date. The World Food Program has, however, expressed an interest in assuming the School Feeding program.

8. CRS/Ecuador has not been adequately monitoring the performance of the food program. The accuracy of reports are not verified nor are contents analysed. CRS has not been undertaking a sufficient number of field reviews to monitor performance of the food program.

9. The planning process for Title II commodities is minimal. Diocesan offices are not involved. Little analysis of the previous year's activities is performed before allocating further resources.

10. Those who are suffering most from the current economic situation include landless laborers, the urban unemployed and very small farmers. The outlook for Title II beneficiaries depends on not only future oil prices, interest rates and recent policy changes, but also whether the present government's interest in the rural sector is translated into effective policies which address the problems of the poor.

X. RECOMMENDATIONS

PROGRAM RECOMMENDATIONS

RECOMMENDATION 1

The PL 480 Title II program in Ecuador should end. The team does not think the program should expand past current tonnage levels, and to maintain such a small program for an indefinite period of time would neither be cost-effective for CRS and its local counterpart, SENAPS, nor would it represent the most effective use of their strengths and capabilities.

RECOMMENDATION 2

The current 'phase-out' should be abandoned and the concept of a Transition Strategy should be adopted. SENAPS has 20 years of experience in food assistance and other social promotion programs, and it has the organizational capacity to improve its development work, particularly at the Diocesan level. The Transition Strategy should focus on strengthening this capability, and should be a plan for targeting cash, material and human resources to Diocesan development programs.

RECOMMENDATION 3

The food program should be extended for two years after FY 1989 to enable CRS and SENAPS to design and implement this Transition Strategy. The Transition Strategy should be a CRS project and include an operational plan stating how CRS and SENAPS propose to end the PL 480 food program, and the human, cash and material resources required to establish a quality program both during the transition and after the food stops.

- a. MCH. The MCH program should be extended for one year to the final 30 groups participating in the Child Survival project, if Child Survival project evaluations demonstrate that this is necessary.

b. OCF. CRS should help SENAPS establish a way of obtaining better, more precise information from OCF centers, such as number and ages of beneficiaries, current financial status and sources of income of the centers. SENAPS should establish a set of criteria to determine which centers have highest priority. The program should then be reduced immediately by first excluding those centers which do not meet the criteria. SENAPS should also, over the next four years, encourage all centers to begin looking for other cash and material resources to fill the gap left after the PL 480 Title II program ends.

c. SF. CRS's first priority should be to establish whether or not the World Food Program can assume responsibility for school feeding in the Amazonian provinces, and if the Episcopal Conference would be interested in WFP resources. SENAPS should identify other possible donors of cash and food resources for these schools, such as the EEC. At the same time, CRS and the Vicariate of Napo (in Tena, in the Province of Napo) should jointly design and fund a small pilot project to establish community-level agricultural production (staple crops) or animal raising, the proceeds of which would go to the schools. This could be a FFW project, combined with technical assistance and financial resources.

The exact schedule for ending the school feeding program should depend on the outcome of these activities. The pilot project should be extended to other areas of the Amazonic region if it is successful.

d. FFW. The FFW program should be expanded by number of beneficiaries and into other Dioceses to provide the Diocesan offices with new and additional resources with which to implement small-scale, time-limited development projects. FFW should be a key tool within the Transition Strategy which, when matched up with clear objectives, selection criteria, a time limit and other cash and in-kind resources, will enable Diocesan offices to move more quickly from food into development activities.

e. The schedule for ending the Title II program should be the outcome of a planning exercise involving CRS, SENAPS and the Diocesan offices, and not the outcome of an arbitrary decision. Tonnage should be maintained at current levels so that the program does not become more costly to operate. However, new levels should not exceed current levels.

GENERAL RECOMMENDATIONS

RECOMMENDATION 1

The size and composition of the present rations should be examined based on cultural, economic and nutritional factors. In particular, FFW rations should either be decreased or the number of days worked per month should be increased. In all cases, Diocesan staff should not be allowed to deviate from the approved ration size and composition.

RECOMMENDATION 2

CRS/Ecuador and SENAPS should reconcile their respective goals and objectives of the Title II program. These goals must be specific, realistic and measurable.

RECOMMENDATION 3

Clear guidelines for FFW projects and beneficiary selection should be established and followed. Each project should have built-in indicators for quality and impact, and should be completed within a specified time period. Projects should focus on production and health-related activities.

RECOMMENDATION 4

The Child Survival Project should provide technical assistance at the national level in small-scale animal and agricultural production. The purpose of this assistance is to provide consistent technical support to and improve the skills of the three Diocesan agronomists. Emphasis should be placed on measuring the yield and productivity of the gardens and developing a simple system for doing so.

RECOMMENDATION 5

CRS/Ecuador should explore the possibility of monetizing a small percentage of the program to provide resources to upgrade the Title II food program and to implement the Transition Strategy. Complementary cash and human inputs must be provided if a high quality program is to be achieved.

RECOMMENDATION 6

CRS should establish an internal evaluation system to categorize successful and unsuccessful projects. This system should be used not only to document CRS's program over time, but also to provide a resource to share with other country programs.

ADMINISTRATIVE RECOMMENDATIONS

RECOMMENDATION 1

CRS/Ecuador should include SENAPS and the Diocesan offices in the operational planning process. The Operational Plan should reflect the objectives of both CRS and the counterpart organization.

RECOMMENDATION 2

CRS/Ecuador should review quarterly reports on inventories, end-use checks and losses provided by SENAPS in order to keep abreast of food program operations.

RECOMMENDATION 3

CRS/Ecuador and SENAPS should develop a joint plan for supervisory visits, and CRS and SENAPS supervisors should travel together at least six times a year. As a rule, Diocesan office staff should be included in these visits.

RECOMMENDATION 4

CRS/Ecuador should assure that Recipient Status Reports reflect actual distribution center reporting and not assumed distribution levels.

RECOMMENDATION 5

CRS/Ecuador should provide SENAPS written approval of the AER, stipulating beneficiary and tonnage levels for each category of program. A short summary of Title II reporting requirements should be attached in order to reiterate CRS obligations.

RECOMMENDATION 6

The SENAPS distribution plan provided each year to CRS/Ecuador should include approved allocations for each Diocese showing beneficiary and tonnage levels per program category.

