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**Decentralization and Local
Governance Program**

DECENTRALIZATION AND LOCAL GOVERNANCE PROGRAM

ANNUAL MONITORING & EVALUATION REPORT

For the period of: October 2008 - September 2009

Submitted to USAID/Guatemala

September 30, 2009

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ANNUAL MONITORING & EVALUATION REPORT FOR THE PERIOD OF: OCTOBER 2008 - SEPTEMBER 2009

Submitted to:
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Submitted by:
DevTech Systems, Inc.
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responsive, Transparent governance"

September 30, 2009

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Acronyms

English

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

Spanish

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

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

Executive Summary

This is the final **Annual Monitoring and Evaluation** Report for the United States Agency for International Development (USAID) Guatemala Mission's Decentralization and Local Governance Program, which covers Fiscal Year (FY) 2009 (October 2008 – September 2009). DevTech Systems, Inc. (DevTech) is the institutional contractor for the Program. The Report reviews the progress for the indicators and benchmarks established in the Monitoring and Evaluation Plan (M&E Plan), approved by the USAID/Guatemala Mission on 14 October 2005.

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

The contract that governs the implementation of the Program requires that the monitoring and evaluation plan be conducted according to the Sub-IRs and LLRs. Since this is the final report for the Program, a new section has been added that evaluates performance by selected municipality with the purpose in mind to provide the basis for analyzing the evolution of participating municipalities from the base year (2005) to the final year of the program (2009).

Overall Results

According to the M&E Plan, USAID's Decentralization and Local Governance Program should achieve positive results for four (4) Sub-Intermediate Results (Sub-IRs) and 25 Lower Level Results (LLRs).

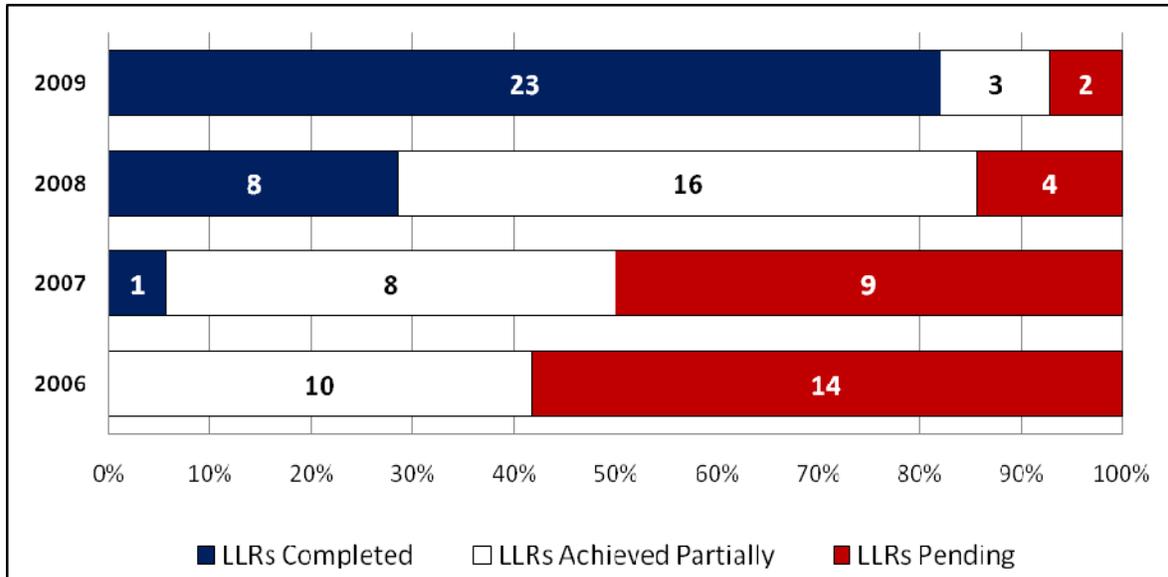
At the end of five years, the Program has met more than 80 percent of targets (23 of 28 LLRs) according to the parameters permitted given political circumstances and the actions of the respective counterparts. The distribution of the completion and status of the LLRs are presented in **Figure A**.

In the base year (2005), the average score for the group of selected municipalities was 31 out of a possible 100 points. By the end of the Program, the average score had increased to 89 out of 100 points.

The best results were achieved for those LLRs related to the information management tools (*Guatecompras*, SIAF, taxpayer registry and the civil registry), and the creation of internal financial management structures for the municipalities (AFIMs and UDAIs). The selected

municipalities that received Program assistance are now better prepared to manage their resources in compliance with the standards as established in Guatemala.

