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THE PERU PRO- DECENTRALIZATION (PRODES) PROGRAM

FINAL REPORT



MARCH 2008

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Strengthening the Peruvian Decentralization Process
The Peru Pro-Decentralization (PRODES) Program
USAID Contract No. 527-C-00-03000-4900

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The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ACRONYMS

AD	USAID Alternative Development
ANGR	National Association of Regional Governments
APRA	<i>Alianza Popular Revolucionaria Americana</i>
APRENDES	Decentralization Innovations and Active Schools
ARD	ARD, Inc.
CAP	Personnel Assignment Chart
CAPRODES	Strengthening Capabilities for the Decentralization Process Program
CCL	Local Coordination Councils
CCR	Regional Coordination Councils
CEPLAN	National Center for Planning
CIMUN	Centers of Municipal Innovation
CND	National Decentralization Council
CONSODE	Democratic Society Consortium
COPRE	Presidential Commission for the Reform of the Executive Power
COSUDE	Swiss Cooperation for Development Programs
CTAR	Regional Management Transitory Councils
DFC	Development and Strengthening of Capabilities
DGPM	General Directorate for Multi-Annual Programming of the Public Sector
DNPP	National Directorate for Public Budget
ETL	Locally Based Technical Teams
ETM	Municipal Technical Team
ETR	Regional Technical Team
IEP	<i>Instituto de Estudios Peruanos</i>
LOPE	Organic Law of the Executive Power
MAP	Advanced Participation Methods
MASAL	Soils and Water Sustainable Management on Slopes
MEF	Ministry of Economy and Finance
MIMDES	Ministry of Women and Social Development
MOF	Manual of Organization and Functions

NGO	Nongovernmental Organizations
OTI	Office of Transition Initiatives
PCM	Presidency of the Council of Ministers
PDA	<i>Proyecto de Desarrollo Alternativo</i>
PDC	Participatory Strategic Plan
PRA	Reduction and Relief from Poverty Program/USAID
PRODES	Pro-Decentralization Program
RFP	Request For Proposal
ROF	Rules for Organization and Functions
SD	Decentralization Secretariat
SIF	Special Incentive Fund
SIAF	Integrated System for Financial Administration
SNIP	National Public Investment System
TUPA	Single Text of Administrative Procedures
UNIA	<i>Universidad Intercultural de la Amazonia</i>
USAID	United States Agency for International Development
VRAE	Valley of the Rivers Apurimac and Ene

EXECUTIVE SUMMARY

INTRODUCTION

In early 2002, the democratically elected government of President Toledo assumed power with a clear mandate to decentralize the State, transferring selected responsibilities and resources to sub-national governments. While the initiative enjoyed broad-based support across the ideological spectrum—both the center-left *Alianza Popular Revolucionaria Americana* (APRA) and right *Unidad Nacional* (UN) supported the decentralization process—expectations as to the potential impact of the process varied widely. A 2001 local level by the *Instituto de Estudios Peruanos* (IEP) revealed that citizens expected decentralization to produce significant economic development. Among some political elites, however, decentralization was seen rather as a way to lessen institutionalized corruption and as a response to the authoritarianism and centralization of the discredited Fujimori administration (1990–2000). Marginalized groups, for their part, viewed decentralization as an opportunity to empower their participation within districts, provinces, and departments around the country.

Despite the general level of support for the decentralization process, the effort faced enormous challenges. In the years directly preceding the decentralization effort, the political system had suffered a series of shocks which had undermined the state’s effectiveness and legitimacy. The Fujimori administration had left a public legacy of bribery of elected authorities and corruption of public institutions at both the national and regional levels. Peru had also only recently emerged from a brutal 20-year Maoist-inspired insurgency—the Shining Path—which had used targeted assassinations of both elected officials and civil society representatives to weaken the institutional presence of the State, at a cost of 60,000 or more dead. Drug trafficking in the long-neglected highland and Amazonian departments (the areas of regional focus for the program) had further undermined the rule of law through the use of bribery, violence, and the trafficking of cocaine.

Against this background, the United States Agency for International Development (USAID), in close coordination with the Peruvian government, chose to support the decentralization process by authorizing the US \$20 million Pro-Decentralization (PRODES) Contract (No. 527-00-03-0049-00). Through a competitive process, USAID selected ARD, Inc. of Burlington, Vermont, to manage implementation of the PRODES program.

THE PRO-DECENTRALIZATION PROGRAM

The PRODES program sought to *contribute to the strengthening of democratic governance, promoting the institutionalization of good governance practices and enhancing the capabilities of public institutions and civil society organizations to contribute effectively to the decentralization process*. At its core, PRODES focused on developing and consolidating the capabilities of key stakeholders—public officials, staff, and civil society—to assume their functions and responsibilities under decentralized governance at the national, regional, and local levels.

The distinguishing features of the PRODES program were, foremost, its scale and breadth, providing progressive training and technical assistance to fully one-third of the nation’s regions and municipalities (7 regional governments and 536 municipal governments), while simultaneously advising the national government on decentralization policy.

Period	Year	Phases Proposed by USAID		Phases Achieved by the Program	
		Proposed Intervention		Direct Intervention	
		Regional	Municipal	Regional	Municipal
Year 1	2003	5	162	5	145
Year 2	2004	5	285	6	323
Year 3	2005	5	285	6 ¹	536
Year 4	2006	7	239/285 ²	6	213/323
Year 5	2007	7	239/285	6	60 ³ /468

In terms of content, the program committed to working in cooperation with Peruvian institutions in:

- (i) The development and institutionalization of planning processes, budgeting, and accountability for public funds in regional and local governments.
- (ii) The development and strengthening of the institutional and administrative capacities of regional and municipal governments.
- (iii) The development and strengthening of the participation, oversight, and monitoring skills of civic organizations, particularly those organizations representing traditionally excluded populations.

In its most practical terms, the program worked at the **National Level** by:

- **Organizing meetings and public hearings** with national and regional public institutions engaging thematic experts and civil society leaders in discussions on key decentralization issues.
- **Preparing an Annual Analysis of the State of the Decentralization Process** profoundly analyzing the decentralization process organized in eight specific dimensions.
- **Conducting Rapid Field Assessments** to provide timely information and in-depth analysis to stakeholders on key initiatives such as Transfer and Civic Participation, Participatory Budgeting, and Geographic Demarcation and Land Use Planning.
- **Disseminating information on decentralization regulations** each month to national and sub-national stakeholders.
- **Offering current, in-depth analysis of the state of decentralization** every three months through the bulletin, “*Descentralizando*.”

The program’s approach at the **Sub-National Level** prioritized inculcating and institutionalizing the practices of participatory strategic planning, budgeting, and accountability, coupled with an institutional strengthening program focused on developing tailored administrative and management instruments and tools, including the following key activities:

¹ The decision of the Regional Government of Huanuco not to sign a Common Agenda (*Agenda Común*) with USAID/Peru precluded PRODES’ providing direct technical assistance to that Executive, although the program continued to work directly with the Regional Legislature and Civil Society Representatives to the Regional Coordination Council.

² Direct Intervention/Indirect Intervention.

³ By mutual agreement with USAID/Peru, in Year 5 PRODES focused interventions on 60 provincial governments.

- **Technical Assistance and Training** for regional and municipal authorities, staff, and representatives of civil society organizations to institutionalize capabilities in leadership, participatory planning, budgeting, and accountability in fostering integral development.
- **Institution-Building Activities** at the municipal level, through the updating and adaptation of tools for municipal administration (i.e., Institutional Development Plan, Capacity Building Plan, Civic Participation Plan, MOF, ROF, CAP, TUPA), needed for efficient municipal administration and management of supplemental food programs, programs, and productive infrastructure.
- **Tailored Training Programs** for enhancing the specialized management skills of regional and local officials, staff, and civil society through the following training programs:
 - Design and Evaluation of Programs within the Framework of the National Public Investment System (*Sistema Nacional de Inversión Pública*, SNIP)
 - Strategies for Attracting Investment — Training for Investment Promoters
 - Training for Regional Coordination Council Members
 - Decentralizing Decentralization
 - Preparation of Regional Competitiveness Plans

Two additional training programs were specifically aimed at reinforcing civil society leaders:

- Formation of Community Leaders
- Capacity building of Civil Society Representatives to Regional Coordination Councils.

KEY PROGRAM RESULTS

The findings of the external Mid-Term and Final Evaluations, Annual Contractor Performance Reports, and Performance Monitoring Plan (PMP) System have documented that the program has substantially exceeded the contract performance requirements in the achievement of its contractual objectives. In general terms, the Final External Evaluation found that the program has successfully:

- Institutionalized participatory decision making (participatory budgeting and public accountability) and greater inclusion in 536 municipal and 7 regional governments.
- Strengthened democratic governance through the provision of effective management and administrative tools to national and sub-national authorities.
- Improved governability at the municipal level by improving relations between target local governments and civil society.
- Ameliorated social exclusion through the training of civil society leaders, including the leaders of highly marginalized groups (women, indigenous communities) in effective participation in the decision-making processes.
- Indirectly laid the basis for sustained local development through the training of sub-national authorities in more effectively fulfilling functions and responsibilities.
- Generated greater synergies between USAID/Peru's programs and other strategic partners working in the area of decentralization (USAID/PRODES support of the USAID-financed Alternative Development Program [PDA] being a particularly notable example).

Perhaps the most important proxy measure of PRODES’ contribution to the decentralization process has been the degree to which elements of the core program—its studies, training materials, and publications—have been adopted, replicated, and even institutionalized by Peru’s national, regional, and local governments; civil society organizations; universities; and International Cooperation Agencies. A summary listing of those organizations, necessarily incomplete, is presented below.

Program	Adopted by
<p>1. Training Program on the Development of Public Investment Programs, “Developing a Culture of Programs”</p>	<p>1.1. Ministry of Economy and Finance (MEF) 1.2. Voices of the Poor Program-MEF 1.3. Continental Management School in agreement with MEF. 1.4. Health Initiatives Program-USAID 1.5. Fight against Poverty Program in Metropolitan Lima-PROPOLI 1.6. UNICEF: with integration of human rights approach 1.7. San Cristóbal de Huamanga University-Ayacucho. 1.8. Andina University-Cusco 1.9. Daniel Alcides Carrión National University-Pasco. 1.10. Association of Municipalities of San Martín-AMRESAM 1.11. Democratic Governance and Inclusion Program – GTZ 1.12. Micaela Bastidas National University-Apurímac 1.13. PDA-Chemonics 1.14. ABT Associates Inc. – PRAES 1.15. Canadian Cooperation – Canadian Embassy 1.16. Chemonics of Peru 1.17. Regional Government of Apurimac 1.18. DESCO 1.19. Decentralization Secretariat and Public Administration Secretariat – PCM 1.20. Sacred Heart Women’s University (Universidad Femenina del Sagrado Corazón) 1.21. Municipal Management School (Escuela Mayor de Gestión Municipal)</p>
<p>2. Participatory Local Management Program</p>	<p>2.1. 29 Local Technical Teams (ETLs) 2.2. CND 2.3. MEF 2.4. Consensus Group for the Fight against Poverty 2.5. Decentralization Secretariat-PCM 2.6. Collective for Promoting Participatory Budgeting</p>

Program	Adopted by
<i>3. Training Program for Regional Council Members</i>	3.1. Ombudsman’s Office (Defensoría del Pueblo) 3.2. Decentralization Secretariat -PCM
<i>4. Diploma Program, “Decentralizing Decentralization”</i>	2.1. Hermilio Valdizán University-Huánuco 2.2. Andina University-Cusco 2.3. San Cristóbal de Huamanga University-Ayacucho 2.4. National Intercultural University of the Amazon (Universidad Nacional Intercultural de la Amazonía, UNIA), Ucayali.
<i>4. Investment Promoters Program</i>	3.1. Proinversión 3.2. Huánuco Chamber of Commerce
<i>5. Program for Training Community Leaders in Participatory Local Management</i>	4.1. Adeas Qullana Association-Cusco 4.2. ADRA (Agencia de Desarrollo y Recursos Asistenciales) 4.3. Center for Studies and Communal Promotion of the East (Centro de Estudios y Promoción Comunal del Oriente, CEPCO) 4.4. Committee in Solidarity with the Central American People (CISCAP) 4.5. CAPIRONA (NGO working in the Peruvian Amazon) 4.6. Amazonian Center for Anthropology and Practical Application (Centro Amazónico de Antropología y Aplicación Práctica, CAAAP) 4.7. Intermediate Technology Development Group (ITDG) 4.8. Association of Municipalities of San Martín (AMRESAM) 4.9. Consensus Group for the Fight against Poverty-San Martín 4.10. Regional Oversight Committee of San Martín

KEY FACTORS OF SUCCESS

Advanced Participation Methods (APM): PRODES’ methodological approach to strengthening municipal and regional governments was based upon Advanced Participation Methods (APM), methodological tools developed by ARD, Inc., to enhance public participation in development activities. The PRODES team adapted this core methodology to the specific needs of the participatory planning, budgeting, and accountability processes. Use of APM methodologies allowed PRODES and its local technical teams (ETLs) to adapt to the challenges of promoting local participatory processes in highly diverse cultural contexts. Adapted to the Peruvian experience and local languages (Quechua in Andean areas, and Shipibo in the Department of Ucayali), APM formed the basis of the program’s methodological intervention at the sub-national level. They enabled authorities to make carefully considered and consensus-based decisions in close dialogue with citizens.

Training Materials: In the course of the program, PRODES prepared a wide variety of training materials on participatory municipal administration, which served as the basis for training events for stakeholders at the sub-national level and have been lauded by stakeholders for their clarity and simplicity and the scope of content.

In elaborating our materials, the PRODES program strictly followed a sequence of preparation-validation-publication, with constant quality improvement over the life of the program a hallmark of our work. PRODES' training materials have been adopted, implemented, and replicated by the Peruvian government (national, regional, and local), multilateral institutions, bilateral international development cooperation, local universities, NGOs, and others. As cited by the Final Evaluation, *“materials produced by PRODES maintain their relevance through the present and are a continuing source of consultation for public officials and authorities, both local and regional and ETMs, even subsequent to the changeover of authorities after the 2006 local elections....PRODES' training methodologies and its preparation of high-quality, accessible training materials stand out as factors in its success.”*

Local Technical Teams (ETLs): PRODES' identification, recruitment, and training of ETLs allowed the program to successfully provide high-quality technical assistance and training to 536 municipalities, while establishing the technical capacity and professional practices needed for a market-based service market. The 29 institutions with which PRODES worked over the life of the program provided PRODES with the means to enter highly conflictive areas marked by coca-production; to sign cooperating agreements pledging each municipality to the fight against “illicit economic activity, terrorism and narco-trafficking”; and, most importantly, to respond to the extreme linguistic, cultural, and social heterogeneity that marks Peru's interior. As documented by a PRODES study, a large percentage of the 350 ETL technicians trained by PRODES during the life of the program continue to consult or to work within the State in providing services to regional and local governments, providing sustainability to intervention at the sub-national level.

PRODES Staff: A fourth and perhaps decisive contributor to PRODES' success is the institutional experience of PRODES' core staff in working with, and within, state institutions and civil society organizations, as well as their extensive institutional strengthening experience in the provision of technical assistance and training to sub-national actors. The PRODES team's extensive professional experience, and the dialogue between policy and practical applications (embodied by PRODES National and Sub-National Teams, described later in the report) reinforced the program's credibility with national, regional, and local actors and provided strategic insight which allowed the program to focus on concrete, achievable goals. As cited in the Mid-Term, it is the right team at the right time in the right place.

As noted in each of our external Evaluations and USAID Contractor Performance Reports, during its life, PRODES has been considered and recognized as one of the most important decentralization players in policy reform and technical assistance areas. **According to one USAID evaluation, “its capacity to produce high-quality products and services has been matched by no other contractor in the field of decentralization.”**

The Final Report which follows provides further detail on PRODES' Mission and Intermediate Results, Organizational Structure, Strategic Approach, Key Factors for Success, Activities and Impact.

I. THE PRO-DECENTRALIZATION PROGRAM

The goal of the Pro-Decentralization Program (PRODES) has been to contribute to the decentralization process by developing and consolidating the capabilities of key stakeholders—public officials, staff, and civil society—to assume their functions and responsibilities under decentralized governance at the national, regional, and local levels. PRODES’ strategic objective is, therefore:

To contribute to the strengthening of democratic governance, promoting the institutionalization of good governance practices and enhancing the capabilities of public institutions and civil society organizations so that they can contribute effectively to the decentralization process.