RECOMMENDATION 7

CRS/Ecuador should carry out an internal review of the food program in March of each year, the results of which can be used in preparing the AER and Operational Plan.

RECOMMENDATION 8

CRS/Ecuador and SENAPS should compile a new and separate Manual of Operations outlining the requirements of the Title II program, and providing guidance on planning, programming, selection of beneficiaries, reporting, supervision, losses and beneficiary contributions.

RECOMMENDATION 9

CRS/Ecuador should explore the possibility of using the CRS/NY computerized commodity tracking program, in order to improve the current manual tracking systems which is slow and inefficient.

RECOMMENDATION 10

CRS/New York should fill vacant field positions in a timely and efficient manner to ensure that planned programs at the country level are carried out.

APPENDIX A.

THE DISINCENTIVE DEBATE

A. Introduction

Part of the team's scope of work included an analysis of the potential disincentive effects of food aid in Ecuador. The team discovered that: 1) food aid levels in Ecuador have been nominal until two years ago; 2) real prices of basic agricultural commodities have been rising ~~in real terms~~ despite high inflation; 3) there was no time to enter into a formal statistical analysis; and, 4) it would be naive to think (and impossible to prove) that agricultural policy in Ecuador had been influenced by the low level of food aid in Ecuador. Moreover, recent import statistics (see table 6) suggest that the large quantities of wheat currently imported through the Title I/Section 416 Programs are just displacing commercial imports. USAID imported a total of 167 thousand metric tons of wheat between November of 1985 and the end of 1986. At the same time, commercial imports of wheat dropped from 341 thousand metric tons in 1985 to 121 thousand metric tons in 1986.

In light of these basic findings, the team decided that it might be more useful to provide some comments regarding the potential disincentive effects of food aid, to hopefully stimulate a wider discussion of the issues within CRS.

B. Overview

Critics of food aid in developing countries argue that:

- 1) Food aid has direct price disincentive effects on local producers;
- 2) Food aid may cause a change in eating habits, shifting demand from local to imported goods;
- 3) Food aid encourages or enables the recipient government to neglect agricultural production and investment.

In short, a country receiving food aid is no better off and may actually be worse off than in the absence of the food aid.

While this debate has been going on for years, empirical results have been inconclusive. Analysts have looked at different countries; examined different time periods; used different methodologies; analyzed different types of food aid (e.g. bulk vs. project aid.); and most importantly, have reached different conclusions on what would have happened in the absence of food aid.

1. Price Disincentive Effects

Food aid does not necessarily have any impact on domestic supply and demand relationships. Food aid may simply displace commercial sales (despite legislation against this). Moreover, the food aid may be targetted such that it is purely additional to normal food intake therefore having no impact on net supply and demand.

However, food aid is usually neither wholly additional to normal food consumption (because it is not well targetted) nor does it entirely displace commercial imports. Hence, the total domestic supply of the commodity will be enlarged. With no change in demand for the commodity, the price of the commodity, and the relative values of its substitutes, will fall. If the total domestic supply is larger than it otherwise would be, and the government does not intervene to accumulate stocks, then by definition, the market-clearing price must be reduced because private demand is never perfectly elastic.

Unfortunately, at this point the analysis usually stops. What is often forgotten is that the demand for the commodity in question may also increase reducing the negative price effect. Why? To the extent that the food aid replaces at least some commercial imports (which the literature confirms usually occurs with Title I type aid), the recipient country saves foreign exchange. If the foreign exchange is used to invest and expand the economy generating employment and income, there will be an increase in the demand for food. Even if the foreign exchange is not invested this way or no foreign exchange is saved, local currency proceeds from selling the food might be invested to increase employment and income.

The magnitude of the increase in the demand for food will depend, among other things, on who benefits from the employment generated. Poor households are generally expected to have a high

marginal propensity to consume food out of additional income; typically cited values range between .5 and 1.0. This implies that for an additional 10% increase in household income there will be at least a 5% increase in the consumption of food. Furthermore, the additional employment and income multiplier effects of a sustained rise in the demand for goods and services would lead to further compensatory increases in the demand for food.

The recipient government may also use the foreign exchange saved (or the local currency proceeds) to help reduce the direct costs of food production (e.g. subsidies). This not only helps to reduce the consequences of any negative price effects of food aid, but may on balance increase rather than decrease consumption of domestically produced food.

Of course whether or not a country chooses to invest the foreign exchange and/or local currency in the above mentioned ways is their prerogative (unless specified as a condition for receiving the aid). The point is that food aid can create opportunities, but there is no guarantee that they will not be wasted.

There is however little chance that small amounts of food aid, especially Title II type assistance, will have an impact on commercial imports and therefore foreign exchange will not be saved. This, however, does not imply that Title II type aid must therefore have a disincentive effect of local agriculture. As mentioned above, to the extent that this type of food aid is targetted to the truly poor, it can represent an additional increase in food intake, thereby having no effect on net supply and demand. Even if the food aid is not wholly additional, development projects combined with food aid can increase income, and therefore the demand for food. FFW, if focussed on improving needed infrastructure and increasing productivity (e.g soil conservation) is one such example.

2. Changing tastes

One of the most severe criticisms of food aid is that it may cause a change in eating habits, shifting demand from local to imported goods. This criticism may be valid when food aid results in the introduction of unfamiliar food stuffs not capable of being produced domestically.

The difficulty in proving this assertion is that while increasing food imports may go hand in hand with food aid, they are not necessarily causally related. Ecuador, for example, has been until quite recently, a marginal recipient of wheat food aid, yet wheat has become the primary food import, increasing from only 65 thousand metric tons in 1970 to over 340 thousand metric tons in 1985. (Factors associated with this change are discussed in Section VIII.)