Figure A: Status of the LLR Target by Year, 2006-2009



Likewise, positive results were achieved in planning and strengthening the *mancomunidades* of Copán Chortí and ERIPAZ. Both are recognized as among the best *mancomunidades* in the country. The Program's emphasis of institutional strengthening (internal procedures and leadership), as well as capacity building in coordination with other donor funded activities, especially in the Chortí area, were key to the successes achieved.

As has been confirmed in the Program reports perhaps the greatest area of weakness in municipal management is in the weak regulatory, financial and operational structures related to the delivery of basic services. Over the course of implementation resources were limited (until the final year) for this area. Nevertheless, the Program addressed this critical area and succeeded in improving the score from 12 points in the base year to 72 points in the final year.

Those that have been partially met (three) or that were not met (two) were generally dependent on the actions of the counterparts. For example, one of the targets not met was that related to supporting and assisting AGAAI in modifying its statutes. The Program proposed alternatives, but the ultimate decision rests with AGAAI membership. Of the 28 indicators for the Program (for three Sub IRs and 25 LLRs), by the end of the Program only the targets for five indicators have not been reached as follows:

- *Local Economic Development (LLR 2.1.)*. In the case of **local economic development (LED)**, the Program completed successfully the design of the LED plan for the *Mancomunidad Copán Chortí*, and the plan was presented in July 2009. This LLR cannot be considered achieved because it was not possible to deliver the service to the other municipalities as planned, specifically those in the *Ixil* region. The process of completing the LED plan for *Copán Chortí* was delayed almost a full year given that the consultants contracted with funds from another donor did not prepare a report that was accepted by the *Mancomunidad*. Eventually, the *Mancomunidad* requested that the Program prepare the final plan.

Notwithstanding the delay, the final plan has resulted in some positive reactions, with SEGEPLAN deciding to utilize the methodology developed by the program to prepare the plans that are contemplated as part of the National Planning System, which will be completed in 2010.

- *Decentralization Policy (Sub-IR 2.2)*. **Decentralization Policy**, as contemplated in the target, has not been reformed during the life of the Program. There are several institutional factors that precluded the achievement of the target for the Sub-IR. These include the frequent changes in the SCEP appointees, the reduced authority that the Secretariat experienced following the Constitutional Court decision that eliminated the executive authorities, the lack of a budget mechanism to transfer these authorities, as well as the limited interest that the majority of the municipalities had in reform.
- *Coordination of Public Investment at the National and Municipal Level (LLR 2.2.3)*. Coordination of **national and municipal public investment** was to be addressed on the one hand by the creation of a Single-Window for Municipal Projects and on the other by the implementation of a National Planning System that would unify in one plan the investment programs of the national and municipal agencies. The program financed for SCEP a consultancy to create the Single-Window and then signed an agreement with SCEP that was transferred to SEGEPLAN for the creation of the Single-Window. The Single-Window has not been implemented by SEGEPLAN as of 30 September 2009.
- *Approval of reforms to the AGAAI statutes (LLR 2.2.6)*. The program prepared a study to reform the AGAAI statutes and proposed a series of changes. Although the proposal was well received, its approval was postponed on several occasions. What was achieved is the report of the ANAM statutes, including the extension of the term for the Board of Directors after 2010.
- *Innovative communication mechanisms (LLR 2.3.4)*. The Program developed and disseminated a Guide to implement municipal communication strategies as an integrated mechanism to promote innovative communication mechanisms. In the municipalities of Cobán, Pachalum and Santa Cruz del Quiché, the communication