To achieve this strategic objective, USAID established four Intermediate Results for the PRODES program:

- Authority and resources transferred to the most appropriate levels of sub-national government.
- Sub-national government mechanisms established for civic participation and oversight of the decision-making process.
- Sub-national governments with enhanced capability to perform their principal functions.
- Community organizations that represent traditionally marginalized groups have greater capability to participate and oversee local government operations.

In addition to providing guidance to national authorities in developing and deepening the regulatory framework for decentralization, the most pressing organizational and logistical challenge faced by the program in achieving this strategic objective was to provide progressive training and technical assistance to seven regional governments and 536 municipal governments in seven departments—one-third of the national total.

In accordance with our contract, the Program was implemented in phases to reach full coverage of seven regional governments and 536 provincial and district governments. The proposed phases, compared to the actual phases, at the municipal level were as follows.

Period	Year	Phases Proposed by USAID		Phases Achieved by the Program	
		Proposed Intervention		Direct Intervention	
		Regional	Municipal	Regional	Municipal
Year 1	2003	5	162	5	145
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Year 3	2005	5	285	6 ⁴	536
Year 4	2006	7	239/285 ⁵	6	213/323
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⁴ The decision of the Regional Government of Huanuco not to sign a Common Agenda (*Agenda Común*) with USAID/Peru precluded PRODES’ providing direct technical assistance to that Executive, although the program continued to work directly with the Regional Legislature and Civil Society Representatives to the Regional Coordination Council.

⁵ Direct Intervention/Indirect Intervention.

⁶ By mutual agreement with USAID/Peru, in Year 5 PRODES focused interventions on 60 provincial governments.

In implementing the program, PRODES integrated a series of activities, approaches, and principles required by USAID into our strategic approach. One of the most important committed the program to focus its interventions on the seven departments of Ayacucho, Cusco, Huánuco, Junín, Pasco, San Martín, and Ucayali, and prioritize:

- (i) The development and institutionalization of planning processes, budgeting, and accountability for public funds.
- (ii) The development and strengthening of regional and local governments' institutional and administrative capacities.
- (iii) Capacity building for social organizations to enable them to participate in sub-national government decision making and oversight, and monitoring of public administration, particularly for organizations of traditionally excluded groups.

To address these challenges, the PRODES program organized itself into two strategic areas.

Strategic Area 1: National Regulatory and Institutional Strengthening

In this strategic intervention area, the program contributed to the consolidation of the design and implementation of the regulatory and institutional reforms required to deepen the decentralization process. PRODES sought to contribute to the legal and institutional framework needed to ensure the effective transfer of resources, authority, and functions from the national to sub-national (regional and local) governments. The program's priority was to complement the regulatory framework and policies necessary for improving regional and local government administration, civic participation, consensus building, and communication in the decentralization process.

In general, this objective was achieved by providing expert technical assistance for, and analysis of, specific regulatory and legislative issues necessary for deepening the decentralization process to public agencies responsible for the design and implementation of the process, such as the National Decentralization Council (*Consejo Nacional de la Descentralización*, CND, now the Secretariat for Decentralization), the Ministry of Economy and Finance (MEF), the office of the President of the Council of Ministers (PCM), and Congress.

The outcomes expected from the actions in this intervention area are:

- Informed decision making in accordance with the status of the process.
- Regulatory design of decentralization consolidated.
- Institutional mechanisms for representation improved.

Strategic Area 2: Development and Strengthening of Sub-National Capabilities

In this area, the program's goal was to consolidate the capabilities of key, sub-national (regional and local) actors in the decentralization process—public officials, staff, and civil society—to enable them to better perform their functions and responsibilities. Activities were primarily aimed at helping 7 regional governments, 536 municipalities, and many grassroots organizations to develop and institutionalize the capabilities required to appropriately execute responsibilities in three fundamental processes: (i) strategic planning; (ii) elaboration of participatory budgets; and (iii) public accountability. In later years, additional activities aimed at institutionally strengthening the administrative and managerial skills of regional and municipal staff.

The program opted for a capacity-building approach that identified strategic skills to be developed or reinforced among local and regional elected officials, public servants, and community leaders according to

their roles (executive, regulatory-monitoring, participation, and oversight).⁷ PRODES' work was characterized by:

- Basing its intervention on processes that involved local/regional stakeholders to ensure viable experiences of shared administration in which those involved exercised rights and assumed responsibilities.
- Developing a supply of training and technical assistance in accordance with the stage of municipal or regional administration, based on needs related to management cycles.
- Developing specific institution-building and leadership capabilities of particular stakeholders, with the goal of:
 - Promoting gradual progress in the transfer of responsibilities and programs;
 - Contributing to better management of the responsibilities, programs, and functions transferred to sub-national governments; and
 - Contributing to local and regional capacity building to give impetus to the decentralization process, fostering conditions for certifying the training of the various participating stakeholders.

PRODES MISSION	
To contribute to the strengthening of democratic governance, promote the institutionalization of good governance practices and enhance the capabilities of public institutions and civil society organizations so that they can contribute effectively to the decentralization process.	
INTERMEDIATE RESULTS	STRATEGIC INTERVENTION AREAS
Authority and resources transferred to most appropriate levels of sub-national government.	Regulatory and Institutional Strengthening
Sub-national government mechanisms for civic participation and oversight of established decision-making process.	Development and Strengthening of Local and Regional Capabilities
Sub-national government institutions more capable of performing their principal functions.	
Grassroots organizations that represent traditionally marginalized groups more capable of participating and overseeing local government operations (administration).	

⁷ To help guide our interventions, the program used the results of an independent study that found that 91 percent of PRODES' target municipalities had comparatively weak institutional management capabilities and that 94 percent of the target municipalities had annual budgets of less than S/.6,400,000 (US \$2 million). It was also shown that poverty, chronic malnutrition, and illiteracy rates in the PRODES target municipalities were above the national average. These figures are partly explained by the fact that 50 percent of existing districts and 30 percent of provinces nationwide do not have the minimum population as required by law.

2.0 STRATEGIC APPROACH

At the **National Level**, the program initially focused its interventions providing expert technical assistance to the National Decentralization Council, the body institutionally responsible for coordinating the decentralization process in Peru. Within the first year, however, PRODES and USAID/Peru agreed upon the need to broaden technical assistance to other key governmental institutions engaged in the decentralization process, primarily the Ministry of Economy and Finance (MEF), the Office of the President of the Council of Ministers (PCM), the Decentralization Committee of the Peruvian Congress, and the Ministry of Women and Social Development (MIMDES). Among the priority activities carried out at the national level, PRODES –

- **Organized meetings and public hearings** with national and regional public institutions engaging thematic experts and civil society leaders in discussions on key decentralization issues, frequently concurrent with the legislative agenda. Beyond the facilitation of these events, PRODES systematized and distributed the strategic comments, technical observations, and final recommendations offered by all participants with the objective of strengthening the quality and focus of normative or regulatory initiative being discussed.
- **Prepared an Annual Analysis of the State of the Decentralization Process** (*Balance de la Descentralización: Balance y Recomendaciones para una Agenda Pendiente, 2004-2007*) which profoundly analyzed the decentralization process organized in eight specific dimensions:
 - Formation of Regions and Land Use Planning
 - Transfer of Responsibilities
 - Fiscal Decentralization
 - Economic Decentralization
 - Democratization of Public Decision Making
 - Adaptation of Administrative Systems
 - Institution Building
 - Information and Consensus Building.
- **Conducted Rapid Field Assessments** to provide timely information and in-depth analysis to stakeholders on key initiatives such as: *Transfer and Civic Participation, Participatory Budgeting and Geographic Demarcation and Land Use Planning.*
- **Disseminated public information** each month to national and sub-national stakeholders about decentralization regulations.
- **Offered updated, in-depth analysis** of the state of decentralization every three months through the bulletin, “*Descentralizando.*”

The program’s strategic approach at the **Sub-National Level** prioritized inculcating and institutionalizing the practices of participatory strategic planning, budgeting, and accountability, coupled with an institutional strengthening program focused on developing tailored administrative and management instruments and tools. After successfully initiating activities in all 7 regions and 536 target municipalities, the program broadened its assistance by offering specialized and tailored training programs designed to address key obstacles as identified by regional and local representatives, staff, and civil society members. PRODES’ sub-national interventions consisted of the following key activities:

- **Technical Assistance and Training** for regional and municipal authorities, staff, and representatives of civil society organizations to institutionalize capabilities in such priority areas as leadership, participatory planning, budgeting, and accountability in fostering integral development in their jurisdictions.
- **Institution-Building Activities** at the municipal level, through the updating and adaptation of tools for municipal administration (i.e., Institutional Development Plan, Capacity Building Plan, Civic Participation Plan, MOF, ROF, CAP, TUPA), needed for efficient municipal administration and management of supplemental food programs, programs, and productive infrastructure.
- **Tailored Training Programs** for enhancing the specialized management skills of regional and local officials and staff through the following training programs:
 - **“Design and Evaluation of Programs within the Framework of the National Public Investment System (Sistema Nacional de Inversión Pública, SNIP)”** the only program officially recognized by MEF for training sub-national stakeholders (authorities, technical staff, civil society) in the preparation of pre-feasibility studies.
 - **“Strategies for Attracting Investment — Training for Investment Promoters,”** training in strategies for attracting greater private investment at the regional and local levels, developed in close coordination with ProInversión and implemented with local Chambers of Commerce and universities.
 - **“Training for Regional Coordination Council Members,”** to enhance regional council members’ skills in leadership, organization, regulatory policy, negotiation, and oversight, in coordination with the Ombudsman’s Office.
 - **“Decentralizing Decentralization,”** a Diploma granting program to enhance skills of public officials, staff, and citizens in critical analysis and the designing of local proposals to address key issues of decentralization and the role of the State, implemented in cooperation with local universities.
 - **“Preparation of Regional Competitiveness Plans,”** assisting regional governments with the participatory preparation of plans to establish conditions more conducive to attracting private investment and encouraging the business sector to take advantage of the potential of the country’s departments.

Two additional training programs were aimed specifically at leaders of civil society:

- **“Formation of Community Leaders,”** to contribute to the formation of community leaders, developing their ability to formulate proposals and negotiate with various stakeholders, such as authorities, public servants, and other leaders, in coordination with institutions such as MASAL and APODER.
- **“Capacity building of Civil Society Representatives to Regional Coordination Councils,”** supporting institutionalized opportunities for civic participation and enhancing the capabilities of civil society representatives on Regional Coordination Councils (RCCs), to enable them to play a more effective role.
- **Special Incentive Fund (SIF):** USAID initially budgeted US \$4 million for PRODES to establish a Special Incentive Fund (SIF) to reward local and regional governments that implemented innovative management and good governance practices. While the overall budget figure was later reduced, the SIF made both competitive grants to our target regional and municipal governments through transparent public competition as well as non-competitive grants to institutions that presented strategic initiatives that coincided with the program’s overarching objectives and were of strategic interest to USAID’s integral development strategy.

In 2005, PRODES organized a competition for “Innovation in Public Administration and Good Governance” to recognize local and regional governments’ innovative initiatives and practices in consensus building, inclusion, participation, transparency, civic oversight, and conflict resolution. The jury consisted of representatives of state agencies and civil society involved in the decentralization process, including the CND, MEF, the Ombudsman’s Office, *Participa Perú*, as well as PRODES.

Seventeen local governments received awards for their innovative public administration and good governance practices, in the form of co-financing for programs designated as priorities in the participatory budgeting process. Of the 17 programs co-financed with SIF, nine were for small-scale infrastructure, two for institution building, four for improving management of social programs, and two for pre-investment studies.

In the area of non-competitive program grants, in 2003 and 2004 the program responded to two requests for financing submitted to USAID by the CND. One was to support the Connectivity Plan for the Apurímac-Ene Valley-VRAE (Ayacucho, Cusco, and Junín) through the donation of computer and telecommunications equipment to implement Municipal Innovation Centers (*Centros de Innovación Municipal*, CIMUN) in 12 municipalities in the VRAE, and the second was to support the connectivity program in the province of Tocache (San Martín), also through the donation of equipment to implement “Municipal Innovation Classrooms-Huascarán” in the municipalities of Tocache and Uchiza. These initiatives were part of Peace and Development Plans I and II coordinated by CND, and were approved by USAID for financing through SIF.

PRODES Strategic Approach - National, Regional, and Local Levels

Beneficiaries	Training and Technical Assistance	Specialized Courses	Special Incentives
Executive Branch Legislative Branch Civil Society	<ul style="list-style-type: none"> Public hearings and specialized work sessions Annual analysis of the state of the decentralization process, 2004-2007 Rapid Field Assessments Dissemination of public information about regulations stemming from the decentralization process Quarterly in-depth analysis of the state of decentralization through the bulletin, “Decentralizing” (“<i>Descentralizando</i>”). 		
7 Regional Governments Regional Civil Society	<ul style="list-style-type: none"> Technical assistance in the preparation of planning tools Linking of Regional Participatory Budget to other processes Legislative capacity building Capacity building for civil society representatives on Regional Coordination Councils 	<ul style="list-style-type: none"> Training in formulation and evaluation of programs adapted to the National Public Investment System (<i>Sistema Nacional de Inversión Pública</i>, SNIP) 	Special Incentive Fund

Beneficiaries	Training and Technical Assistance	Specialized Courses	Special Incentives
<p>536 Municipal Governments</p> <p>Local Civil Society</p>	<ul style="list-style-type: none"> • Strategic Planning • Participatory Budgeting • Accountability • Institution Building • Municipal Services • Capacity building for leaders 	<ul style="list-style-type: none"> • Strategies for attracting investment and training investment promoters • Regional Competitiveness Plans • Training for Regional Council members • Formation of community leaders • Capacity building for civil society representatives on Regional Coordination Councils • Diploma: Decentralizing Decentralization 	

3.0 KEY METHODOLOGICAL APPROACHES

Local Technical Teams (ETLs): In 2003, PRODES faced the great challenge of designing an intervention strategy to provide technical assistance and high-quality training to 536 municipalities, simultaneously. As a starting point, the PRODES contract called for using local institutions denominated as Locally Based Technical Teams (ETLs) in the program's areas of intervention. After conducting an initial survey of existing institutional resources available at the local level, PRODES competitively selected those organizations best positioned to channel the program's technical assistance and training to our target municipalities.

The 29 institutions with which PRODES worked over the life of the program possessed differing degrees of experience in the diversity of topics, technical approaches, and methodologies of interest to PRODES. They were, however, multidisciplinary and had expertise in working with government officials, public servants, and civil society in profoundly heterogeneous contexts. The teams were versatile, possessing deep understanding of the local and regional context in which they operated and committed to the objectives of the PRODES program.

Each year, PRODES trained the 29 ETLs—comprised of more than 350 technical staff members over the five years of the program—through a 10-day Orientation Workshop in PRODES training and technical assistance strategies, processes, and instruments. Throughout the year, the ETLs received specialized materials, orientation guides, and refresher courses immediately prior to the municipal calendar.

Reinforcement of existing local institutional capabilities using PRODES methodologies and materials enabled us to respond to the country's great social and cultural heterogeneity, which called for timely services and materials with different emphases and approaches. As a measure of our success, and sustainability, these 29 teams and consultants are now sought out directly by local and regional governments to provide management assistance, creating a market of services that will undoubtedly contribute to the sustainability of the process once the program ends.

Advanced Participation Methods (APM): PRODES' methodological approach to strengthening municipal and regional governments was based upon Advanced Participation Methods (APM), methodological tools developed by ARD, Inc., to enhance public participation in development activities. These methods are one of the principal characteristics of ARD's work in countries such as Haiti, Bulgaria, Mongolia, the Philippines, Senegal, the West Bank of Gaza, Jamaica, and Armenia. They have been applied in various sectors and technical areas, including the environment, administration, health, strategic planning for the public sector, institution building, and community planning.

The PRODES team tailored this core methodology to the specific needs of the participatory planning, budgeting, and accountability processes. Use of APM methodologies allowed PRODES and its ETLs to adapt to the challenges of promoting local participatory processes in highly diverse cultural contexts, such as in the i) preparation and review of a consensus-based development plan; ii) design of project ideas with local people's input; iii) identification of local development priorities to be financed; iv) technical evaluation of priorities for participatory budgeting; v) implementation of participatory budget decisions; vi) implementation of projects or actions; and vii) accountability.