Additionally, even if food aid creates a demand for imported staples, thus displacing local production, the net effect need not necessarily be harmful to the recipient country. In the words of two experts on the subject: "It would depend on whether the local resources set free by the induced shift in demand can be used advantageously in alternative production, possibly of more remunerative or nutritionally valuable food or of export crops earning essential foreign exchange (provided this foreign exchange is used in developmentally useful ways)." (Clay and Singer, 1982)

3. Effects on Government Policy

The overriding difficulty in determining the impact food aid may have on government policy and investment in agriculture is that it depends on what the analyst believe would have happened in the absence of the food aid. Would the government have spent more on developing domestic agriculture? Unless one is intimately involved in the decision-making process of the recipient government, much the the analysis becomes hypothetical. Any analysis of the potential impact on government policy must therefore go beyond the simple market analysis, incorporating political and administrative factors. Incorporating administrative factors can easily reverse findings based only on market analysis. Government procurement policies are often cited as an example: Food aid may make it unnecessary for a recipient government to resort to compulsory procurement of food at low prices in urban markets, enabling local producers to sell more the higher free or world market prices.

C. Conclusions

The emphasis in this brief discussion is that food aid does not necessarily have disincentive effects. Whether it does depends on a host of factors: how well it is targetted; how any local currency proceeds and/or foreign exchange savings are spent; and linkages with other assistance flows.

Food aid creates certain opportunities, and that the policies of a number of actors help to determine whether these opportunities are grasped or wasted - indeed even converted into negative effects." The disincentive risks of food aid are far more complex, and location and time specific than is generally believed. Even where there is an observed or likely disincentive effect, food aid should not necessarily be reduced until these costs are weighed against the employment, nutrition, or other benefits.

APPENDIX B

CATHOLIC RELIEF SERVICES

Scope of Work

1. Review the literature to determine what, if any, previous evaluations have been done and to assess their validity;
2. Assess overall food aid levels in Ecuador over time, current food aid programs in place, and their relation to the CRS program;
3. Review indicators of agricultural production in comparison to food aid programs and government policy measures which may affect food aid and/or agricultural production. The review should be limited to those policy aspects which may demonstrate a disincentive effect on agriculture due to food aid;
4. Assess the effectiveness of the food aid program in terms of nutritional impact, income supplementation, and community development.
5. Assess the administrative and logistical capability of the CRS counterpart in terms of food program management;
6. Provide a cost-benefit analysis for CRS in terms of management and supervision of the food program. (i.e. at what point does a food program become too small to justify CRS staff time to supervise and monitor it).

USAID

Scope of Work

1. Assess current status of five year phase out, especially noting level of establishment of alternative development activities to provide food self-sufficiency;
2. Review status of implementation of recommendations from 1983 PL-480 Title II evaluation;
3. Assess administrative capability of CRS and SENAFS, especially capability to assume responsibility for management of expanded/extended program;
4. In context of the current economic situation in Ecuador, assess nutritional outlook for current recipients of food;
5. Assess various alternative sources of food for beneficiaries after September 1989 when current phase-out finishes, including potential for assistance from other donors, such as the World Food Program;
6. Provide guidance on possible design for extension and/or expansion of current phase-out. Include analysis of potential needs and sources of development funds to support and complement extended phase-out.

Appendix C.

Persons Consulted

AID/Washington

Judy Gillmore - Food for Peace, Latin America
J.D. Perry - Food for Peace Officer, South America

AID/Ecuador

Darrell MacIntyre - Agricultural Officer
Bill Goldman - Health/Food for Peace Officer
Jim Finucane - Private Sector Development Officer

CRS/New York

Terry Martin - Latin America Regional Director
Peter Shiras - Assistant Director, Central America
Nick Mills - Assistant Director, South America

CRS/South American Sub-Region

Jim Noel - Sub-Regional Director

CRS/Ecuador

Patricia Grasso - Program Assistant
Suzanna Larrea - Child Survival Project Director
Anna Cordova - Child Survival Nutritionist

SENAPS/Ecuador

Oswaldo Matas - Executive Secretary
Oswaldo Ordonez - Physical Resources Supervisor
Bishop R. Ruiz - Chairman of Bishop's Conference
Bishop V. Cisneros - Diocese of Ambato
Sister Elvira Olmos - Diocesan Coordinator, Latacunga
Luis Vasconez - Diocesan Coordinator, Ambato
Alberto Solorsano - Asst. Diocesan Director, Guayaquil

CONADE

Wilma Freire - Nutritionist
Manual Segovia - Economist

PREMI

David Nelson - Child Survival Program Coordinator

World Food Program

Hanny Laufer - Program Representative

FAO

Agosto Larrea - Program Coordinator

TABLE 1.

ESTIMATED TOTAL FOOD AID TO ECUADOR-PRINCIPAL COMMODITIES¹ (MT).

YEAR	WHEAT ²	RICE	OTHER ³ GRAINS	MILK	OTHER ⁴ DAIRY	OIL ⁵	TOTAL
1978	9,000	-0-	3,300	210	90	770	13,370
1979	2,600	-0-	5,600	440	120	460	9,220
1980	1,700	-0-	7,400	180	40	120	9,440
1981	3,600	-0-	4,700	130	40	310	8,780
1982	1,600	1,000	5,500	670	10	210	8,990
1983	7,000	5,700	1,500	640	50	140	15,030
1984	92 ⁶	N/A	215 ⁶	770	20	80	1,177
1985	113,000	1,860	1,730	1,280	N/A	435	118,305
1986	61,060	1,670	1,560	1,140	N/A	460	65,890
1987	46,210	1,875	1,850	2,960	N/A	9,580	64,275

SOURCES: FAO (1978-1984); SENAPS, WFP, USAID/ECUADOR (1985-87).

- 1.- Estimates may exclude some transactions by non FAO countries and occasional direct government to government donations.
- 2.- Includes the wheat equivalent of wheat products and bulgor wheat.
- 3.- Barley, Oats, Maize, Rye.
- 4.- Mainly cheese.
- 5.- Includes Soybean & Vegetable oil.
- 6.- CRS/SENAPS totals only.

TABLE 2.