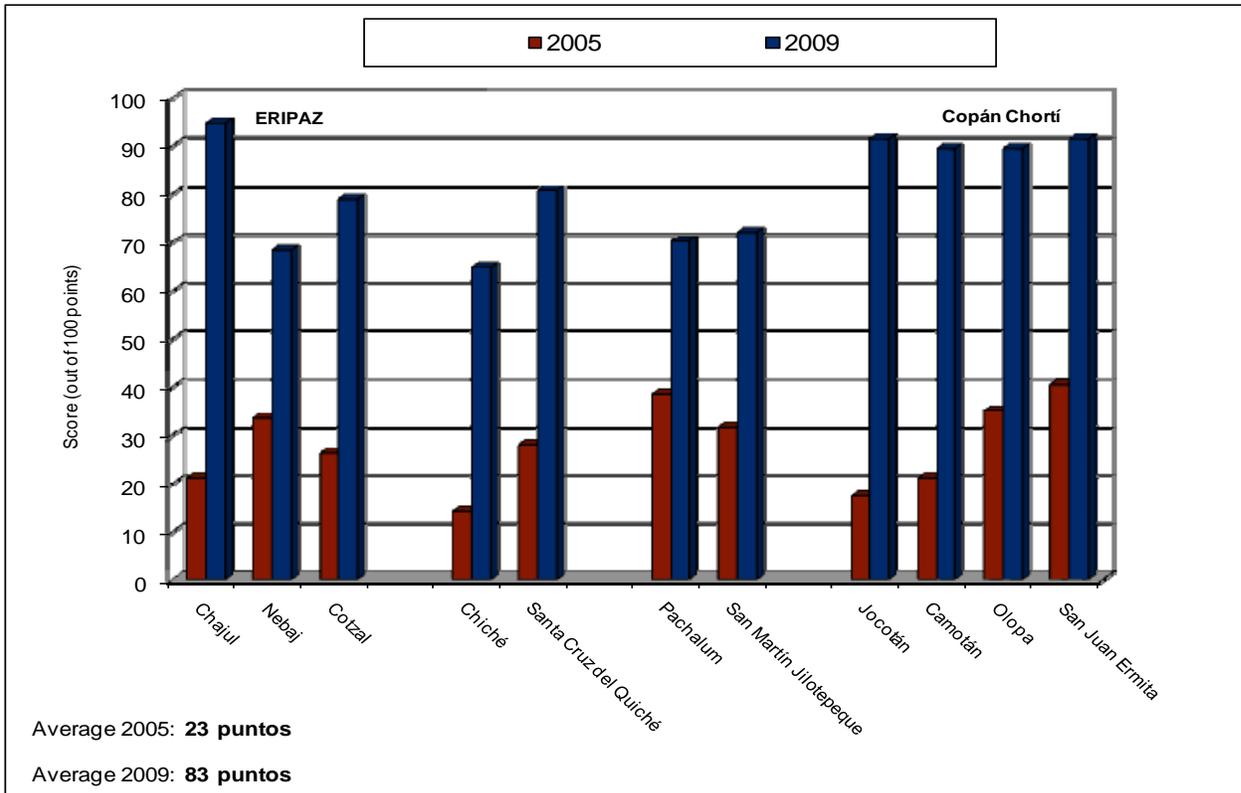
strategies were approved but in the other municipalities the level of advancement was limited to the publication of the reports on accountability events, municipal strategic plans, the internal regulations of COMUDES, and cultural sensitive signage for municipal offices.

Recognizing a new opportunity for improving transparency and communication mechanisms, during the last year the Program assisted municipalities in executing the requirements established in the Freedom of Access to Public Information Law (LAIP, acronym in Spanish), which included the establishment of Public Information Offices. Among the areas of support provided was to upload municipal information on a portal that was added to ANAM’s website. The requirement was established in the law effective in April 2009. Given the pending closure of the Program this activity could not be completed. This innovation by the Program in the last year merits additional attention in the next phase.

Results by Municipality

In accordance with the methods designed to classify the municipalities (see *Figure B*), in the base year 11 municipalities that are comparable had an average score of 23 out of 100 points. At the conclusion of the Program in 2009 the average score had increased to 89 out of 100 points.

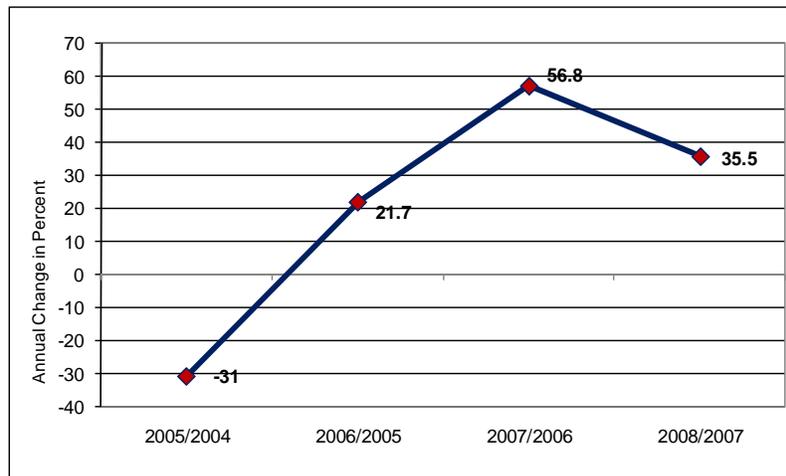
Figure B: Score by Municipality 2005 and 2009