Adapted to the context of decentralization, the Peruvian experience and local languages (Quechua in Andean areas, and Shipibo in the Department of Ucayali), APM formed the basis of the program's methodological intervention at the sub-national level. The methods enabled authorities, officials, and citizens to move from event-driven distribution of information to real decision making based on proposals carefully considered by local people in close dialogue with their authorities, so as to ensure consensus-based agreements in which all stakeholders had a sense of ownership, and which contributed to good local governance. They have also been used in all training programs implemented by PRODES, including the Training Program for Formulation of Public Investment Project Profiles (SNIP), the Training Program for Community Leaders and the Training Program for Regional Council Members.

Training Materials: In the course of the program, PRODES prepared a wide variety of training materials on participatory municipal administration, which served as the basis for training events for stakeholders at the sub-national level and have been lauded by stakeholders for their clarity and simplicity and the scope of content.

In elaborating our materials, the PRODES program strictly followed a sequence of preparation-validation-publication, with constant quality improvement over the life of the program a hallmark of our work. The production of materials incorporated PRODES' field experiences, the collaboration of experts in complementary technical areas, and the participation of representatives of competent public agencies, under the direction of adult education specialists and expert practitioners. Content was adapted by the program's educational consultants and layout done by experts in the design of training materials. Drafts were validated by the program itself with the participation of PRODES core staff, ETLs, and local stakeholders. The recommendations of these participants were then incorporated into the final materials. This process ensured the content and presentation quality, guaranteeing their relevance and appropriateness for capacity-building initiatives.

The products of this approach—PRODES' training materials—have been adopted, implemented, and replicated by the Peruvian government (national, regional, and local), multilateral institutions, bilateral international development cooperation, local universities, NGOs, and others. As cited by the Final Evaluation *“materials produced by PRODES maintain their relevance through the present and are a continuing source of consultation for public officials and authorities, both local and regional and ETMs, even subsequent to the changeover of authorities after the 2006 local elections. In interviews, international cooperation agencies have noted as a best practice PRODES' emphasis on officializing the aforementioned materials, and are including them in their own work.... PRODES' training methodologies and its preparation of high-quality, accessible training materials stand out as factors in its success.”*

Each of the training programs developed by PRODES include all documents necessary for their replication including, for example, General Guides for tutor, trainer, facilitator, and direct beneficiaries.

4.0 PROGRAM IMPLEMENTATION

4.1 SUB IR 2.1. AUTHORITY AND RESOURCES TRANSFERRED TO THE MOST APPROPRIATE LEVELS OF SUB-NATIONAL GOVERNMENT

The PRODES program’s objectives included contributing to debate over and design of public policies to promote decentralization and modernization of the State in Peru. This involved preparation of studies, working papers, and specialized reports, and organization of meetings for discussion of various issues critical to the decentralization agenda. The following is a brief summary of these experiences.

4.1.1 Monitoring and Dissemination of Information About the Decentralization Process

One of PRODES’ main work areas was monitoring and dissemination of information about the decentralization process, to inform the various stakeholders about the design and implementation of the process and contribute to decision making at the different levels of government. PRODES prepared an annual, user-friendly report, written in simple language understandable to the lay person, on the state of the process, a quarterly bulletin, and a monthly report on regulations, all of which were distributed widely in both printed and electronic form to stakeholders nationwide and in the seven departments where the program worked.

Annual Analysis of the State of the Decentralization Process: Every year PRODES, with the participation of various stakeholders, analyzed the state of the decentralization process in Peru and offered recommendations for deepening the process moving forward. Preparation of the reports included consultation with the various stakeholders involved in the process, both at the national and departmental level where PRODES worked. Each year, an average of 60 people were consulted, including representatives of the CND (later the Decentralization Secretariat), Congress, and Executive Branch; national, regional, and local experts; civil society leaders; international cooperation agencies; etc. The consultations were designed to ensure that the evaluation and recommendations reflected a collective view of the process from different standpoints.

During the life of the program, PRODES prepared five Assessment Reports:

Title	Period of Analysis
Evaluation of the Decentralization Process: Progress and Limitations	January 2002 – September 2003
Decentralization Process 2004: Evaluation and Recommendations for a Pending Agenda	January – December 2004
Decentralization Process 2005-April 2006: Evaluation and Challenges	January 2005 – April 2006
Decentralization Process: the Four-Year Agenda Since the Process Began	2002 – January 2007
The Decentralization Process: Evaluation and Agenda through September 2007	August 2006 – September 2007

To organize the analysis and contribute to a better understanding of the process, PRODES identified eight dimensions in evaluating the state of decentralization in Peru, allowing for an exhaustive analysis of the process, but organized in a way which was readily understandable to both policymakers and an interested public. The eight dimensions included in the report include:

- Formation of Regions and Land Use Planning
- Transfer of Responsibilities
- Fiscal Decentralization
- Economic Decentralization
- Democratization of Public Decision Making
- Adaptation of Administrative Systems
- Institution Building
- Information and Consensus Building.

This way of analyzing the decentralization process, spearheaded by PRODES in its publications and analysis, was adopted by other entities, including the Executive Branch and Congress (with some slight adaptations), thereby contributing to an integral, detailed view of the process.

Rapid Assessments: Each year between 2003 and 2006, PRODES used the Rapid Field Assessment methodology to take the pulse of the decentralization process from the standpoint of the stakeholders involved at the decentralized level. Each year, it chose a specific issue, preparing a report that was submitted to principal authorities and experts on the subject.

Assessments

Year	Subject	Number of Interviews
2003	Transfer of competencies and civic participation	371
2004	Participatory budgeting	350
2005	Transfer of responsibilities	450
2006	Demarcation and Land Use Planning	393

PRODES distributed the Evaluation Findings Report to key stakeholders in the national executive and legislative branches, regional and local authorities throughout the country, experts, and civil society representatives. It was also distributed electronically and made available to anyone interested through the Web page. In 2007, events were also held in Lima and regions to present the results of the report.

The encouraging reception of the reports from researchers and decision makers convinced PRODES to develop a methodological guide called, **“Taking the Pulse of Decentralization: Rapid Field Assessment,”** so that others can continue doing this type of evaluation of the process. The guide describes methodological aspects, tools, lessons learned, and recommendations for obtaining better results from the assessment, as well as practical advice and examples for better implementation.

Quarterly Bulletin / Report on Regulations: PRODES launched two new services in January 2005 to help ensure that the various stakeholders were better informed about the decentralization process.

A Quarterly Bulletin, “**Descentralizando**” (“**Decentralizing**”), is intended to inform about progress in the decentralization process in accordance with the following format.

Pages	Contents
1	Editorial
2 – 9	Articles analyzing the most important news about decentralization during the period.
10	A section on “Tools for Capacity Building,” with information from documents and capacity-building courses for various stakeholders.
11	News Briefs section.
12	Final section with challenges for the next quarter.

To prepare each issue, regulations, news, and publications were reviewed and interviews were conducted with government authorities, staff, and civil society representatives at the national level and in the departments where PRODES worked. Ten issues of the Quarterly Bulletin, “*Descentralizando*,” were published, with a total press run of 33,000 copies and 26,000 distributed by email. For Issue 10 alone, 3,500 copies were printed and the bulletin was sent electronically to 2,600 contacts in our database.

Because the regulatory framework for the decentralization process was constantly evolving, PRODES began preparing a **Monthly Summary of Regulations** in January 2005, classified by topic, with commentary. This summary was posted on PRODES’ Web page and distributed by email to users interested in the service. As part of the closure of the program, after coordination with “*Municipio al Día*,” PRODES recommended that users of the PRODES service subscribe to that organization’s bulletin.

4.1.2 Studies and Technical Assistance at the National Level

Another important area for the Program involved assisting the Executive Branch, Congress, the National Assembly of Regional Governments, and other national-level stakeholders with studies and technical assistance for enhanced design and implementation of the decentralization process.

PRODES contributed specialized reports with in-depth analysis of various aspects of the process, as well as brief Technical Notes that provided analysis of and recommendations for specific policies or regulations that the Executive Branch and Legislature were evaluating. These were in addition to the monitoring mentioned in the preceding section.

Specialized Reports: From the outset, PRODES was designed to assist the entities guiding the process by providing in-depth analysis of specific issues, at the request of those entities. In the course of the program, PRODES prepared more than 40 reports in response to requests from public entities. The main reports were made available to the public on the Program’s Web page and included on the PRODES Library CD.

Major 2007 reports included the analysis of fiscal decentralization, designed to assist the National Assembly of Regional Governments (Asamblea Nacional de Gobiernos Regionales, ANGR), and the analysis and recommendations for transferring responsibilities, designed to assist the Office of the President of the Council of Ministers. The report on fiscal decentralization helped put the issue on the public agenda and encouraged ANGR to form a working group with representatives from various levels of government to prepare proposals for reform.

Technical Notes: With the analysis done by the Program, in 2007, a new report format, called “Technical Notes,” was introduced. These were brief documents analyzing specific issues then being debated by Congress or the Executive Branch and proposing courses of action. In some cases, the Notes were prepared in response to requests from national agencies while, in others, they were drafted on the Program’s initiative. These Notes were distributed in a timely manner to the relevant agencies and bodies, which applied the information and recommendations to their work. Various bills introduced in Congress mention proposals developed by PRODES.

One recent notable example was the Technical Note on the Organic Law for the Executive Branch that PRODES submitted to Congress. The text promulgating this law notes that PRODES submitted comments and proposals and that many were included in the commission’s draft legislation. One of these measures was the suggestion that a new Functional Programmatic Classification System be developed for the formulation of organic laws for the sectors.

Technical Notes prepared by the Program:

Subject	Prepared for
Organic Law for the Executive Branch	Congress
Organic Law for Municipalities	Congress
SNIP	Congress
Regionalization and Land Use Planning	Office of President of Council of Ministers
Regulatory Agenda	Decentralization Secretariat
Law for Regional and Local Elections	Congress
Municipalities and Population Centers	Congress

4.1.3 Promoting Dialogue

PRODES also promoted dialogue among the members of the “decentralist community,” as the group of officials, experts, civil society representatives, international cooperation agency representatives, and others involved in the decentralization process became known. According to the Final External Evaluation Report, PRODES made a major contribution to strengthening and structuring the “decentralist community.”

Activities included working breakfasts, as well as debates on elections and the 2005 referendum. Program staff also participated in various events as speakers, commentators, and panelists.

Working Meetings: To enhance the preparation of regulatory initiatives and technical proposals, PRODES promoted working meetings for experts, representatives of various agencies and levels of government, NGO representatives, international cooperation agency representatives, and others to discuss the issues. A total of 15 such meetings were held in Lima and 40 in the departments where the Program worked.

The following were important factors in the success of these meetings:

- *Design:* Precise definition of the issue to be addressed, objectives to be met, and outcomes as well as critical issues for discussion.
- *Motivational Presentations:* Participation by experts and relevant stakeholders who developed an initial presentation on one or all of the critical issues to stimulate discussion among the participants.

- *Information Sheet:* Preparation of information sheets summarizing the discussion, which were distributed in a timely manner to the appropriate agencies and organizations to ensure that the contributions would be useful for the preparation of regulatory initiatives or technical proposals designed by the entities guiding the process.

Most of the meetings were organized in partnership with the public entity responsible for the issue, which helped ensure that the participants’ contributions were included in the final proposals. Many of the meetings, therefore, were organized with the Congressional Decentralization Commission, addressing issues such as public employment, an accreditation system, and formation of regions.

One interesting example was the series of meetings on public employment reform, organized in 2004 and 2005 in conjunction with Congress. A total of seven working breakfasts were held, along with a public forum to debate the issue. The input from these events was used to prepare a document about the state of public employment and recommendations for reform. This document is now a key reference for anyone analyzing the issue of public employment.

Because of the great interest in this work style, in the last year a **Guide for Effective Debate** was prepared with the goal of sharing the experience gained in organizing and leading the discussion meetings sponsored by PRODES, which, over the years, provided an effective forum for stakeholders to share ideas about the decentralization process, as well as systematic documentation of contributions and recommendations, which was then made available to the entities responsible for guiding the process.

Promoting Debate in Electoral Processes: In 2006, PRODES implemented a series of actions designed to put pending issues related to decentralization on the agenda for the national elections held in the second quarter of the year and regional and local elections held in the fourth quarter. It also sought to ensure that the various stakeholders in the decentralization process had timely information. These efforts had three key target audiences:

Target Audience	Objective
Journalists	Journalists receive information about decentralization and ask candidates about their positions.
Candidates	Candidates from political parties and movements receive information about critical aspects of decentralization: assessment of progress so far and pending issues.
Civil society	Community and grassroots leaders and general public receive information that allows them to analyze candidates’ platforms from the standpoint of decentralization.

PRODES prepared tailored materials which it made available to political parties, experts, the media, and the general public: “Decentralization on the Electoral Agenda: Contributions for the Formulation of Proposals” for the national elections, and “Regional and Local Elections: Decentralization on the Agenda” for the regional and local elections. Both included a section of questions for candidates that focused on a series of urgent and medium-range measures necessary for continuing with the decentralization process.

PRODES also participated, along with various local agencies and organizations, in the organization of decentralized events, the main objective of which was to create opportunities for debate and consensus building, where candidates from the department presented their proposals on various issues—including decentralization—and listened to citizens’ views. Several of these events were broadcast by the media. For the

regional and local elections, PRODES also organized workshops for journalists and political parties, as well as civic fairs.

4.1.4 Capacity Building

Capacity building was fostered with easy-to-understand guides on issues related to public administration, as well as the design of training programs that could be implemented easily by third parties.

Easy-to-Understand Guides on Issues Related to Public Administration: To help people in local government better understand national government technical regulations, PRODES worked with key national-level entities on the design of easy-to-understand guides. The following Orientation Guides were produced:

- SNIP Regulations, DGPM - MEF
- Formulating a Program Profile, DGPM - MEF
- Promoting Decentralized Investment, Proinversión
- Local Government Budgeting, DNPP – MEF
- Regulations for Fiscal Decentralization, DGAES – MEF
- Economic Classification of Public Finance, DGAES – MEF
- Multi-Year Report on Local Administration, DGAES – MEF
- Multi-Year Report on Regional Administration, DGAES – MEF

4.2 SUB IR 2.2. SUB-NATIONAL GOVERNMENT MECHANISMS FOR CIVIC PARTICIPATION AND PUBLIC OVERSIGHT OF THE DECISION-MAKING PROCESS ESTABLISHED IN SELECTED REGIONS

In the program contract, USAID prioritized the institutionalization of three types of consensus-building processes involving sub-national authorities and civil society in seven regional governments and 536 municipal governments. These were:

- The **Consensus-Based Development Plan (*Plan de Desarrollo Concertado, PDC*)**, a sub-national management document that constitutes the principal guide for investment allocation and spending of resources.
- The **Participatory Budget (*Presupuesto Participativo*)**, a mechanism for equitable, well-founded, efficient, effective, and transparent allocation of public resources, which strengthens relations between government and civil society.
- **Accountability and Public Oversight**, which encourage better provision of services by decentralized governments.

The prioritizing of participatory processes was based on the premise that because decentralized governments are closer to the people they serve and subject to closer oversight, they will be more responsive to citizen needs and demands and can therefore provide more efficient, higher-quality public services.

The program therefore prioritized the updating of Consensus-Based Development Plans and the institutionalization of participatory budgeting and accountability processes to foster integral development in the governments' jurisdictions. Besides the expected benefits mentioned above, the institutionalization of

participatory processes enabled PRODES to structure an integrated program aimed at enhancing the administrative and management capacities of local and regional governments and the civil society organizations listed under Sub. IR 2.3. It also served as an organizational principle for PRODES interventions and other USAID programs operating at the sub-national level.

The program’s training and technical assistance focused on clearly defining and reinforcing the roles of local stakeholders and ensuring commitment to the process. Mayors and council members committed to and led participatory processes; municipal officials provided technical and regulatory support, gathering information, preparing the necessary documentation, and serving as a link between civil society and the municipal government. With the program’s support, civil society played a participatory role, exercising its rights and contributing to better public administration, and demanding and participating in participatory processes. One particularly noteworthy aspect to our work in this area was the promotion of participation by traditionally excluded groups, such as women and indigenous populations. The program sought to strengthen local stakeholders’ knowledge of public administration, accreditation, institutional development, and administrative systems.