USAID/ECUADOR
VARIOUS FOOD AID PROGRAMS¹

YEAR	PROGRAM	COMMODITY	QUANTITY (MT)	VALUE (US\$)	SUCRE VALUE (MILLIONS)	USE OF LOCAL CURRENCY
1985	PL 480 Title I	Wheat	109,000	15,000	1,424.7*	Ag. & Rural Development
1986	PL 480 Title I Sugar Quota Program	Wheat	48,000	5,000	750.0**	Ag. Development
		Wheat	9,058	1,500	185.1***	Ag. Development
1987	Section 416	Wheat	22,200	4,350	826.5***	Ag. Development
	Section 416	NFDM	1,088	1,740	330.6***	Dairy & Ag. Development
	Sugar Quota Program	Wheat	18,991	2,900	557.0***	Ag. Development
	Emergency Food Prog.	Sobean-Oil	8,500	4,496	867.7***	Use in Earthquake Area
1988	Food for Progress (proposed)	Wheat	30,000	4,000	580.0***	Ag. Development

SOURCE: USAID/ECUADOR 1987.

¹All programs except PL 480 Title II.

* US\$ 1.00 = S/ 95.00 sucres.

** US\$ 1.00 = S/ 150.00 sucres.

*** US\$ 1.00 = Current market rate of exchange.

TABLE 3.

WORLD FOOD PROGRAM/ECUADOR¹1985-1987(MT)

YEAR	RICE	WHEAT	ROLLED OATS	NFDM	V.OIL	PULSES ²	MEAT	TOTAL	VALUE (US\$)
1985	1,307.4	4,000.4	1,326	732	358.2	322.2	322.2	8,368.4	4,400
1986	1,307.4	4,000.4	1,326	732	358.2	322.2	322.2	8,368.4	4,400
1987	1,307.4	5,018.4	1,326	1,432	916.2	322.2	322.2	10,644.4	6,000

SOURCE: WFP/ECUADOR 1987

¹These figures are rough estimates only since information received was by program and not by year.²Purchased locally.

TABLE 4.

CRS/SENAPS FOOD AID PROGRAM¹ (MT).

YEAR	RICE	OATS	V.OIL	NFDM	CSM	WHEAT	WSM	PEAS	TOTAL	FOB VALUE (US\$) APPROX.
1984	-0-	212.8	55.8	501.5	83.1	92.3	95.6	-0-	1,041.1	610
1985	553.1	403.7	76.3	546.2	-0-	-0-	-0-	-0-	1,579.3	890
1986	462.2	331.3	98.4	412.5	-0-	-0-	-0-	215.2	1,519.6	650
1987	466	424	161	440.0	-0-	-0-	-0-	304	1,795	760

SOURCE: SENAPS 1987

¹Includes PL 480 Title II and EEC NFDM donations.

TABLE 5. COMMERCIAL IMPORTS OF PRINCIPAL PRODUCTS, ECUADOR
IN METRIC TONS
1980-1986

PRODUCTS	1980	1981	1982	1983	1984	1985	1986	GROWTH RATE 1980-86 (%)
Wheat	314,192	247,450	247,025	230,874	335,612	341,102	121,085	-14.7
Barley	29,362	36,018	26,000	24,088	26,066	19,006	17,345	-8.4
Oats	10,570	12,600	24,600	14,814	8,722	5,343	15,762	6.9
Maize								
Durum	-	145	-	10,010	30,207	119	-	
Lentils	1,552	650	2,000	771	1,026	462	-	
Powdered Milk	8,600	3,167	3,800	2,120	6,327	3,350	3,120	-15.5
Unrefined Oil	31,451	38,641	34,390	49,269	48,457	40,883	17,800	-9.0
Refined Oil	197	2,967	2,518	1,099	45	215	499	16.7

SOURCE: Yearbook of Foreign Commerce, 1980-1986

TABLE 6. MINIMUM WAGES IN ECUADOR
(SUCRES)

YEAR	URBAN		RURAL	
	NOMINAL	REAL 1/	NOMINAL	REAL 1/
1979	2,000	1,877	1,350	1,268
1980	4,000	3,330	2,500	2,082
1981	-	2,902	-	1,814
1982	4,600	2,911	3,200	2,025
1983	5,600	2,393	3,900	1,667
1984	6,600	2,163	4,400	1,442
1985	8,500	2,176	6,000	1,536
1986	10,000	2,082	7,250	1,509

SOURCE: Central Bank, 1986
Economist Intelligence Unit, 1986-1987

1/ Deflated by the consumer price index
(May 1978 - April 1979 = 100)

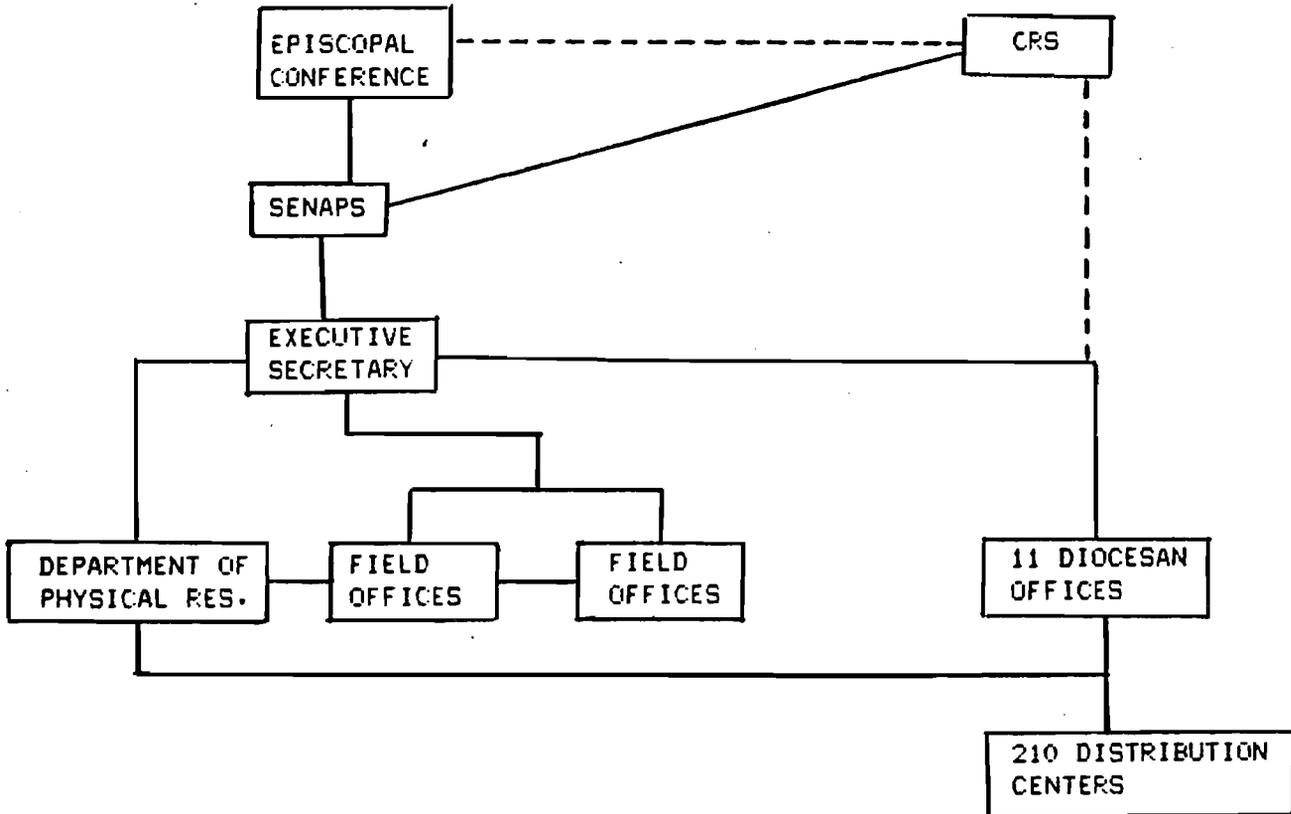
TABLE 7.- FARMGATE PRICES FOR PRINCIPAL PRODUCTS
(SUCRES/99)