In operational terms, in institutionalizing participatory mechanisms, the program provided technical assistance and training in:

Participatory Process	Technical Assistance and Training
<p align="center">Consensus-Based Development Plan (Plan de Desarrollo Concertado, PDC)</p>	<ul style="list-style-type: none"> ▪ Updating of the Consensus-Based Development Plan
	<ul style="list-style-type: none"> ▪ Articulation of the Consensus-Based Development Plan and the Participatory Budget
<p align="center">Participatory Budget (Presupuesto Participativo)</p>	<ul style="list-style-type: none"> ▪ Production of Legislative and Regulatory Norms which Govern the Process
	<ul style="list-style-type: none"> ▪ Organization and co-facilitation of the Participatory Budget Process in Accordance with Norms and Regulation
	<ul style="list-style-type: none"> ▪ Municipal Diagnostic
	<ul style="list-style-type: none"> ▪ Prioritization of Actions and Programs
	<ul style="list-style-type: none"> ▪ Development and Negotiation of Budget
	<ul style="list-style-type: none"> ▪ Formalization of Agreements
	<ul style="list-style-type: none"> ▪ Establishment of the Tools for the Supervision and Oversight of Municipal Governance
<p align="center">Accountability and Public Oversight</p>	<ul style="list-style-type: none"> ▪ Training in the Normative and Regulatory Requirements of Transparency and Public Access to Information
	<ul style="list-style-type: none"> ▪ Production and Public Dissemination of Information on Municipal Governance and its Results
	<ul style="list-style-type: none"> ▪ Elaboration of the Annual State of the Municipality Report
	<ul style="list-style-type: none"> ▪ Organization and co-Facilitation of the Public Accountability Audiences
	<ul style="list-style-type: none"> ▪ Organization for Informed Participation of the Public in the Public Accountability Audiences

4.3 SUB IR 2.3. SUB-NATIONAL GOVERNMENT INSTITUTIONS MORE CAPABLE OF PERFORMING THEIR PRINCIPAL FUNCTIONS

PRODES' work in the institutional strengthening of sub-national governments sought to ensure that transferred responsibilities were accompanied by the institutional capacity building to manage these new responsibilities. In 2003-2004, PRODES' intervention was mainly aimed at helping the 536 municipal governments comply with the **general requirements**, and approving internal management and administration regulations necessary for accreditation for the transfer of responsibilities, including the requirements involving plans and instruments, such as:

- Institutional Development Plan
- Capacity Building Plan
- Civic Participation Plan
- Manual of Organization and Functions (MOF)
- Rules for Organization and Functions (ROF)
- Personnel Assignment Chart (CAP)
- Single Text of Administrative Procedures (TUPA)
- Integrated Financial Administration System (SIAF)

Between 2004 and 2005, PRODES worked intensively to ensure the installation and operation of the budgeting module of the **Integrated Financial Management System** in the 536 municipalities (100 percent) in the areas where it worked. Of the 536 target municipalities, 274 (51 percent) are using the "administrative-accounting" module, which enables them to record all transactions and transmit the information to MEF/SIAF-GL.

Between 2006 and 2007, the PRODES program implemented an initiative for the preparation of **training modules on the management of the social programs being transferred**. The principal outcome of this initiative was technical-level approval of the content of and capabilities addressed in the training program on management of the transferred social programs. MIMDES now has a matrix of capabilities and the content of a training program for transferred social programs.

PRODES also directly implemented **Tailored Training Programs** aimed at strengthening the capabilities of regional and local authorities and other public officials and members of civil society. The programs were designed to reinforce specific, specialized management skills for representatives, technical staff, and members of civil society at the regional and municipal levels through the following education programs.

Technical Area	Education Program	Beneficiaries
Sub-National Public Investment	“Training in Formulation and Evaluation of Programs Adapted to the National Public Investment System (Sistema Nacional de Inversión Pública, SNIP.” Since 2004, work has been done to enhance the capabilities of regional and municipal authorities and officials and members of civil society for formulating pre-feasibility studies for public investment through a three-month, partly distance-learning course. The program began in 2004 with an initiative implemented in partnership with the University of the Pacific, and was subsequently offered at the departmental level in partnership with local universities in the program’s intervention area. The course was granted official status in 2006 by the Ministry of Economy and Finance (MEF).	Lima (2003-2005), San Martín, Cuzco, Huánuco, and municipalities in the Apurímac-Ene River Valley (VRAE)
Sub-National Private Investment	“Strategies for Attracting Investment – Training of Investment Promoters.” Implemented with the Private Investment Promotion Agency (PROINVERSIÓN) and, in some cases, chambers of commerce, this program has trained government officials and staff and members of civil society in 16 departments ⁸ to prepare proposals for attracting private investment. As a result of PRODES’ support, for example, the Regional Government of Ucayali prepared the program, “Private sector participation in the concession of the Port of Pucallpa: Rehabilitation of the port terminal through a special public bidding process,” which is being implemented.	Seven regions and Ancash, Arequipa, Cajamarca, La Libertad, Lambayeque, Loreto, Piura, Tacna, Huánuco and Pasco
	“Support for Regional Governments in the Preparation of their Regional Competitiveness Plans” provided assistance to six regional governments in the participatory preparation of their competitiveness plans. The goal was to help them develop a plan for establishing conditions conducive to private investment and encourage the private sector to take advantage of the departments’ potential.	Ayacucho, Cusco, Junín, Pasco, San Martín and Ucayali)
Strengthening of Sub-National Institutions	“Training for Regional Council Members.” In partnership with the Ombudsman’s Office (Defensoría del Pueblo), the program has worked with 68 council members from the seven target regional governments. It has had a great impact in strengthening capabilities related to legislation, representation, and oversight. Among the capabilities addressed are leadership, organization, development of regulations, negotiation, representation, and oversight of the regions’ legislative bodies.	Seven regions in PRODES’ area of intervention
Development of Local Solutions	Diploma Program, “Decentralizing Decentralization.” Through three three-month, post-graduate, partly distance-learning programs, the program enhanced local capabilities for developing proposals for addressing obstacles encountered in the decentralization process.	Huánuco, Cuzco, Ayacucho and Ucayali

⁸ Ayacucho, Cusco, Huánuco, Junín, Lima, Pasco, San Martín, Ucayali, Ancash, Arequipa, Cajamarca, La Libertad, Lambayeque, Loreto, Piura and Tacna.

Each of these programs was designed with technical experts and adult-education specialists, based on the characteristics and interests of the target audience, recognizing that many of the intended beneficiaries had little time for training.

The methodology was based on the Kolb model,⁹ a four-stage, cyclical learning process that is based on:

- The experience of the participant, who identifies information from his or her own locality that is related to the issue of decentralization and public administration.
- This is followed by a phase of observation and analysis of the information gathered, in dialogue with theoretical elements.
- The participant then engages in abstract conceptualization that guides and gives meaning to the practical experience.
- Finally, the participant applies the conclusions to his or her active experience, putting into practice the criteria and procedures he or she has learned and drawing new lessons learned that provide input into his or her specific experience.

4.4 SUB IR 2.4 GRASSROOTS ORGANIZATIONS THAT REPRESENT TRADITIONALLY MARGINALIZED GROUPS MORE CAPABLE OF PARTICIPATING IN AND SUPERVISING LOCAL GOVERNMENT OPERATIONS (ADMINISTRATION)

From program conception, PRODES chose to ensure that each one of its training and technical assistance activities benefiting regional and local governments obligatorily included participants from civil society and grassroots organizations. While PRODES initially established a contractual floor with our ETLs of three civil society participants in each and every municipal training event, we soon recognized that the demand for training made this arrangement unworkable. Rather, PRODES utilized the conduct of participatory municipal planning, budget, and public accountability as ideal opportunities to train municipal authorities, staff, and civil society in the methodologies, skills, and instruments for the fulfillment of their constitutional and regulatory responsibilities. This decision allowed PRODES to universalize our training, engaging whole communities in participatory municipal management and strengthening civil society's capabilities to constructively engage municipal authorities.

Beyond these core activities, however, the program recognized the need for tailored training materials in participatory local governance available in indigenous languages. As part of the informative campaign on participatory budgeting, for example, the program prepared radio spots in five native languages, which the Collective for the Promotion of Participatory Budgeting distributed for broadcast in areas with native or indigenous populations. PRODES ETLs also led the effort to translate key training materials into indigenous languages, another intended benefit of using locally based technical teams. These materials were validated throughout the year and then socialized with other ETLs during our end of year debriefing and evaluation of ETLs.

PRODES also implemented a series of training programs to enhance the capabilities of community organizations and civil society to participate more effectively in municipal administration.

⁹ For more information: <http://www.businessballs.com/kolblearningstyles.htm>

Technical Area	Training Program	Beneficiaries
Strengthening of Civil Society	<p>“Strengthening capabilities of civil society representatives on Regional Coordination Councils.” Technical assistance was provided to enable the civil society representatives on three Regional Coordination Councils to prepare and present to the appropriate authorities a draft ordinance for expanding and enhancing civil society participation in the RCCs, contributing to the adoption of measures for enhancing civil society participation in these councils.</p>	Civil Society Representatives to Regional Coordination Councils in Ayacucho, Huánuco, Junín, Pasco, San Martín and Ucayali —
	<p>“Training for Community Leaders.” Design and implementation of a program for training community leaders in Asháninka communities (district of Río Negro, province of Satipo, department of Junín) and peasant farming (campesina) communities (district of Ccapacmarca, province of Chumbivilcas, department of Cusco), which has been transferred to 16 institutions¹⁰ that have committed to replicating the program between December 2007 and March 2008 in the departments of Junín and San Martín.</p>	Junin Cusco San Martin
Technical assistance for adoption of affirmative action measures for participation by excluded groups at regional and local levels.	<p>“Technical assistance to regional governments” in linking the participatory budgeting process with affirmative action for traditionally excluded populations. Notable outcomes include:</p> <ul style="list-style-type: none"> - In Junín: a) two posts on the Oversight Committee for representatives of Native Communities, who are appointed by their organizations; b) approval of five programs in the 2008 budget that benefit traditionally excluded populations; and c) in planning the 2008 participatory budget process, the Regional Technical Team agreed to hold the last regional workshop on the process in Satipo, as a strategy for ensuring effective participation by members of native communities. - In San Martín: in the 2008 participatory budget process, five programs were approved that addressed the issue of inclusion (four benefiting native communities and one aimed at addressing the problem of violence against women). - In Pasco: as part of the training program for regional council members, technical assistance has been provided to regional council members in Pasco on Article 3 of the Regional Ordinance, which approves the regional plan for equality between men and women in Pasco, 2007-2011, which included the formation of a Regional Council on Women (Regional Ordinance N° 105 – 2006 – GRP / CR). 	Junin San Martín Pasco

¹⁰ To seven institutions on March 14 and 15, and to nine on October 17 and 18, 2007.

5.0 PROGRAM RESULTS – PERFORMANCE MONITORING

Throughout the life of the program, PRODES' performance has been tracked and monitored by a Monitoring and Evaluation (M&E) System which collected, systematized, documented, and reported activities and results to USAID/Peru on both a quarterly and annual basis. The M&E system also collects performance information through frequent debriefings of local operators (subcontractors)—the Local Technical Teams and PRODES Regional Coordinators—allowing PRODES to permanently update and correct its intervention strategies and training materials. Among the components of the M&E system are:

- A **Performance Monitoring Plan (PMP)**. The program established up to 18 indicators and baseline and performance targets in close coordination with USAID/Peru, which have been annually reviewed and updated for measuring and monitoring the achievement of results. Performance results have been shared with USAID/Peru on both a quarterly and annual basis.
- A bi-annual **Public Opinion Survey** of PRODES beneficiaries, conducted in 2003 and 2005.
- An **Award Fee Plan** which establishes USAID/Peru priority activities and expected results against which the program is evaluated on an interim basis each quarter, with a final evaluation every six months. USAID/Peru has conducted 16 evaluations of the program to date.
- **Contractor Performance Reports (CPR)**, prepared annually by USAID/Peru to track annual general program performance under headings of Quality, Timeliness, Cost Control, and Business Relations.
- **Mid-Term and Final External Evaluation**: Of particular significance to these terms of reference, an external evaluation of PRODES was conducted in August 2005, prior to the wholesale changeover of authorities resulting from the 2006 elections. The evaluation relied upon an extensive document review and interviews with almost 200 institutional counterparts, beneficiaries, and key informants. It sought to provide a broad view of the program's performance and, where possible, to measure, impact, particularly in the areas of sub-national participatory budgeting, public accountability, and institutional strengthening.

Strategic Objective - To contribute to the strengthening of democratic governance, promoting the institutionalization of good governance practices and enhancing the capabilities of public institutions and civil society organizations so that they can contribute effectively to the decentralization process.

The findings of the external Mid-Term and Final Evaluations, Annual Contractor Performance Reports, and PMP System have documented that the program has substantially exceeded the contract performance requirements in the achievement of its contractual objectives. In general terms, the Final External Evaluation found that the program has:

- Institutionalized participatory decision making (participatory budgeting and public accountability) and greater inclusion in 536 municipal and 7 regional governments.
- Strengthened democratic governance through the provision of effective management and administrative tools to national and sub-national authorities.

- Improved governability by improving relations between target local governments and civil society.
- Ameliorated social exclusion through the training of civil society leaders, including the leaders of highly marginalized groups (women, indigenous communities) in effective participation in the decision-making processes.
- Indirectly laid the basis for sustained local development through the training of sub-national authorities in more effectively fulfilling functions and responsibilities.
- Generated greater synergies between USAID/Peru’s programs and other strategic partners working in the area of decentralization (USAID/PRODES support of the USAID-financed Alternative Development Program (PDA) being a particularly notable example).

As noted in each of our External Evaluations and USAID Contractor Performance Reports (CPRs), during its life, PRODES has been considered and recognized as one of the most important decentralization players in policy reform and technical assistance areas. Its capability, according to one USAID CPR, “to produce high-quality products and services has been matched by no other contractor in the field of decentralization.”

Perhaps the most relevant measure of the success and impact of the PRODES program has been the degree to which its training methodologies, materials, and practices have been adopted and/or replicated by other institutions. A necessarily partial listing of those adopting PRODES’ pedagogy is presented below.

Program	Adopted by
<i>1. Training Program on the Development of Public Investment Programs, “Developing a Culture of Programs”</i>	1.1. Ministry of Economy and Finance (MEF) 1.2. Voices of the Poor Program-MEF 1.3. Continental Management School in agreement with MEF. 1.4. Health Initiatives Program-USAID 1.5. Fight against Poverty Program in Metropolitan Lima-PROPOLI 1.6. UNICEF: with integration of human rights approach 1.7. San Cristóbal de Huamanga University-Ayacucho. 1.8. Andina University-Cusco 1.9. Daniel Alcides Carrión National University-Pasco. 1.10. Association of Municipalities of San Martín-AMRESAM 1.11. Democratic Governance and Inclusion Program – GTZ 1.12. Micaela Bastidas National University-Apurímac 1.13. PDA-Chemonics 1.14. ABT Associates Inc. – PRAES 1.15. Canadian Cooperation – Canadian Embassy 1.16. Chemonics of Peru 1.17. Regional Government of Apurimac 1.18. DESCO

Program	Adopted by
	1.19. Decentralization Secretariat and Public Administration Secretariat – PCM 1.20. Sacred Heart Women’s University (Universidad Femenina del Sagrado Corazón) 1.21. Municipal Management School (Escuela Mayor de Gestión Municipal)
2. Participatory Local Management Program	2.1. Local Technical Teams 2.2. Consensus Group for the Fight against Poverty 2.3. Decentralization Secretariat-PCM 2.4. Collective for Promoting Participatory Budgeting
3. Training Program for Regional Council Members	3.1. Ombudsman’s Office (Defensoría del Pueblo) 3.2. Decentralization Secretariat -PCM
4. Diploma Program, “Decentralizing Decentralization”	2.1. Hermilio Valdizán University-Huánuco 2.2. Andina University-Cusco 2.3. San Cristóbal de Huamanga University-Ayacucho 2.4. National Intercultural University of the Amazon (Universidad Nacional Intercultural de la Amazonía, UNIA), Ucayali.
4. Investment Promoters Program	3.1. Proinversión 3.2. Huánuco Chamber of Commerce
5. Program for Training Community Leaders in Participatory Local Management	4.1. Adeas Qullana Association-Cusco 4.2. ADRA (Agencia de Desarrollo y Recursos Asistenciales) 4.3. Center for Studies and Communal Promotion of the East (Centro de Estudios y Promoción Comunal del Oriente, CEPSCO) 4.4. Committee in Solidarity with the Central American People (CISCAP) 4.5. CAPIRONA (NGO working in the Peruvian Amazon) 4.6. Amazonian Center for Anthropology and Practical Application (Centro Amazónico de Antropología y Aplicación Práctica, CAAAP) 4.7. Intermediate Technology Development Group (ITDG) 4.8. Association of Municipalities of San Martín (AMRESAM) 4.9. Consensus Group for the Fight against Poverty-San Martín 4.10. Regional Oversight Committee of San Martín

A full complement of PRODES training materials and publications were also distributed to all national partners, including the PCM, key Ministries and Secretariats (*Secretaría de Gestión Pública y Secretaría de Descentralización*), Locally Based Technical Teams, as well as the following Regional Universities:

- *Ayacucho*: Universidad San Cristóbal de Huamanga
- *Cusco*: Universidad Andina del Cusco
- *Junín*: Universidad Nacional del Centro
- *Huánuco*: Universidad Nacional Hermilio Valdizán
- *Pasco*: Universidad Nacional Daniel Alcides Carrión
- *San Martín*: Asociación de Municipalidades de San Martín-AMRESAM
- *Ucayali*: Universidad Nacional Intercultural de la Amazonía

Additional recipients of PRODES materials included Red Perú, REMURPE, *la Mesa de Concertación de Lucha contra la Pobreza*, *Defensoría del Pueblo*, and selected municipalities, regional governments, NGOs, and others. In order to respond to the demand for materials and publications, PRODES digitized all materials that were distributed to 2,500 individual and institutional recipients.