	1980	1981	1982	1983	1984	1985
Rice	258 (215)	312 (226)	350 (221)	634 (271)	884 (290)	1249 (320)
Barley	284 (236)	292 (212)	299 (189)	686 (293)	1047 (343)	1140 (292)
Maize	338 (281)	466 (338)	495 (313)	1073 (459)	2067 (677)	1867 (478)
Wheat	276 (230)	314 (228)	336 (213)	652 (279)	911 (299)	1174 (301)
Potatoes	227 (189)	291 (211)	305 (193)	790 (337)	515 (169)	824 (211)
Soybeans	473 (394)	466 (338)	474 (300)	925 (395)	1273 (417)	1680 (430)
Bananas	46 (38)	46 (33)	64 (40)	53 (23)	132 (43)	120 (431)
Cocoa	2356 (1961)	1494 (1084)	1880 (1190)	4916 (2101)	6694 (2194)	7424 (1900)
Coffee	461 (384)	311 (226)	328 (208)	634 (271)	1293 (424)	1314 (336)

SOURCE: MINISTERIO DE AGRICULTURA Y GANADERIA

Real prices are in parenthesis. Prices are deflated by the Consumer Price Index (May 1978 - April 1979 = 100).

ORGANIZATIONAL CHART CRS/SENAPS



ANNEX TO THE
ASSESSMENT OF THE
PL 480 TITLE II PROGRAM
IN ECUADOR

CRS/Ecuador
October, 1987

I. EXECUTIVE SUMMARY

After a careful review of the "Assessment of the PL 480 Title II Program in Ecuador," carried out in August, 1987, the CRS Ecuador country program team, with input from subregional staff and SENAPS, believes the recommendations in the assessment should be modified. This annex modifies the initial recommendations, reflecting current thinking with regard to the CRS Ecuador PL 480 Title II food program.

The Church, well aware of the real situation of the poor, has requested assistance from CRS to reinforce its institutional capacity to deal with the root causes of poverty. This assistance includes cash for development projects as well as Title II food. Both CRS and the Church recognize that this assistance should be utilized in an integrated and complementary manner.

In response to this request, CRS Ecuador developed EC 7D 005 Food Transition Strategy in October 1987. This is a two-year development project designed to strengthen SENAPS and Diocesan-level capabilities to plan and implement development activities, and to upgrade the quality of the food program by providing complementary resources to the Dioceses.

The ongoing Title II food program in Ecuador can serve as an effective transition strategy resource which, when combined with other development resources such as training, technical assistance and funds, should conduct national and Diocesan personnel towards more development-oriented activities. In order to plan and implement Transition Strategy activities effectively, it is essential to assure the continuation of the PL 480 Title II food program in Ecuador at FY 1988 levels through the end of FY 1989. Additionally, the Church and CRS should consider new strategies which the new planning process will propose to better fight poverty in Ecuador. One of these strategies is likely to be the expansion and extension of the food program after FY 1989.

Summary of Modified Recommendations

The food program should not be ended in Ecuador.

The Transition Strategy concept should be adopted in place of the current "phase-out" concept.

The future of the the Title II program in Ecuador should be the outcome of a planning exercise involving CRS, SENAPS and the Diocesan offices, not the outcome of an arbitrary decision.

A new Multi Year Operational Plan to include the three year period FY 1989-1991 should be prepared and presented to USAID by March 1, 1988. The MYOP should be a result of joint CRS, SENAPS and Diocesan planning. The new MYOP should maximize the nutritional objectives and community development objectives of the food program. Annual updates of the MYOP should be submitted if it is necessary to modify tonnage levels based on real needs.

II. BACKGROUND

In August, 1987, an external assessment team hired by CRS New York and CRS Ecuador staff completed a two-week assessment of the FL 480 Title II food program operated by CRS in Ecuador. The results of this assessment are found in a document titled "Assessment of the FL 480 Title II Program in Ecuador," submitted on August 9, 1987. It will be referred to in this document as the Bivings-Crossen assessment.

After careful review of the Bivings-Crossen assessment, the CRS Ecuador country program team, with input from subregional staff and SENAFS, believes the recommendations in the assessment should be modified. The purpose of this document is to present these points of view.

First, the Bivings-Crossen assessment does not provide compelling reasons for ending the food program, although ending it is the principal recommendation. The assessment mentions that Ecuador is in need of development assistance, and that SENAFS capabilities could be better utilized implementing more developmentally oriented activities, using food resources when required.¹ More importantly, the conclusions of the Bivings-Crossen assessment² do not provide an argument which defends the principal recommendation to end the food program.

Secondly, CRS Ecuador maintains that the assessment did not end after the Bivings-Crossen assessment document was written. Rather, a dynamic process continued during the months of August, September and October of 1987 which has led to new reflections and directions with regard to the FL 480 Title II food program in Ecuador. It must be mentioned that the CRS Ecuador food program experienced two major audits in 1986, both of which brought to CRS's and SENAFS' attention problems in planning, administration and implementation of the program. The results of the USAID-contracted audit were being discussed by SENAFS and CRS at the time the Bivings-Crossen assessment was commissioned. One concrete result of these discussions was the decision to hold a Food Seminar in October of 1987, to improve planning and administration of the food program at national and Diocesan levels.

The Bivings-Crossen assessment and the resulting document stimulated further discussion between CRS and SENAFS. During the month of September, CRS and SENAFS continued planning the October Food Seminar, wrote a first draft of a new food program operations manual, and asked participating Dioceses to prepare short self-evaluations of their food programs. The Food Seminar was held on October 14-17, 1987 and the principal recommendations included a need to develop Diocesan plans, to obtain training in planning and

¹ Bivings-Crossen assessment, P. 1.

² Ibid., P. 42-43.

implementation of development projects, to identify cash and in-kind resources with which to do development projects, and to reformulate and renegotiate the food program, based on Diocesan planning.³

Immediately after the Food Seminar, CRS Ecuador wrote EC 7D 005 Food Transition Strategy, a two-year development project designed to strengthen SENAPS and Diocesan-level capabilities to plan and implement development activities, and to upgrade the quality of the food program by providing complementary resources to the Dioceses.⁴

As a result of this process, CRS Ecuador has taken a second look at the Bivings-Crossen assessment, and offers the following document as an annex. This annex modifies the recommendations found in the assessment and reflects current thinking with regard to the CRS Ecuador FL 480 Title II food program.

III. NATIONAL CONSIDERATIONS

The total population of Ecuador has risen from 6 million people in 1970 to 10 million in 1987. About 60% of the population lived in rural areas in 1970 but by 1982 this had been reduced to 50%. Real per capita GNP rose from 10,393 constant sucres in 1970 to a peak of 19,352 sucres in 1981, and then began to fall leading to a level of 17,358 sucres in 1985.

In 1968 there was a deficit of food availability per person, expressed in calories, of 24%. In 1980 this deficit was the same. Recent information published by the GDE in a national nutrition survey⁵ indicates that in 1986 around 50% of all children between 0 and 5 years of age were malnourished. These studies fix 640,000 as the number of children affected, most of them living in the rural areas of the Sierra region. The results of the study indicate that the poorer sectors of the country were not largely benefitted by the prosperous economic times during the 1970's.

The GDE appears to be having problems meeting the food needs of the Ecuadorian people. Current accounts deficits are growing, GDP is slowing, inflation and devaluation rates are increasing and as a result unemployment rates reached 12% in 1986. Food imports, particularly wheat, are now well over 300,000 MT per year to cover the urban food demand in particular.

These indicators show that although there was a positive socio-economic growth tendency in Ecuador during the 1970's, by the 1980's it began to reverse. It is likely that the decision to design the 1984 CRS Ecuador food program "phase-out" project, currently being implemented, was based in part on socio-economic information available at that time, when positive indicators

³ "Conclusiones and Recomendaciones, Seminario de Alimentos, Betania," Oct. 14-17, 1987. SENAPS-CRS, Quito.

⁴ EC 7D 005 Food Transition Strategy. Text submitted October, 1987 by CRS Ecuador.

⁵ "National Nutrition Survey (unpublished)". CONADE, 1987.

overwhelmed the negative ones. By 1986, when indicators began to reveal the socio-economic decline of the country, the food program phase-out came into question.

Regarding the disincentive debate, the Bivings-Crossen assessment states that there is little chance that small amounts of food aid, especially Title II type assistance, will have a disincentive effect on local agriculture. In fact, if targetted to the truly poor, it can represent an additional increase in food intake, having no effect on net supply and demand. Development projects combined with food aid can increase income and therefore the demand for food. Food for Work projects are cited as one example where this might take place.*

IV. CHURCH CONSIDERATIONS

The Ecuadorian Episcopal Conference feels it was not included in the 1984 decision to phase-out the FL 480 Title II food program in Ecuador after FY 1989. It is now difficult to determine exactly what happened during those negotiations. However, at this time, with just two more fiscal years of the food program remaining, the Church has stated its deep concern that the food program will soon end.

In 1965, Caritas (now SENAFS) began handling the distribution of FL 480 Title II food resources brought in by CRS. At the height of the program in the mid-seventies, 4,266 tons of food were distributed to about 180,000 beneficiaries each year. The program has been gradually reduced since then; presently 1,500 MT of food are distributed to 27,250 beneficiaries.

During the 1974-78 period, CRS concentrated on supporting a strong national socio-economic counterpart within SENAFS. Economic support was provided for the staffing and logistical costs of a SENAFS project department. However, this effort did not result in a permanent projects department.

At the current time, although SENAFS provides some limited support to Diocesan offices seeking funding from outside funding agencies for development projects, its real capabilities are limited to the distribution of food and other material resources. SENAFS' staff is small and it has few resources, other than food and medicines, with which to operate; as a result SENAFS continues to have a high dependency on food aid.

The Church, well aware of the real situation of the poor, has requested further assistance from CRS to reinforce its institutional capacity to deal with the root causes of poverty. This assistance includes cash for development projects as well as Title II food. Both CRS and the Church recognize that this assistance should be utilized in an integrated and

* Bivings-Crossen assessment, P. 52-54.

complementary manner. The EC 5D 002 Child Survival project and other CRS-funded projects being implemented by various Dioceses are examples of good integration of food and other resources.

The interest of the Ecuadorian Church coincides with many of the recommendations of the Bivings-Crossen assessment of the food program, and with the CRS Ecuador initiative to develop a Transition Strategy to replace the phase-out currently operating. The Food Seminar co-sponsored by SENAPS and CRS in October, 1987, to improve the planning and administration of the food program, arrived at the same recommendation.

V. THE TRANSITION STRATEGY

The CRS Latin American Regional Office has been pursuing an effort to make all of its programs, including the Title II food program, more developmental. Country staff are expected to design strategies to improve the results of these programs and to verify the social and economic advancement of program beneficiaries.