5.1 SUB IR 2.1 AUTHORITY AND RESOURCES TRANSFERRED TO THE MOST APPROPRIATE LEVELS OF SUB-NATIONAL GOVERNMENT

At the national level, PRODES' reputation for excellence in the Monitoring and Dissemination of Information about the Decentralization Process, Studies and Technical Assistance, Dialogue Promotion and Capacity Building efforts has been publicly and repeatedly recognized by key national GOP institutions such as the Ministry of Economy, Ministry of Women and Social Development, the Decentralization Committee in Congress, and the National Decentralization Council, as well as bilateral and multilateral donor programs. PRODES' *Annual Balance de la Descentralización*, for example, has become the "bible" of decentralization according to the National Decentralization Council.

According to the Final Evaluation, which surveyed hundreds of program beneficiaries, counterparts, and outside analysts, the **Evaluation Reports, Rapid Assessments, Quarterly Bulletins, and Regulatory Reports**, taken together have made it possible to:

- Advance in the conceptualization of decentralization and its implementation as a global process for reform and modernization of the state in multiple areas ... and come to an understanding of the actual state of the overall decentralization process, not just certain components;
- Structure debate over the process and give it greater depth;
- Affect significant aspects of decisions and encourage decision making based on technical criteria; and
- Make the evaluations a key reference that is cited and used by public officials, members of civil society organizations and NGOs, and international cooperation agency staff ... for international cooperation, the evaluations have become a crucial reference.

5.1.1 The Provision of Studies and Technical Assistance at the National Level

- Informed decisions by key Peruvian state institutions when designing complex aspects of the decentralization process (e.g., transfer and accreditation, fiscal decentralization, territorial demarcation).
- The quality of PRODES' specialized studies of the outputs has often made them key references on those issues. These have often been pioneering works that fill gaps in existing knowledge of specialized areas.

5.1.2 PRODES' Efforts to Promote Dialogue

- Allowed experts from the public sector, NGOs, and civil society to make contributions that have served as the basis for key draft legislation for the process. Highlights have been PRODES' ability to call people together, especially in the public sector and institutions such as Congress, where international cooperation agencies have had difficulty gaining influence in the past.
- One noteworthy accomplishment of PRODES has been to improve relations between highly technical institutions in the national executive branch, such as the Ministry of Economy and Finance (MEF) and PROINVERSION and sub-national government officials and staff.
- PRODES has helped decrease mutual distrust and the language gap that generally exists between the two areas of government. PRODES' work through Congress has "paved the way," creating an innovative model for productive collaboration for all stakeholders, the effectiveness and originality of which are acknowledged by most interviewees.

5.2 SUB IR 2.2 SUB-NATIONAL GOVERNMENT MECHANISMS FOR ACHIEVING CIVIC PARTICIPATION AND OVERSIGHT OF THE DECISION-MAKING PROCESS ESTABLISHED IN THE SELECTED REGIONS

The progress made as a result of PRODES' work on institution building and participatory budgeting processes has been important for improving relations between civil society and sub-national governments, expanding opportunities for discussion of public issues, increasing knowledge of public administration, and contributing to the development of trained, informed citizens, especially leaders and representatives of civil society.

Institutionalization of Mechanisms for Civic Participation in Local Government, by Program Year (2004-2007)

Objectives	Year	Target	PRODES performance
Local governments have implemented mechanisms for civic participation in planning and budgeting	2004	80% (of 314)	86% (270/314)
	2005	80% (of 504)	90% (456/504)
	2006	80% (of 232)	100% (232/232)
	2007		100% (60/60)
Local governments have institutionalized participatory budgeting	2004	80% (of 314)	73% (229/314)
	2005	80% (of 504)	92% (462/504)
	2006	80% (of 232)	100% (232/232)
	2007		100% (60/60)

Objectives	Year	Target	PRODES Performance
Local governments have approved the participatory budget with public participation	2004	80% (of 314)	84% (264/314)
	2005	80% (of 504)	63% (319/504)
	2006	80% (of 232)	87% (203/232)
Local governments have institutionalized mechanisms for accountability (at least one public accountability event per year)	2004	80% (of 314)	58% (183/314)
	2005	80% (of 504)	29% (147/504)
	2006	80% (of 232)	88% (205/232)

Under this Intermediate Result, the final PRODES evaluation noted:

- Very significant progress in managing the participatory budgeting process at the regional level, and institutionalization of participatory mechanisms for decision making at the regional and municipal levels. The work on participatory budgeting in particular ... has had positive impacts on local administration.
- Mechanisms for civic participation have made it possible for the regional government, local governments, institutions and civil society organizations to join forces to promote regional and local development. ... In the regions where PRODES methodology has been applied, there has been a linkage of the PDC-P and PDC-D visions: prioritizing of interprovincial actions and projects and project groups in conglomerates or programs; coordination of actions agreed to between Regional Technical Teams and Municipal Technical Teams; and synchronization of regional, provincial and district participatory budgeting time lines.
- Improved relations between local governments and civil society through participatory budgeting and accountability mechanisms. Government officials who understood only administrative aspects have learned consensus-building skills and have improved relations with civil society; authorities who resisted or were afraid of participation have “overcome their fears;” and representatives of civil society have gained an insider’s understanding of the difficulties of local government.

5.3 SUB IR 2.3 SUB-NATIONAL GOVERNMENTS HAVE STRONGER CAPABILITIES FOR PERFORMING THEIR PRINCIPAL FUNCTIONS

The Final External Evaluation detailed a consensus opinion from both participants and governmental counterparts that the quality and effectiveness of PRODES training courses (particularly SNIP – Proinversión) were unequalled. More importantly, the evaluation detailed specific impacts on participants: reinforcement of technical skills, better understanding of the law, better understanding of administrative processes, a broader vision of functions and challenges to be addressed, greater openness to public participation, and accountability.

Technical Area	Training Program	Summary Impact According to Final External Evaluation
Sub-National Public Investment	“Training in the Formulation and Evaluation of Programs Adapted to the National Public Investment System (Sistema Nacional de Inversión Pública, SNIP)”	Strengthened capabilities of beneficiaries for the preparation of public investment programs in accordance with the National Public Investment System (SNIP). The evaluation team has documented concrete impacts among sub-national officials: the strengthening technical abilities, improvements in awareness of prevailing legislation, better management of administrative procedures and a broader vision of their functions and the problems they may encounter.
Sub-National Private Investment	“Strategies for Attracting Investment – Training for Investment Promoters”	Progress in strengthening the Agency for the Promotion of Private Investment (PROINVERSION) and the Office for the Promotion of Private Investment within regional governments, and preparation of a promotion plan for private investments.
Strengthening of Sub-National Institutions	“Training for Regional Council Members”	A pioneering training course to Strengthen Regional Legislatures (Regional Councils)..... Regional Council members report a better understanding of their functions and responsibilities, improved performance in leading commissions and improved quality of discussions and debates.
Strengthening of Sub-National Civil Society	“Training for Community Leaders”	The PRODES “Community Leaders Training Program” has had a significant impact on leaders of native communities and other representatives of grassroots organizations. The course has enabled leaders to understand their own situation, identify their problems and seek creative, participatory solutions. ... The civil society organizations involved in the participatory budgeting process have made great strides in civic participation.
	“Strengthening the capabilities of civil society representatives on the Regional Coordination Councils”	Significant progress in strengthening the capabilities of civil society representatives serving on Regional Coordination Councils
Development of Local Solutions	Diploma Program “Decentralizing Decentralization”	<p>All of the participants interviewed expressed satisfaction with the teachers and facilitators. They particularly mentioned the reading materials they received ... The evaluation team highlights the following achievements derived from this initiative:</p> <ul style="list-style-type: none"> ▪ The participants have expanded their knowledge of national public administration, bringing it down to earth at the regional level. ▪ The participants, including professionals and government officials, have increased their knowledge of how the State operates and how to do participatory budgeting at both the national and regional levels. ▪ Civil society is able to participate more fully and effectively in bodies such as the Consensus Group for the Fight against Poverty, the Regional Coordination Councils or universities. The diploma program has provided a better understanding of the State, as well as an understanding of what can be demanded, how to exercise oversight, etc. The diploma program has given the participating public a broader vision.

5.4 SUB IR 2.4 GRASSROOTS ORGANIZATIONS REPRESENTING TRADITIONALLY MARGINALIZED GROUPS ARE MORE CAPABLE OF PARTICIPATING IN AND OVERSEEING LOCAL GOVERNMENT OPERATIONS (ADMINISTRATION)

The M&E system, and specifically the Final External Evaluation, found that PRODES' work with grassroots organizations had the following priority impacts:

- Overcome social divides in the country, made possible by training for civil society leaders and their participation in decision-making processes, taking into account leaders of the most excluded groups (women, indigenous communities).
- The "Community Leaders Training Program" created by PRODES has had a significant impact on leaders of native communities and other representatives of grassroots organizations in the communities where it has been applied.
- Significant progress has been made in strengthening the capabilities of civil society representatives to Regional Coordination Councils.
- The Program has, in a number of instances, successfully incorporated programs presented by native (indigenous) community leaders into the participatory budgeting process, especially in the regions of San Martín and Ucayali.

Technical Area	Training Program	Impact According to Final External Evaluation
Strengthening of Sub-National Civil Society	"Training for Community Leaders"	The "Community Leaders Training Program" created by USAID/PRODES has had a significant impact on leaders of native communities and other representatives of grassroots organizations. The course has enabled leaders to understand their own situation, identify their problems and seek creative, participatory solutions. ... The civil society organizations involved in the participatory budgeting process have made great strides in civic participation.
	"Strengthening the capabilities of civil society representatives on the Regional Coordination Councils"	Significant progress in strengthening the capabilities of civil society representatives serving on Regional Coordination Councils

Based upon the demand for PRODES' validated experience in training Community Leaders, PRODES, in alliance with other cooperating institutions, transferred the program to the following institutions -

- ADRA: *Agencia de Desarrollo y Recursos Asistenciales*
- CEPACO: *Centro de estudios y promoción comunal del oriente*
- CISCAP: Committee in Solidarity with The Central American People
- CAPIRONA: NGO that Works in the Peruvian Amazon
- CAAAP: *Centro Amazónico de Antropología y Aplicación práctica*

- ITDG: *Intermediate Technology Development Group*
- AMRESAM: *Asociación de Municipalidades de San Martín*
- *Mesa de Concertación de lucha contra la Pobreza de San Martín*
- *Comité Regional de Vigilancia.*

These institutions, in turn, committed to the implementation program detailed in the Annexes.

6.0 FUTURE CHALLENGES

6.1 AT THE REGIONAL LEVEL

- **Participatory regional planning and management.** While participatory regional budgeting processes have been strengthened, if the programs approved in the participatory budget process are not incorporated into the regional PIA and later implemented, there is a great risk that citizens will lose confidence in the process.

Accountability mechanisms for regional authorities have been institutionalized, but the process must be monitored using different and existing control, supervision, and oversight systems (government agencies and civic groups).

Another key concern is to ensure consistency and the articulation of regional planning tools; regional plans are not necessarily linked with sector-based or local plans. Lack of implementation of CEPLAN is one factor undermining this interconnection. Regional governments must take the lead in promoting such linkages in their own jurisdictions.

Working with government officials and public servants to help them recognize the importance of civic participation in the various regional processes is crucial. The isolated but successful experiences of the San Martín and Junín regional governments should be systematically documented and disseminated.

- **Internal regional structure.** Pending issues include institution building and the restructuring and modernization of regional governments, which require:
 - Reviewing and adjusting major management tools (ROF, MOF, TUPA, etc.),
 - Addressing the issue of organizational culture, moving from the traditional organizational culture inherited from the CTARs to a modern, agile structure in which the structure and functioning of regional government responds to the demands of a democratic system, and quality standards for services, and rapid and simplified cost administration (time, and economic and human resources) are optimized.
- **Strengthening of targeted regional capabilities.** The strategy of the programs for training regional officials in SNIP and the promotion of private investment were crucial and should continue; there are, however, challenges related to new issues such as electronic government (e-government), monitoring of the implementation of public investment programs, follow-up, and monitoring of third-party actions contracted by the government.
- **Enhancing regional legislative capabilities.** The training program for regional council members should continue and be broadened to include other topics, such as regional planning and management and the general management of administrative procedures, so as to further strengthen the councils' regulatory work (prioritizing public policies) and oversight role. Targeted capacity-building actions for the technical secretaries of the regional councils would enhance the councils' work.
- **Strengthening opportunities for regional civic participation.** Work with civil society representatives on the RCCs is crucial for continuing to promote participatory regional management. One challenge in this area is to solidify the Assembly of Social Organizations in each region. These groups will give the

necessary legitimacy and force to proposals made by civil society representatives to the RCC and other forums for civic participation.

- **Reinforcing training and specialized technical assistance services for the region.** One challenge that PRODES encountered at the beginning of its work with the regions was the shortage of professionals with the skills to provide training and technical assistance to regional governments. Five years later, there are some professionals with solid skills, but which, in general, are inadequately training to meet the tasks. It is crucial to work with regional institutions to create a supply of training and technical assistance services that can respond to the demands of the regional governments.
- **Strengthening the National Assembly of Regional Governments** in its goal of “driving, developing, deepening and defending the decentralization process to solidify the leadership role of the country’s regional governments.”
- **Making an intercultural approach and gender equality cross-cutting issues in all interventions** (executive, legislative, opportunities for participation) at the regional level must be addressed more energetically, given the resistance that exists.

6.2 AT THE MUNICIPAL LEVEL

PRODES interventions have been relevant and of high quality in three key processes related to participatory municipal management. Nevertheless, the needs of local governments are far broader, especially in rural districts, which constituted 80 percent of the universe served by the program. Based on the program’s progress, and considering the demands that are appearing as a result of the decentralization process, any similar future project should consider the following challenges:

- **From participatory budgeting to results-based budgeting.** While participatory budgeting has become more and more firmly established, the MEF is promoting results-based budgeting for regional governments and, initially, for five strategic programs that have an impact on people’s development and quality of life. The intention is for this form of budgeting to be implemented gradually throughout the public sector, reaching local governments. This represents a significant challenge, as it requires capacity building to enable local governments to begin to identify shortcomings in the provision and quality of local services that have a direct impact on people’s living conditions and quality of life, the results of which determine the quality of public spending and investment. MEF and the Consensus-Building Dialogue Group (*Mesa de Concertación*), aided by PRODES, have made progress in defining budgeting methodologies and have implemented training for officials and civil society representatives on the RCCs and other consensus-building and public oversight bodies.
- **Strengthening of community and grassroots organizations.** Successful decentralization requires an intervention that can have a more sustained impact on processes aimed at strengthening community organizations in terms of contributing to the quality of civic participation and proposals, as well as in the construction and consolidation of institutional and organizational support for this sector of society.
- **Impact on inclusive municipal management.** Besides guidelines that ensure that the Consensus-Based Development Plans take an approach based on inclusion and gender equality, one goal for the future is to develop a series of mechanisms, tools, and criteria for including specific measures in participatory processes, from invitations to and accreditation of participating stakeholders to the prioritizing of programs, signing of agreements and commitments in the participatory budget, management accountability, municipal institutional design, and local public services and policies, especially those related to participation and capacity building.

- **Strengthening the capacities of local governments to enable them to spend the resources they receive from extractive industry taxes and royalties.** One of the great difficulties faced by municipal governments, especially small, rural ones, is their inability to spend the resources they receive from mining and hydrocarbon taxes and royalties. They have gone from being poor to having resources that they cannot spend because of a lack of technical and financial capabilities. Support must include assistance in organizing consensus-based processes to develop a vision of development and investment priorities, adaptation of their internal structures to a design that responds to the challenges of development and the management of the new resources, implementation and monitoring of investment programs, and improvement of the services implemented with these resources.