As a result of this directive, and the ongoing process of assessing the future of the food program, CRS Ecuador developed EC 7D 005 Food Transition Strategy in October 1987. This is a two-year development project designed to strengthen SENAPS and Diocesan-level capabilities to plan and implement development activities, and to upgrade the quality of the food program by providing complementary resources to the Dioceses.

CRS country programs in Bolivia and Peru have already started a process to improve the planning and management of the Title II food programs, assisting their national Caritas counterparts with specific strategies. CRS Ecuador endorses the Transition Strategy concept, and has adapted it to the characteristics of Ecuador, based on methodologies already tested in other Andean countries. CRS Ecuador considers its Transition Strategy particularly well-conceived since it involved a very high level of participation from national and Diocesan organizations.

During the two-year period, the Food Transition Strategy will initially support the organization of three national, inter-Diocesan seminars to improve the planning of the food program, to improve skills on design and implementation of development projects and to monitor and evaluate the impact of the food program. Secondly, it will provide institutional support to SENAPS to conduct the food program Transition Strategy, by financing part of the salary of a professional to be hired by SENAPS to conduct the implementation of this Transition Strategy. This person will be the SENAPS counterpart of the CRS Ecuador staff person in charge of this project. Thirdly, this project will provide funds for the implementation of one pilot project in each of four Dioceses to define models to promote small-scale production activities. Fourthly, it will provide technical planning assistance to six Dioceses in the design, implementation, monitoring and evaluation of development projects.

The Transition Strategy includes a monitoring and internal evaluation mechanism, although an external evaluation is not considered necessary. After the two-year project, an evaluative report should address the status of the Transition Strategy process, in order to determine what resources, food and otherwise, might still be needed in the future.

VI. THE ROLE OF FOOD AID

The ongoing Title II food program in Ecuador is the catalytic factor bringing together the Church institutions, the beneficiary community organizations and the additional resources provided by this project. Title II food is a resource familiar to the Church institutions and to the beneficiaries, and it can serve as an effective transition strategy resource which, when combined with other development resources such as training, technical assistance and funds, should conduct national and Diocesan personnel towards more development-oriented activities.

Therefore, in order to plan and implement Transition Strategy activities effectively, it is essential to assure the continuation of the PL 480 Title II food program in Ecuador at least at current (FY 1988) levels through the end of FY 1989. Additionally, the Church and CRS should be open to the strategies that the new planning process will propose to better fight poverty in Ecuador. One of these strategies is likely to be the expansion and extension of the food program after FY 1989, instead of ending it as is currently planned.

VII. RECOMMENDATIONS

In this section, we make reference to pages 44-49 of the Bivings-Crossen assessment, with the following modifications. Underlined phrases indicate the modifications or additions to the text.

MODIFIED PROGRAM RECOMMENDATIONS

RECOMMENDATION 1

This recommendation should be deleted. For the reasons discussed above, the Bivings-Crossen assessment does not provide compelling reasons for ending the food program, nor do the conclusions in the document support the principal recommendation to end the food program.

RECOMMENDATION 2

This recommendation should remain as written.

RECOMMENDATION 3

This recommendation should be rewritten as follows:

The future of the the Title II program in Ecuador should be the outcome of a planning exercise involving CRS, SENAFS and the Diocesan offices, and not be the outcome of an arbitrary decision.

RECOMMENDATION 4

This is a new one, although within the spirit of the Bivings-Crossen assessment:

A new Multi Year Operational Plan to include the three-year period FY 1989-1991 should be prepared by CRS Ecuador and presented to USAID by March 1, 1988. The MYOP should be a result of planning exercises already in progress and programmed for early 1988 among CRS, SENAFS and the Diocesan offices. The new MYOP should maximize the nutritional objectives and community development objectives of the food program. Progress reports on the MYOP will be submitted annually, and will address how MYOP objectives are being met. Annual updates of the MYOP should be submitted if it is necessary to modify tonnage levels based on real needs.

Specific recommendations with regard to each of the four food program categories are as follows:

- a. MCH. The MCH program should be targetted to high-risk mothers and children under five in the most nutritionally-vulnerable areas of the country. This should mean an increase in MCH levels and an expansion of coverage to other provinces, in addition to the three provinces currently being served. High-risk urban ~~and~~ well as rural areas should be considered, based on socio-economic and nutrition data currently

available. The possibility of replicating certain successful, low-cost interventions being implemented as part of the Child Survival program should be considered in these newly covered areas.

In addition, MCH should be increased to include coverage of the final 30 groups participating in the Child Survival (they are not included according to the current phase-out), if Child Survival project evaluations demonstrate that this is necessary.

Summary result: net increase in MCH levels FY 1989-1991.

b. OCF. CRS should help SENAFS obtain better, more precise information from OCF centers, such as type of center, number and ages of beneficiaries, financial status and sources of income of the centers. SENAFS should establish a set of criteria to determine which centers have highest priority. The program should then be reduced immediately by first excluding those centers which do not meet the criteria. Some of these OCF beneficiaries could move into other food program categories where they would better qualify. For example, children under five who live with a parent could be moved into the MCH category. Beneficiaries receiving food in campesino training or handicapped training centers, for example, might better qualify for a FFW project. This should result in a net reduction of beneficiaries in the OCF category.

Remaining qualifying OCF centers should be encouraged by the Dioceses to look for alternative sources of support. Some of these sources include increased government subsidies, properties, investments, foundation grants and other sources of donated food. SENAFS should consider targetting its EEC donated milk program to these OCF centers; currently EEC milk is distributed to high-risk mothers and young children in quasi-MCH programs. These beneficiaries could qualify for PL 480 Title II food under the MCH program.

OCF levels in the new FY 1989-91 MYOP will remain the same as in FY 1989 (10,000 beneficiaries); however annual MYOP updates and AER's should include reductions in this category reflecting progress in moving some OCF beneficiaries into other categories or out of the food program altogether.

Summary result: net decrease in OCF levels FY 1989-1991.

c. SF. The criteria of the SF program should be carefully reviewed to include only the most vulnerable qualifying beneficiaries. Participating schools should be evaluated according to actual levels of participation in the program and achievement of current MYOP objectives. They should then be classified as (1) having the potential to participate in more development-oriented activities, (2) not having this potential but where school feeding is still justified, and (3) not having this potential and where school feeding is not justified.