ANNEX I: SELECTED LISTING OF KEY PRODES PUBLICATIONS, TRAINING MATERIALS AND STUDIES

1. Análisis y Seguimiento del Proceso de Descentralización

1.1. Informes de Balance Anual del Proceso de Descentralización

- 1.1.1. El Proceso de Descentralización: Balance y Agenda a Septiembre de 2007
- 1.1.2. Proceso de Descentralización: La Agenda a Cuatro Años de Iniciado el Proceso
- 1.1.3. Proceso de Descentralización: 2005-Abril 2006: Balance y Desafíos
- 1.1.4. Proceso de Descentralización: 2004-Balance y Recomendaciones para una Agenda Pendiente.

1.2. Informes de Hallazgos

- 1.2.1. Evaluación Rápida del Proceso de Descentralización 2006: Demarcación y Organización Territorial
- 1.2.2. Evaluación Rápida del Proceso de Descentralización 2005: Transferencia de Responsabilidades
- 1.2.3. Evaluación Rápida del Proceso de Descentralización: Proceso de Presupuesto Participativo
- 1.2.4. Evaluación Rápida del Proceso de Descentralización: Transferencias y Participación Ciudadana. Informe de Hallazgos

1.3. Boletín Trimestral Descentralizando (2005-2007)

1.4. Informe Electrónico Mensual de Normas Legales sobre Descentralización (2005-2007)

1.5. Material para debates electorales

- 1.5.1. Elecciones regionales y locales. La Descentralización en la agenda
- 1.5.2. La Descentralización en la Agenda Electoral

1.6. Estudios y Aportes al Debate

- 1.6.1. Congreso de la República: Evaluación Anual y Balance del Proceso de Descentralización
- 1.6.2. Conformación de Regiones y Organización Territorial
- 1.6.3. Transferencia de Responsabilidades
- 1.6.4. Descentralización Fiscal
- 1.6.5. Descentralización Económica
- 1.6.6. Democratización de las Decisiones Públicas
- 1.6.7. Adecuación de Sistemas Administrativos
- 1.6.8. Fortalecimiento Institucional de los Gobiernos Regionales y Locales

2. Programas y Materiales de Capacitación

2.1. Programa de Gestión Municipal Participativa

Planificación concertada e institucional

- Guía general
- Plan de desarrollo concertado
- Plan de desarrollo institucional
- Plan operativo institucional
- Presupuesto participativo
- Presupuesto inicial de apertura
- Género en la planificación concertada
- Interculturalidad en la planificación concertada

Rendición de cuentas

- Guía general
- Manual para autoridades y funcionarios
- Manual para regidores
- Manual para líderes sociales
- Casos de buenas prácticas

- Caja de herramientas metodológicas
- Hoja informativa

Fortalecimiento y desarrollo de interno municipal

- Guía general
- Elaboración del ROF
- Elaboración del CAP
- Elaboración del MOF
- Elaboración del TUPA
- Elaboración del Plan de desarrollo de capacidades
- Elaboración del Plan de Participación ciudadana
- Juego sistemas administrativos
- Implementación de mecanismos de control interno

- 2.2. Programa de Entrenamiento para Consejeros y Consejeras Regionales
- 2.3. Programa de Formación en Formulación de Proyectos de Inversión Pública
- 2.4. Programa de Entrenamiento de Promotores de Inversiones
- 2.5. Programa de Formación de Líderes Comunitarios
- 2.6. Diplomado Descentralizando la Descentralización

3. Guías de Orientación para el Fortalecimiento de Capacidades

- 3.1. Guía de Orientación para Presupuestar en los Gobiernos Locales
- 3.2. Guía de Orientación a Municipalidades Rurales Pequeñas
- 3.3. Transferencia del Gobierno Regional: Orientaciones para el inicio transparente y responsable de la nueva gestión.
- 3.4. Hagamos una Transferencia Ordenada de la Administración y Gestión Municipal
- 3.5. Guía del Aplicativo Interactivo del Presupuesto Participativo
- 3.6. Consejo de Coordinación Regional: Guía para una Participación Activa
- 3.7. Guías para el Proceso de Presupuesto Participativo
- 3.8. Cartillas de Orientación:

N° 1: Para promover una Participación Ciudadana Efectiva en los Procesos de Desarrollo Local.

N° 2: La Transferencia de la Administración Municipal. Un proceso de Interés Público

N° 3: Desafíos de las Nuevas Gestiones Municipales

- 3.9. **Plan Regional de Participación Ciudadana: Criterios para su elaboración**
- 3.10. **Guía de Orientación para un proceso articulado del presupuesto participativo**
- 3.11. **Guía de Orientación para implementación de medidas inclusivas**
- 3.12. **Guías para una Planificación Concertada**
- 3.13. **Guía para Debates Efectivos**
- 3.14. **Guías de Orientación SNIP N°2: Formulación de Perfil**
- 4. **Materiales de Difusión**
 - 4.1. Presupuesto Participativo
 - Cartilla: Presupuesto participativo: una realidad
 - Afiches: 2005, 2006 y 2007
 - Campañas radiales: 2004, 2005, 2006 y 2007
 - 4.2. Rendición de Cuentas
 - Afiches: 2004, 2005, 2006 y 2007
 - Tríptico Informativo: 2006
 - Spots radiales: 2006 y 2007
 - 4.3. Integración Regional
 - Cartilla: Proceso de Conformación de Regiones. ¡Esta vez decides tú!
 - 4.4. Cartilla: Registro y Certificación de Entidades Prestadoras de Capacitación y Asistencia Técnica en Gestión Pública Descentralizada
 - 4.5. CD - Proceso de Descentralización, Instrumentos Normativos

ANNEX 2: PRODES BENEFICIARIES, BY TYPE OF TRAINING, BY REGION

2004 – 2007

Dpto.	Año	Programa de Formación	Reps.	Staff	S.C.	Otros	Total
Ayacucho	2004	ETL (Talleres)	1772	1129	3768	0	6669
		ETL (Talleres y AT)	1084	1052	1044	106	3286
	2005	Curso SNIP	0	2	3	0	5
		ETL (AT)*					
	2006	Curso SNIP	0	17	10	0	27
		ProInversión	0	3	1	0	4
		ETL (Talleres y AT)	319	182	170	0	671
	2007	Curso SNIP	0	24	14	0	38
		Diplomado	0	8	19	3	30
		Prog. Con. Reg.	0	11	0	0	11
		Total		3175	2428	5029	109
Cuzco	2005	ETL (Talleres y AT)	4818	5472	13754	1201	25245
		Curso SNIP	0	6	3	0	9
	2006	ETL (AT)	4792	4982	15405	1678	26857
		Curso SNIP	0	25	6	0	31
		Diplomado	0	3	38	3	44
		ProInversión	0	4	0	0	4
	2007	ETL (Talleres y AT)	138	77	139	0	354
		Curso SNIP	0	21	7	0	28
		Prog. Con. Reg.	0	13	0	0	13
		Líderes Comunitarios	0	0	24	0	24
	Total		9748	10604	29376	2882	52610

Dpto.	Año	Programa de	Reps.	Staff	S.C.	Otros	Total	
Huánuco	2004	ETL (Talleres)	534	506	1606	0	2646	
		ETL (Talleres y AT)	4991	5022	4451	631	15095	
	2005	Curso SNIP	0	5	2	0	7	
		ETL (AT)	518	546	1354	179	2597	
	2006	Curso SNIP	0	13	3	1	17	
		Diplomado	3	12	20	1	36	
		ProInversión	0	1	1	0	2	
		ETL (Talleres y AT)	183	188	174	0	545	
	2007	Curso SNIP	0	14	3	0	17	
		ProInversión	0	12	12	2	26	
		Prog. Consejeros	0	11	0	0	11	
		Total		6229	6330	7626	814	20999
	Junín	2004	ETL (Talleres)	552	677	3519	0	4748
ETL (Talleres y AT)			8856	10117	7813	899	27685	
2005		Curso SNIP	0	6	1	0	7	
2006		ETL (AT)	3522	3653	6872	2079	16126	
		Curso SNIP	0	16	8	2	26	
		ProInversión	0	4	0	0	4	
2007		ETL (Talleres y AT)	289	367	339	0	995	
		Curso SNIP	0	26	8	1	35	
		Prog. Consejeros Reg.	0	9	0	0	9	
		Líderes Comunit.	0	0	36	0	36	
Total			13219	14875	18596	2981	49671	
Pasco		2004	ETL (Talleres)	510	506	2087	0	3103
		2005	ETL (Talleres y AT)	2652	2864	2293	631	8440
	Curso SNIP		0	1	1	0	2	
	2006	ETL (AT)*						
		Curso SNIP	0	5	0	0	5	
		ProInversión	0	2	0	0	2	
	2007	ETL (Talleres y AT)	133	124	130	0	387	
		Curso SNIP	0	6	10	0	16	
		ProInversión	0	2	0	0	2	
		Prog. Consejeros Reg.	0	7	0	0	7	
	Total		3295	3517	4521	631	11964	

Dpto.	Año	Programa de	Reps.	Staff	S.C.	Otros	Total
San Martín	2004	ETL (Talleres)	1604	1127	2064	0	4795
	2005	ETL (Talleres y AT)	5574	6923	5972	1695	20164
		Curso SNIP	0	4	3	0	7
	2006	ETL (AT)	324	776	776	205	2081
		Curso SNIP	0	23	5	0	28
		ProInversión	0	3	0	0	3
	2007	ETL (Talleres y AT)	220	246	161	0	627
		Curso SNIP	1	39	3	0	43
		Prog. Consejeros Reg.	0	10	0	0	10
	Total		7723	9151	8984	1900	27758
Ucayali	2005	ETL (Talleres y AT)	925	1770	4477	623	7795
		Curso SNIP	0	4	1	0	5
	2006	ETL (AT)	385	612	2485	271	3753
		Curso SNIP	0	5	1	1	7
		ProInversión	0	4	1	0	5
	2007	ETL (Talleres y AT)	56	90	246	0	392
		Curso SNIP	0	1	0	1	2
		Diplomado	0	0	42	4	46
		Prog. Consejeros Reg.	0	7	0	0	7
	Total		1366	2493	7253	900	12012
Total		44755	49397	81385	10217	185794	

ANNEX 3: PRODES LOCALLY BASED TECHNICAL TEAMS (ETLS) BY DEPARTMENT AND SITE

2004 – 2007

Depart.	Institución	Subsede en la que se ejecuta PRODES	Año de Ejecución			
			2004	2005	2006	2007
Junín	IDEL	Chupaca-Concepción		x	x	
		Huancayo			x	
		Huancayo-Chupaca-Concepción				x
		Jauja				x
	Cáritas Huancayo	Huancayo		x		
	Caritas	Chanchamayo - Satipo	x	x		
	SEPAR	Junín-Tarma-Yauli		x	x	
		Jauja		x	x	
	Caritas Satipo Atalaya	Tarma-Yauli				x
		Chanchamayo-Oxapampa-Satipo-Atalaya				x
Labor Pasco	Junín				x	
Cuzco	Guamán Poma	Anta-Calca-Urubamba		x		
	Centro Bartolomé de Las Casas	Anta -Calca-Urubamba			x	
		Anta-Calca-Urubamba-La Convención				x
	IMAGEN	Acomayo-Canas-Paruro		x	x	
	COINCIDE	Cuzco-Quispicanchi-Paucartambo		x	x	
		Cuzco-Paucartambo-Quispicanchis-Paruro-Acomayo				x
	ADEAS QULLANA	Canchis-Chumbivilcas-Espinar		x	x	
Canas-Canchis-Chumbivilcas-Espinar					x	
AMUVRAE	La Convención		x	x		
Ayacucho	ADRA	Cangallo-Huancasancos		x		
		Huamanga-Huanta-La Mar		x		
		Sucre		x		
	AMUVRAE	Parinacochas Paucar Del Sara Sara		x		
		Huanta-La Mar-La Convención	x	x		
	CODEAC	Cangallo-Huancasancos	x			
SER	Lucanas	x				

Depart.	Institución	Subsede en la que se ejecuta PRODES	Año de Ejecución			
			2004	2005	2006	2007
		Sucre	x			
	Agenda Sur	Parinacochas Paucar Del Sara Sara	x			
	CEPRODEP	Huamanga-Huanta-La Mar	x			
	CEISA	Huamanga-Huanta-La Mar-Vilcashuamán				x
		Lucanas-Parinacochas-Paúcar Del Sara Sara				x
		Cangallo-Victor Fajardo-Huancasancos-Sucre				x
	IPAZ	Victor Fajardo-Vilcashuamán	x	x		
Pasco	ANDES	Daniel Alcides Carrión	x	x		
	LABOR PASCO	Pasco	x	x		
		Pasco-Daniel Alcides Carrión				x
	Caritas Chanchamayo Oxapampa	Oxapampa	x	x		
Huánuco	Caritas Huánuco	Huánuco-Ambo-Pachitea-Yarowilca	x	x		
		Leoncio Prado-Huamalies	x	x		
		Huánuco-Ambo-Pachitea-Leoncio Prado				x
		Lauricocha-Dos De Mayo-Huamalies-Yarowilca				x
	Caritas Huari	Huacaybamba	x	x		x
		Marañón	x	x		x
	AJUPRODH	Dos De Mayo-Lauricocha	x	x		
		Puerto Inca	x	x	x	
San Martín	ADRA	Bellavista-Huallaga- Mariscal Castilla-Tocache	x	x	x	x
	ITDG	Moyobamba-Rioja	x	x		
	CEPCO	El Dorado -Lamas	x	x	x	
	AMRESAM	Picota-San Martín	x	x	x	x
		Moyobamba-Rioja-El Dorado-Lamas				x
Ucayali	CIPA	Coronel Portillo - Padre Abad	x	x	x*	
		Purús	**	x		x
		Coronel Portillo-Padre Abad-Puerto				x
		Yurúa (Atalaya)				x
	Caritas Satipo	Atalaya		x	x	

* CIPA intervino en la provincia de Padre Abad y los distritos de Campo Verde y Nueva Requena.

** Hubo intervención directa de PRODES en esta provincia.

ANNEX 4: PRODES CAPACITY BUILDING MATRIX, 2005

CAPACIDAD	ACTOR	CONOCER	SABER HACER	INDICADORES
Proceso: Planificación Concertada e Institucional Articula el PDC con las otras herramientas de planificación	Ejecutivo	<p>Marco normativo del proceso de descentralización y la reforma y modernización del Estado</p> <p>Marco conceptual del desarrollo</p> <p>Marco normativo de la planificación participativa</p> <p>Marco conceptual de negociación y resolución de conflictos</p>	<p>Formula visión de desarrollo, objetivos estratégicos, acciones y proyectos</p> <p>Conduce el proceso de planificación concertada de acuerdo a las normas vigentes</p> <p>Concerta para la formalización de acuerdos.</p> <p>Aplica técnicas de negociación y resolución de conflictos</p>	PDC aprobado de acuerdo a normas y procedimientos
	Normativo	<p>Marco normativo del proceso de descentralización y la reforma y modernización del Estado</p> <p>Marco conceptual del desarrollo</p> <p>Marco normativo de la planificación participativa</p>	<p>Analiza y dictamina sobre la propuesta de Plan de Desarrollo Concertado</p> <p>Aprueba PDC</p>	Ordenanza que aprueba el PDC
	O. Sociales	<p>Marco normativo del proceso de descentralización y la reforma y modernización del Estado</p> <p>Marco conceptual del desarrollo</p> <p>Marco normativo de la planificación participativa</p> <p>Marco conceptual de negociación y resolución de conflictos</p>	<p>Identifica y prioriza sus necesidades Aplica estrategias para la incorporación de su agenda en el PDC</p> <p>Aplica técnicas de negociación y resolución de conflictos</p>	<p>Participación en ajustes al PDC</p> <p>Acuerdos formalizados entre organizaciones y autoridades</p>

CAPACIDAD	ACTOR	CONOCER	SABER HACER	INDICADORES
	Con. De Coordinación	<p>Marco normativo del proceso de descentralización y la reforma y modernización del Estado</p> <p>Marco conceptual del desarrollo</p> <p>Marco normativo de la planificación participativa</p> <p>Marco conceptual de negociación y resolución de conflictos</p>	<p>Prioriza acciones en función de criterios que optimizan la inversión</p> <p>Aplica mecanismos de negociación y prevención de conflictos</p> <p>Concerta para la formalización de acuerdos.</p>	Acuerdos concertados
Proceso: Planificación Concertada e Institucional Formula y concerta la aprobación del Presupuesto participativo	Ejecutivo	<p>Marco normativo de la gestión presupuestaria del Estado, del Presupuesto Municipal y el Presupuesto Participativo</p> <p>Marco Normativo del SNIP</p>	<p>Organiza proceso articulado a nivel distrital y provincial</p> <p>Identifica y registra agentes participantes</p> <p>Identifica y prioriza problemas y potencialidades</p> <p>Organiza y realiza talleres</p> <p>Formula acciones para resolver problemas</p> <p>Aplica estrategias para la evaluación de prioridades de inversión</p> <p>Aplica estrategias de concertación para formalizar acuerdos</p> <p>Formula perfiles de proyecto de acuerdo al SNIP</p>	<p>ETM constituido</p> <p>Talleres del PP realizados y con productos</p> <p>Presupuesto presentado al MEF dentro de los plazos legales</p> <p>Perfiles elaborados</p>
	Normativo	<p>Marco normativo de la gestión presupuestaria del Estado, del Presupuesto Participativo y del Presupuesto Municipal</p>	<p>Revisa y analiza el Presupuesto Participativo</p> <p>Maneja estrategias para negociar acuerdos y compromisos con los actores</p> <p>Aplica mecanismos para la aprobación del presupuesto participativo</p>	<p>Ordenanza que convoca al PP</p> <p>Ordenanza que aprueba el PP</p>

CAPACIDAD	ACTOR	CONOCER	SABER HACER	INDICADORES
	O. Sociales	Marco normativo del Presupuesto Municipal y el Presupuesto Participativo	<p>Identifica y prioriza problemas y potencialidades</p> <p>Identifica y prioriza demandas e inversiones</p> <p>Propone acciones</p> <p>Negocia las acciones priorizadas con otros actores.</p> <p>Participa en comités de gestión para vigilar gestión del presupuesto participativo</p> <p>Analiza información de ejecución presupuestal en audiencia pública</p> <p>Formula observaciones para mejorar la ejecución del presupuesto participativo</p>	<p>Organizaciones registradas como agentes participantes</p> <p>Participación en talleres del PP</p> <p>Acuerdos formalizados entre organizaciones y autoridades</p> <p>Comité de Vigilancia constituido</p>
<p>Proceso:</p> <p>Planificación Concertada e Institucional</p> <p>Formula y concerta la aprobación del Presupuesto participativo</p>	Con. de Coordinación Local	Marco normativo de la gestión presupuestaria del Estado, del Presupuesto Participativo y el Presupuesto Municipal	<p>Organiza y reglamenta su funcionamiento</p> <p>Identifica y prioriza problemas y potencialidades</p> <p>Identifica y prioriza demandas e inversiones</p> <p>Propone acciones</p> <p>Negocia las acciones priorizadas con otros actores.</p> <p>Formula acuerdos</p> <p>Participa en comités para vigilar gestión del presupuesto participativo aprobado</p> <p>Formula observaciones para mejorar la ejecución del presupuesto participativo</p>	<p>CCL constituido y con reglamento aprobado</p> <p>Criterios de priorización aprobados</p> <p>Prioridades consensuadas y aprobadas</p> <p>Proyectos aprobados</p> <p>Acuerdos entre autoridades y organizaciones, formalizados</p>
<p>Proceso:</p> <p>Planificación Concertada e Institucional</p> <p>Formula y gestiona el Plan Operativo Institucional</p>	Ejecutivo	<p>Estructura de Plan Operativo Institucional</p> <p>Ley de Gestión Presupuestaria</p> <p>Relación con el PDC y el PP</p>	<p>Diseña metas presupuestarias</p> <p>Identifica y programa actividades, tareas y operaciones para la ejecución del plan.</p> <p>Articula el PDC y el PP a partir de las actividades que identifica</p> <p>Maneja herramientas para monitorear la ejecución del POI y evaluar sus resultados</p>	POI elaborado

CAPACIDAD	ACTOR	CONOCER	SABER HACER	INDICADORES
	Normativo	Estructura de plan operativo institucional Ley de Gestión Presupuestaria	Revisa y analiza el proyecto de POI y PIA identificando su consistencia y aportando a su versión definitiva Aprueba el POI y el PIA Manejo de herramientas para fiscalizar de la gestión municipal	POI aprobado
	O. Sociales	Estructura del Plan operativo institucional y su relación con PDC y PP	Aplicación de instrumentos para la vigilancia de la gestión municipal	Formulación de reporte de vigilancia de la gestión municipal
	Consejo de coordinación	Estructura de Plan Operativo Institucional Ley de Gestión Presupuestaria	Manejo de herramientas para seguimiento de la gestión municipal Formula recomendaciones para compromisos de ejecución	Acuerdos y recomendaciones referidos al PP-POI
Proceso: Planificación Concertada e Institucional Formulación, aprobación y evaluación de Presupuesto Institucional de Apertura - PIA	Ejecutivo	Marco normativo que regula la gestión presupuestaria	Determina objetivos institucionales, generales, parciales y específicos Propone estructura de funcionamiento con programas, subprogramas, actividades y proyectos Estima ingresos y gastos Aplica herramientas de gestión presupuestaria	Presentación del documento al ente normativo y al MEF
	Normativo	Marco normativo que regula la gestión presupuestaria	Revisa y analiza el PIA Concerta en base a objetivos y programas	PIA aprobado
	O. Sociales	Marco normativo que regula la función presupuestal	Vigilancia y Control de cumplimiento de los Acuerdos y Compromisos y ejecución de recursos asignados en el presupuesto	Pronunciamientos sobre ejecución del presupuesto
	Consejo de coordinación	Marco normativo que regula la función presupuestal	Aplica estrategias para concertar en torno a los objetivos y programas de inversión	Acuerdos y recomendaciones referidas al PIA

CAPACIDAD	ACTOR	CONOCER	SABER HACER	INDICADORES
Proceso: Rendición de Cuentas y Transparencia Formula, aprueba y difunde la Cuenta Municipal, Memoria de Gestión y del proceso de Rendición de Cuentas	Ejecutivo	Ley de Transparencia y Acceso a la Información Pública; Ley del Procedimiento Administrativo General; Ley Marco de Modernización de la Gestión del Estado; Ley de los Derechos de Participación y Control Ciudadanos.	Produce y difunde información periódica sobre la gestión y sus resultados Promueve prácticas sanas de gestión Formula recomendaciones para la adecuada gestión presupuestal y administrativa Elabora la Memoria de Gestión; Elabora Cuentas Públicas; Conduce la Audiencia Pública de rendición de cuentas	Memoria de Gestión y de Cuentas públicas presentados. Audiencias sobre rendición de cuentas realizadas
	Normativo	Ley de Transparencia y Acceso a la Información Pública; Ley del Procedimiento Administrativo General; Ley Marco de Modernización de la Gestión del Estado; Ley de los Derechos de Participación y Control Ciudadanos.	Norma la organización y participación en el proceso de rendición de cuentas Aprueba normas de control interno Análisis y aprobación de las Cuentas Públicas y de la Memoria;	Ordenanza que organiza y reglamenta el proceso y la participación ciudadana Aprobación de las cuentas públicas y rendición de cuentas
	O. Sociales	Ley de Transparencia y Acceso a la Información Pública; Ley de los Derechos de Participación y Control Ciudadanos.	Analiza la información de gestión (resultados y ejecución presupuestal) Propone cambios en el procedimiento de rendición de cuentas Formula opinión sobre la gestión del gobierno subnacional y sus resultados	Participación en audiencia pública de RC Pronunciamientos y opiniones sobre memoria de gestión y rendición de cuentas
	Consejo de coordinación	Ley de Transparencia y Acceso a la Información Pública; Ley de los Derechos de Participación y Control Ciudadanos.	Analiza la información de gestión (resultados y ejecución presupuestal) Formula opinión para la adecuada gestión presupuestal y administrativa Emite opinión sobre rendición de cuentas	Pronunciamiento sobre la rendición de cuentas

CAPACIDAD	ACTOR	CONOCER	SABER HACER	INDICADORES
Proceso: Fortalecimiento y desarrollo interno de la Municipalidad Diseña la organización de la municipalidad par que sea, flexible y eficiente y responda a los planes y objetivos institucionales	Ejecutivo	Gestión Pública y Diseño Organizacional; Marco normativo de la acreditación Plan de Desarrollo Institucional Normas de los Sistemas Administrativos	Elabora el Plan de Desarrollo Institucional, Plan de Participación Ciudadana y Plan de Desarrollo de Capacidades Elabora instrumentos de gestión (ROF, MOF, CAP, TUPA) Aplica normas y procedimientos de gestión pública. Articula los procesos en los sistemas de presupuesto, tesorería, endeudamiento público y contabilidad.	Planes e instrumentos elaborados
	Normativo	Gestión Pública y Diseño Organizacional; Marco normativo de la acreditación Plan de desarrollo Institucional Normas de los Sistemas Administrativos	Analiza la información que generan los sistemas de gestión y administración Aplica mecanismos para aprobar el funcionamiento de los sistemas de gestión y administración Fiscaliza la gestión	Planes e instrumentos aprobados Informe de fiscalización
	O. Sociales	Gestión Pública y Diseño Organizacional; Marco normativo de la acreditación Identificación de los principales sistemas y procesos en el ciclo de la gestión municipal	Analiza y emite opinión sobre los el funcionamiento interno de la municipalidad . Aplica mecanismos para vigilar la calidad de la gestión	Pronunciamientos sobre la gestión interna

ANNEX 5: SPECIAL INCENTIVE FUND GRANTS

COMPETITIVE AWARDS

REGIÓN	MUNICIPALIDAD	PROYECTO	DONACION S/.
Ayacucho	Municipalidad Provincial de Huanta, Distrito Huamanguilla	"Mejoramiento del Canal de Irrigación de Yanapampa"	64,004.53
	Municipalidad Distrital de Vinchos, Huamanga	"Construcción local comunal multiuso Chaquiccpampa del Distrito de Vinchos"	52,393.05
	Municipalidad Distrital de Tambillo, Huamanga	"Organización, Fortalecimiento y Continuidad de los Comités de Desarrollo Comunal – CODECO"	64,988.00
	Municipalidad Distrital de Huancaraylla, Victor Fajardo	"Fortalecimiento Institucional de la Municipalidad Distrital de Huancaraylla"	29,526.65
	Municipalidad Distrital de Lucanas, Lucanas	"Fortalecimiento de Organizaciones Sociales del municipio Distrital de Lucanas: El caso del Programa del Vaso de Leche"	64,853.00
	Municipalidad Distrital de Saisa, Lucanas	"Construcción de la Represa Quichque - Estudio a nivel de perfil de proyecto" y estudios técnicos	Perfil: 8,850.00 y est. tec. 30,789.21
	Municipalidad Distrital de San Pedro, Lucanas	"Rehabilitación y Mejoramiento del Canal de Riego San Pedro de Chimblo" - Estudio a nivel de perfil de proyecto" y expediente técnico	Perfil: 6,525.00 exp. tec. 15,000.00
Huanuco	Municipalidad Distrital de Pillco Marca	"Sistema de Abastecimiento de Agua Potable Arcoragra (Obras de cabecera y red de distribución)"	64,989.72
	Municipalidad Distrital de San Francisco de Cayran	"Construcción del Local Municipal de usos múltiple "Ernesto Ruiz Rolando" Huancanyacu"	60,704.11
	Municipalidad Provincial de Marañón Distrito: Huacrachuco	"Construcción Infraestructura institución Educativa Santa María de Panacocha"	64,672.96
	Municipalidad Provincial de Huamalies Distrito: Llata	"Instalación de Centro Piloto Municipal de Producción Láctea en el Distrito de Llata"	65,000.00

REGIÓN	MUNICIPALIDAD	PROYECTO	DONACION S/.
Pasco	Municipalidad Distrital de Yanacancha	"Construcción Red de Agua y Alcantarillado A.P.V Sector Salud"	65,000.00
	Municipalidad Provincial de Oxapampa Distrito: Oxapampa	"Ejecución de la Red Primaria Monofásico en 13.20 KV, y Sub estación: Etruria – Alto Playapampa"	57,612.51
Junín	Municipalidad Provincial de Chanchamayo Distrito: Chanchamayo	"Desarrollo de Capacidades y preservación de la juventud Chanchamaina"	60,350.00
San Martín	Municipalidad Distrital de Barranquita, Lamas	"Rehabilitación de Puentes Peatonales – sector el Piñal (06)"	63,375.00
	Municipalidad Distrital de Soritor, Moyabamba.	Construcción de 16 viveros en Soritor y caseríos	64,928.00
Ucayali	Municipalidad Distrital de Masisea, Coronel Portillo	"Fortalecimiento Institucional para la Gobernabilidad Democrática en el Distrito de Masisea"	64,810.00

ANNEX 6: SPECIAL INCENTIVE FUND GRANTS

NON-COMPETITIVE AWARDS

REGIÓN	N°	MUNICIPALIDAD	PROYECTO
Ayacucho	1	Municipalidad Distrital de Sivia. Huanta.	“Implementación de Centros de Innovación Municipal – CIMUN”
	2	Municipalidad Distrital de Chungui. La Mar.	
	3	Municipalidad Distrital de Ayna San Francisco. La Mar	
	4	Municipalidad Distrital de Santa Rosa. La Mar	
	5	Municipalidad Distrital de Anco. La Mar,	
	6	Municipalidad Distrital de Llochegua, Huanta	
	7	Municipalidad Distrital de Ayahuanco, Huanta	
	8	Municipalidad Centro Poblado Palmapampa, La Mar	
Cusco	9	Municipalidad Distrital de Pichari, La Convención	
	10	Municipalidad Distrital de Kimbiri, La Convención	
	11	Municipalidad Centro Poblado Villa Virgen, La Convención	
Junín	12	Municipalidad Centro Poblado Valle Esmeralda, Satipo,	
San Martín	1	Municipalidad Provincial de Tocache	“Implementación de Aulas de Innovación Municipal – Huascarán”
	2	Municipalidad Distrital de Uchiza, Tocache	

ANNEX 7: PRODES PLAN “AD-HOC” EN APOYO AL PDA

Strategic Objective - Coordinate development assistance among beneficiary communities (municipalities) with USAID contractors to help ensure sustainable development and avoid renewed planning of coca			
Objetivo Intermedio	Resultado Esperado	Actividades	Status
Apoyo Político E Institucional Fortalecido	Relaciones Fortalecidas con Alcaldes	I.1 Acuerdo de Cooperación de Socios de USAID	Completed. Draft and final Acuerdo reviewed in detail with PRODES Regional Coordinators and ETLs.
		I.2 Talleres Regionales de Inducción – Planes de Trabajo Regional, Departamentos de San Martin, Ucayali, Huanuco	<p>Completed. In March 2006 PRODES facilitated and PDA organized Talleres de Inducción Regional in Moyabamba and Coronel Portillo for PRODES, PRODES’ ETLs and PDA regional staff. The objective was to coordinate development and institutional strengthening efforts in the 48 prioritized municipalities of Ucayali (Padre Abad), Huanuco (Puerto Inca) and San Martin.</p> <p>The work plans make explicit the prioritization of Participatory Budgeting, Public Accountability and Institutional Strengthening activities as opportunities for PRODES and PDA staff to reinforce and complement interventions at the district and community levels, with concrete activities in defined time-periods.</p> <p>In a May 30, 2006 coordination meeting, PDA and PRODES agreed upon draft indicators to track implementation progress and necessary to better prioritize interventions. Under the agreement, PDA would provide progress information a monthly basis. Partial information was provided on September 21st and complementary information later that same month.</p> <p>On 14 September PRODES and PDA Lima discussed the need to:</p> <ul style="list-style-type: none"> (i) ensure a more fluid communication between the programs at both the national and regional levels, (ii) promote more frequent meetings between regional and local staff, (iii) respond promptly for requests for supplemental information,