Over the next four years, communities classified in the first category should be given the opportunity to participate in community projects to meet a specific objective, which could be, but would not be limited to, food production in order to continue the school feeding program with local resources. The SF program should eventually end in these communities, but in its place FFW projects should be established. At least two Vicariates in the Amazonian region are interested in obtaining technical assistance and agricultural inputs in order to increase food production in selected areas currently being served by the SF program.

Communities classified in the second category should continue participating in the SF program, and those in the third category should be excluded. Discussions with the World Food Program should continue to establish whether or not it can assume responsibility for school feeding in the Amazonian region, and if the Episcopal Conference would be interested in WFP resources.

This approach should result in a net reduction in the SF category over the next four years. SF levels in the new FY 1989-91 MYOP will remain the same as in FY 1987 (10,000 beneficiaries); however annual MYOP updates and AER's should include reductions in this category reflecting progress in moving some SF beneficiaries into other categories or out of the food program altogether.

Summary result: net decrease in SF levels FY 1987-1991.

d. FFW. The FFW program should be expanded by number of beneficiaries and into other Dioceses to provide Diocesan offices with new and additional resources with which to implement small-scale, time-limited development projects. FFW should be a key tool within the Transition Strategy which, when matched up with clear objectives, selection criteria, a time limit and other cash and in-kind resources, should enable Diocesan offices to move more quickly from food into development activities. The FFW program should include some qualifying beneficiaries which during the next four years will be moved out of OCF and SF categories.

A new and creative look should be taken at the FFW program. Priority should be given to training/education, production and health-related projects. Low-income populations in urban as well as rural areas should be given priority. Clear sub-project categories should be defined, defining specific objectives, time limits, selection criteria, level of community participation required (days worked) and ration levels.

Summary result: net increase in FFW levels FY 1989-1991.

MODIFIED GENERAL RECOMMENDATIONS

RECOMMENDATION 1

This should be modified as follows:

The size and composition of the present rations should be examined based on cultural, economic and nutritional factors. The possibility of bringing in fewer products to reduce local operational costs and to reduce shipping delays should be considered.

In particular, FFW rations should be readjusted to reflect a ration of reasonable size and composition taking into consideration the type of FFW project undertaken and number of days worked. In all cases, Diocesan staff should not deviate from the approved ration size and composition.

RECOMMENDATION 2

OK as stated.

RECOMMENDATION 3

Should be deleted, since its contents are included in PROGRAM RECOMMENDATIONS.

RECOMMENDATION 4

This should be deleted. CRS Ecuador disagrees with the recommendation that technical assistance at the national level should be provided to the Child Survival project. The assessment team observed Child Survival agricultural production projects in one province only, during the dry season, just after the first harvest of vegetables had been made and before the Child Survival information collection system on income-generating activities had been incorporated. CRS Ecuador thinks this component of the Child Survival project should be evaluated properly during the mid-term evaluation scheduled for February, 1998, after which a recommendation along these lines would be more appropriate.

RECOMMENDATION 5

OK as stated.

RECOMMENDATION 6

CRS should establish an internal evaluation system to systematize project results. This system should be used not only to document CRS's program over time, but also to provide a resource for future planning and decision making both within and among other country programs.

ADMINISTRATIVE RECOMMENDATIONS

CRS Ecuador offers no modifications, and agrees with them as written.

CONCLUSIONES Y RECOMENDACIONES

CONCLUSIONES:

- 1- Es necesario la elaboración de planes diocesanos.
- 2- El evento ha sido positivo respecto al Programa de Alimentos.
- 3- Se identificó la necesidad de mejor entrenamiento de los responsables en la planificación.
- 4- Se determinó la escasez e inestabilidad de recursos de las Oficinas Diocesanas.
- 5- Es necesario reformular el plan del Programa de acuerdo a la realidad nacional.
- 6- Coordinación CRS-SENAPS-SEDIPS ha sido positiva.
- 7- El flujo de información de documentos del programa no es oportuno.
- 8- El evento fue resaltado con la presencia de las autoridades eclesiolásticas más altas del SENAPS.
- 9- Aún no se explicita la interrelación del programa de Alimentos con otros programas de Pastoral Social.

RECOMENDACIONES:

AL SENAPS

- 1- Reformular el programa de alimentos y negociar su financiación para el futuro inmediato. Este proceso se basará en las programaciones diocesanas.
- 2- Incrementar los aportes económicos a las diócesis para las actividades de pastoral social.
- 3- Que haga cumplir a las jurisdicciones eclesiolásticas el envío oportuno y completo de informes y documentación; se concluirá que la jurisdicción eclesiolásticas que no informa no desea continuar con el programa respectivo.
- 4- Que formule un programa de apoyo a las jurisdicciones eclesiolásticas con diseño e implementación de proyectos.

A LAS JURISDICCIONES ECLESIASTICAS

- 1- Que las autoridades eclesiolásticas refuercen a los Secretariados diocesanos para que alcancen una capacidad mínima para formular programas o proyectos y administrarlos.
- 2- Que formulen los planes de pastoral social dentro de la Pastoral de Conjunto.
- 3- Que se produzca y se envíe oportunamente al SENAPS la información solicitada por esta.
- 4- Que se estimule el rendimiento y la continuidad laboral del personal de los Secretariados Diocesanos a través de acciones económicas, de capacitación y otros.

A CRS

- 1- Que apoye y coordine con el SENAPS la reformulación del Programa de Alimentos.
- 2- Que apoye el programa del SENAPS para el acompañamiento a las jurisdicciones eclesiolásticas.
- 3- Que coordine con el SENAPS la supervisión de las jurisdicciones participantes en el programa.
- 4- Que se cuide o recomiende que las auditorías externas del programa de Alimentos esté a cargo del personal especializado en este tipo de programas.

- 5- Que se estudie soluciones de problemas de los atrasos de los embarques de alimentos desde USA.
- 6- Que apoye a proyectos diocesanos de Pastoral Social.
- 7- Que comparta con el SENAPS y las jurisdicciones eclesiásticas los informes que se hagan sobre estudios, supervisiones, coordinaciones y otros.

/Smel
16.10.87