			<p>(iv) provide feedback on quarterly reports, (v) further engage PDA communities in the participatory budgeting and social control processes of municipalities.</p> <p>No shared, field-level shared activities are programmed for the last trimester.</p>
		1.3 Reuniones mensuales de coordinación entre PRODES - CR/PDA para compartir información del contexto y procesos municipales y explorar permanentemente posibilidades de complementación de esfuerzos	<p>Permanent Activity. As negotiated in the Taller de Inducción and included as the first activity in the PRODES' Consolidado Propuestas PRODES-PDA.xls –which served as the basis for elaborating tailored PRODES-PDA regional work plans.</p> <p>Estimated Completion: On-going activity</p>
		1.4 Revisión del Convenio de Donación PDA - Municipio	Completed: Detailed comments provided on April 4, 2006
		1.5 Compartir los Lineamientos para Garantizar la Neutralidad en la intervención en el Contexto Electoral	Completed: Forwarded PRODES Lineamientos on March 10, 2006, which were also distributed in the regional sessions to elaborate regional workplans.
		1.6 Formulación de matriz del estatus municipal 2005, de acuerdo al monitoreo PRODES	Completed: Provided a model report to PDA on November 17, 2005.
		1.7 Lecciones aprendidas y materiales del Fondo de Incentivos Especiales compartidas	Completed: Forwarded April 4, 2006 with offer to organize a debriefing with representatives from IEP, which has conducted several similar activities
Fortalecimiento de Planificación y Identificación de Proyectos de Desarrollo	Proyectos PDA Integrados con las Prioridades y Planes Municipales	2.1 Recolección de documentos municipales (PDC, Diagnostico, PIA)	<p>Completed. In order to improve PDAs targeting of programs and the sustainability of contributions, PRODES' finalized the compilation and distribution of municipal planning documents to PDA field offices in May 2006. The packages distributed to PDA Regional Offices planning and budgeting documentation for 44/48 target municipalities, including:</p> <ul style="list-style-type: none"> ◆ Strategic Plans (Planes de Desarrollo Concertado) ◆ Prioritization of Programs, by community ◆ Presupuesto Institucional de Apertura

Objetivo Intermedio	Resultado Esperado	Actividades	Status
Fortalecimiento de Administración, Fiscalización y Transparencia	<p>Financiamiento PDA Incorporado en el Presupuesto Municipal</p>	<p>3.1 Elaboración y distribución a GL meta de guía para incorporar financiamiento internacional en presupuesto municipal</p>	<p>Completed. PRODES finalized a Guide for introducing PDA donations into municipal budgets, tailored to the needs of PDA programs and validated by both internal and external experts. The Guide was distributed to PDA in May, 2006.</p>
	<p>Uso Municipal del SIAF Fortalecido</p>	<p>3.2 Elaboración de informe del estatus de la implementación y uso del SIAF municipal</p>	<p>Completed. As of April 1, 2005, PRODES hired 5 residentes SIAF to provide targeted support to PDAs 48 priority municipalities for a period of 6 months. As included in their ToR, the residentes are responsible to (1) provide written monthly Status Reports on SIAF implementation and use in each municipality (2) identify the specific training needs of each individual municipality and (3) identify the municipal technical staff to be trained.</p> <p>PRODES provided PDA with a detailed status report on the implementation of the SIAF in the 48 priority municipalities on:</p> <ul style="list-style-type: none"> ◆ 31 May (Status Report) ◆ 12 April ◆ 6 June ◆ 7 August ◆ 7 September ◆ 3 October (Final Progress Report). <p>On April 12th, PRODES also forwarded a detailed report on the status of SIAF in 12 municipalities where the system has not yet been installed.</p> <p>On August 16th, PDA Lima requested PRODES to prioritize the attention of a SIAF residente to the municipality of Padre Abad, which was due to receive a series of large donations. PRODES responded by providing PDA:</p> <ul style="list-style-type: none"> ▪ A status report on SIAF use and implementation prepared by PRODES, on August 17th; ▪ A supplemental report based in part on conversations with Padre Abad staff, prepared by the residente on August 18th.. ▪ A residente site visit to the municipality on August 28th and 29th "in coordination with PDA. The purpose of the trip was to ensure that el PDA cuente con la información oportuna y necesaria para obtener sus indicadores del avance de las obras en ejecución". The residente reports that "Respecto del avance del SAIF, este se encuentra en un 100 % registradas las operaciones, incluidas las transferencias del PDA, que están registradas hasta el nivel de ingreso y deposito en Cta. Bancaria".

			<p>A follow-up report detailing the conclusions of the visit was also provided on September 1, 2006.</p>
		<p>3.3 Identificación de municipalidades que requieren apoyo</p>	<p>Completed: See Status report 3.2, above.</p> <p>In our May 30, 2006 coordination meeting with PDA, we agreed that in order to properly orient the work of the SIAF residents, we required specific information from PDA as to with which municipalities they will be working most intensively.</p> <p>On May 31, 2006, PDA requested its regional staff to provide "una lista de las municipalidades ejecutores de obras del PDA que deben ser asistidas por dichos residentes... la lista de municipalidades que requieren asistencia técnica en el SIAF; toma(ando) en cuenta las municipalidades que manejan mayor cantidad de fondos del PDA así como ver la capacidad administrativa".</p> <p>On September, 22nd, PRODES received information from PDA on those municipalities which have received or will shortly receive financing, to prioritize SNIP interventions in their last week of employment with the program.</p>
		<p>3.4 Identificación del personal técnico municipal a ser fortalecido</p>	<p>Completed: As part of our monthly reporting, PRODES has provided PDA with a detailed status report of SIAF implementation with a detailed listing of staff trained to date, by municipality. Please see Activity 3.2 for additional information.</p>
		<p>3.5 Negociación con el MEF/SIAF una priorización de las municipalidades PDA</p>	<p>Completed. See 3.4, above. PRODES has a Letter of Understanding with the MEF committing the MEF to provide on-going technical support to PRODES priority municipalities in the installation and use of the SIAF.</p>
		<p>3.6 Obtener aprobación del MEF que permite PDA acceso a cuentas "on-line" y al día</p>	<p>Completed. Wednesday, March 15th, SIAF Director Bruno Barletti confirmed that the MEF/SIAF would provide PDA on-line access to the SIAF, if requested by PDA. In an April, 4th meeting, B. Barletti shared with me the on-line module available to PDA, if requested. In an August 26th meeting with PDA, Barletti repeated the offer.</p>
		<p>3.7 Monitoreo y Evaluación: Sistemas SIAF Operativos en GL meta</p>	<p>Permanent Activity. M&E activities initiated with the fielding of resident staff on April 1, 2006. PRODES M&E of SIAF is on-going through the expiration of contracts in September, 2006. PRODES has provided monthly progress and status reports to PDA (see Activity 3.2)</p>

			<p>Additionally, on 26 September 2006 PRODES organized a debriefing of the state of the SIAF implementation in PDA priority municipalities and its relevance to strengthened administration and control of Alternative Development Programs. During this session, PDA committed to directly contracting the residentes for a further 2 months, through November 2007.</p> <p>On 29-09 PRODES provided PDA with a copy of the ToR for the residentes, forwarded the request for Bio-Data to the residentes on 10 October, and on 29 October provided copies of PRODES' three requests and CTO/RCO waiver granted to PRODES to pay residentes in accordance with MEF/SIAF salary scale</p> <p>Estimated Completion: Ongoing</p>
	<p>Municipalidades Fortalecidas en la Transparencia Financiera</p>	<p>3.8 Ejecutar estrategia de difusión de Rendición de Cuentas (como participar organizaciones sociales como agentes participantes; como rendir cuentas periódicamente, etc.)</p>	<p>Permanent Activity. In the Talleres Regionales de Inducción, committing municipalities to the rendición de cuentas was identified as a priority of our collaborative effort. However, achievement of the objective is made more difficult because PDA donation agreements do not require municipalities to "rendir cuentas".</p> <p>On August 28th, PDA/San Martin requested PRODES assistance in training PDA staff in the objectives and instruments for public accountability. If accepted, PRODES would train 30+ Comités de Gestión in rendición de cuentas. Before committing to training of the Comites, however, PRODES requested PDA clarification on:</p> <ul style="list-style-type: none"> (i) how PDA intends to commit municipalities – which are responsible for the conduct of public accountability sessions – to the conduct of such sessions; (ii) what complementary activities PDA will assume in support of the accountability process to ensure such accountability initiatives are successful (iii) what other activities originally included in the approved PDA – PRODES regional workplans PDA would like to prioritize in this last trimester. <p>In order to answer these questions and define the last trimester's work plan, it was agreed that PRODES would participate in the next PDA Regional Coordinators meeting. To this end, PRODES directed our Regional Coordinator in San Martin to contact the PDA Regional Coordinator, para solicitar que se coordine con su par PDA en San Martin para apoyarla en generar algunas ideas priorizadas de cómo PRODES podrá apoyar a PDA en lo que queda del año. Unfortunately, the PDA workshop went off without PRODES participation.</p>

		<p>If interested and assistance is needed, PDA may program a subsequent meeting to define the priorities for PRODES support in this last trimester.</p> <p>As for complementary activities</p> <ul style="list-style-type: none"> ▪ PRODES organized and sponsored the “Foro público regional para la promoción de los procesos de presupuesto participativo y rendición de cuentas en el departamento de San Martín” which was conducted on March 28 and 29th and was attended by more than 185 municipal and regional representatives and technical staff. ▪ PRODES drafted, printed and distributed more than 10,000 copies of our poster on the “Proceso de Rendición de Cuentas” in coordination with other cooperating institutions such as CAPRODES/AECL, the MEF, CND, MIMDES, MCLCP, etc. ▪ PRODES has also elaborated radio announcements in native languages explaining the obligation and process for public accountability sessions, which has been distributed and disseminated in our target areas. ▪ As a matter of course, PRODES has trained and provides technical assistance to our municipalities in the conduct of public accountability sessions, skills which applicable to public accountability sessions for PDA financed programs. <p>Finally, on both April 7th and September 1st, PRODES has lobbied for the inclusion of PDA priority municipalities to receive satellite communications equipment under the G-8 financed, USAID channeled and CND administered Connectivity Program designed to make municipal operations more transparent.</p> <p>Estimated Completion: Ongoing</p>	
		<p>3.9 Reparto de material informativa a operadores de USAID</p>	<p>Permanent Activity. Beyond training of PDA field staff in the Taller de Inducción, PRODES has distributed to PDA/Lima 8 full sets, amongst other documents, of our:</p> <ul style="list-style-type: none"> ♦ Modulo Planeamiento Concertado e Institucional ♦ Módulo Rención de Cuentas ♦ Módulo Fortalecimiento Institucional Municipal ♦ Balance de la Descentralización, 2005; ♦ Guía de Promoción de Inversiones Descentralizadas. ♦ Guía de Orientación N° 1: Normas del Sistema Nacional de Inversión Pública ♦ Guía de Orientación N° 2: Identificación, formulación y Evaluación Social de Proyectos de Inversión Pública a nivel de Perfil

			<ul style="list-style-type: none"> ◆ Incorporación de las Donaciones PDA en el Presupuesto Municipal ◆ Hagamos una Transferencia Ordenada de la Administración y Gestión Municipal ◆ Boletines Mensuales y Trimestrales <p>On 15 September 2006, PRODES forwarded the catalogue of PRODES materials to PDA, as requested by PDA.</p> <p>Estimated Completion: December, 2006</p>
		3.10 Taller Departamental de debate sobre la participación ciudadana	<p>In Process.</p> <p>Estimated Completion: October 2006</p>
Desarrollo Local	Municipios con Capacidad de conformar al SNIP	4.1 Firmar convenio con AMRESAM para soporte técnico en SNIP	<p>Completed. Please note that the Talleres de Inducción Regional with PDA staff prioritized strengthening the ability of local counterparts to properly elaborate investment programs.</p> <p>PRODES negotiated an agreement with AMRESAM – Escuela de Capacitación para el Desarrollo de los Gobiernos Locales – to co-organize an intensive training of 30 local government I technical staff in San Martin whose objective is to fortalecer capacidades en los gobiernos subnacionales para la formulación de perfiles de proyectos de inversión pública. The training was completed and, according to AMRESAM, successfully. AMRESAM has requested PRODES support in conducting a second cycle of training as soon as is possible.</p> <p>PRODES also negotiated with the Unidad de Post Grado - UPG y Facultad de Ciencias Económicas – FCE de la Universidad Nacional Hermilio Valdizán de Huánuco – UNHEVAL to simultaneously train a further 30 technicians supporting local government in Huanuco and Ucayali.</p> <p>PDA has also taken a greater interest in SNIP training by requesting a briefing on the content of the SNIP courses, with an eye toward directly replicating the trainings in PDA priority municipalities. PRODES conducted the briefing of PDA staff on the SNIP program on 11 October 2006 and, at the request of PDA, on 26 October provided specific cost information for conducting the courses.</p> <p>At the same time, PRODES has extended an invitation to PDA to participate in the first Taller de Inducción – the workshop for transferring the SNIP methodology and content - scheduled for November 14th and 15th with the USAID funded POLICY program. PDA has confirmed their participation.</p>

		<p>4.2 Asignación de cupos para participar en la formulación de perfiles de proyectos SNIP</p>	<p>Completed. Upon PRODES request, PDA proposed six candidates from Lamas, Huallaga y Bellavista (San Martín); Padre Abad (Ucayali) y Leoncio Prado y José Crespo y Castillo (Tingo María) to participate in SNIP trainings.</p> <p>SNIP trainings in San Martin were conducted from May 17 – September 23rd and in Huánuco (involving Ucayali) from May 31st through October 7th.</p> <p>Five of the six candidates successfully completed the course, The participation of the sixth representative, from Padre Abad (Sr. Ernesto Oré), was ended before the finalization of the course, for failure to comply with established requirements.</p> <p>Estimated Completion: May 2006</p>
		<p>4.3 Presentación pública del módulo SNIP y distribución de CD de materiales didácticos SNIP</p>	<p>Completed: November, 2006</p>
	<p>Inversiones Locales Movilizadas y Productividad Mejorada</p>	<p>4.4 Distribución la guía para promoción de inversiones descentralizadas</p>	<p>Completed: In June 2006 PRODES, in conjunction with PROINVERSION, published the validated guide for promotion of decentralized investment. 48 Guides have been distributed to PDAs 48 priority municipal governments, with 8 copies supplied to PDA/Lima.</p> <p>Upon the completion of the first training courses, PDA requested a briefing on the content of the PROINVERSION course, with an eye toward directly replicating the trainings in PDA priority municipalities. PRODES conducted a briefing of PDA staff on the PROINVERSION program on 11 October 2006. PRODES will shortly be forwarding the cost information for replication of the course.</p>
		<p>4.5 Programa de promoción de inversiones y AT de PROINVERSIÓN en San Martin, Huanuco o Ucayali</p>	<p>Completed. In May 2006, PRODES extended invitations to PDA to submit three candidates to participate in the PROINVERSION course. PDA proposed a candidate from the Municipality of Tocache, who has satisfactorily completed the course, with the second highest performance of the 40 participants.</p>

Objetivo Intermedio	Resultado Esperado	Actividades	Status
	Municipios Fortalecidos en Gestión Social	4.6 Evento Regional informativo y de presentación del Plan de Competitividad Departamental	In Process. Estimated Completion: TBD
		4.7 Asignación de cupos para participar en un curso de capacitación en gestión de programas sociales para funcionarios municipales	Suspended. While significant advances have been made in the design of the program, due to the restructuring of MIMDES, the Ministry has not yet committed to conducting the training program with PRODES. Estimated Completion: TBD.
		4.8 Distribución de materiales de capacitación: gestión de programas sociales, a municipalidades metas	Suspended. See Activity 4.7. In a two-day workshop in July with PRONAA, FONCODES and MIMDES staff, PRODES has successfully defined the content of the training materials and course for strengthening municipal capacities in social program management. Estimated Completion: See Status report 4.7, above.
Fortalecimiento Institucional	<u>Municipalidades Fortalecidas Institucionalmente</u>	5.0 Distribución de una Guía de Orientación para la transferencia de la gestión municipal	Completed. On 16 September, PRODES provided PDA and PDA municipalities with an electronic copy of the PRODES publication, "Hagamos una Transferencia Ordenada de la Administración y Gestión Municipal", which is meant to provide operative guidance to municipal authorities, technical staff and civil society in guaranteeing an orderly transition between municipal administrations, particularly relevant to PDA programs CAPRODES/AECI financed the validation of the Manual and the publication of 3000 copies, beyond the 3000 which PRODES will publish. APODER-COSUDE will finance the publication and distribution of a further 1500. CARE, PROPOLI and AGORAH will produce a further 1000. Other commitments are pending. PRODES distribution of the publication will include PDA priority municipalities. Electronic copies provided to PDA on October 16 th and, upon the request of PDA Director David Valenzuela, an additional 10 physical copies.
		5.1 Distribución de Manual para Acceder a Servicios de CAT	Completed. December 2006
		5.2 Compartir información fiable y permanente a través de la página Web PRODES	Permanent Activity. Estimated Completion: Ongoing

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