Own-Source Revenues

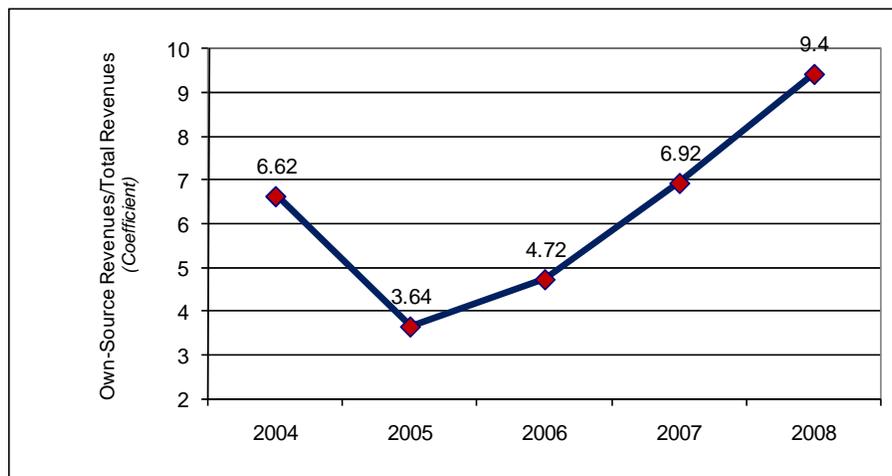
The fiscal situation of the municipalities is one of the most critical issues to strengthen local government. For this reason, the Program focused its efforts on assisting the municipalities in increasing their own-source revenues (as permitted under the existing legal framework). The result of this synthesized indicator for Sub IR 2.1 for the seven selected municipalities¹ exceeded the targets established (see *Figure C*).

Figure C: Rate of Increase of Own-Source Revenues, 2005-2008 (7 Municipalities)



Given that some of these results could be influenced by the inflation rate or by the decrease in total revenues (with which a simultaneous increase in own-source revenues would be proportionally larger), the Program has also monitored the results with a “coefficient for the increase in own-source revenues over total revenues” (LLR 2.1.8) for the seven municipalities that participated in the interventions in this area, which is reflected in *Figure D*.

Figure D: Own-Source Revenues/Total Revenues, 2004-2008 (7 Municipalities)



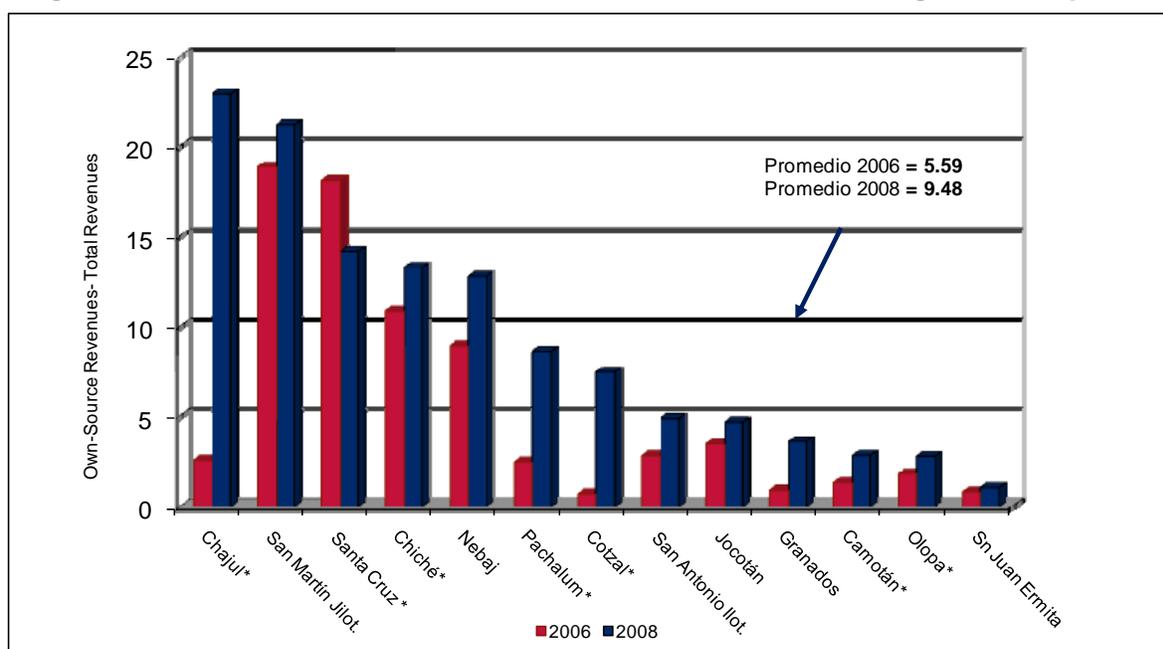
¹ The selected municipalities for this LLR (as established in 2006) are Pachalum, Camotán, Olopa, Cotzal, Chajul, Chiché, and Santa Cruz del Quiché.

In the two previous figures it is observed that the municipalities in the base year and in the following year suffered declines in own-source revenues that were reversed in the year after the Program began to provide direct technical assistance. The three mechanisms of technical assistance were:

- Updating the municipal fees schedules
- Improving operating regulations and collection of fees for municipal services
- Strengthening policies to reduce the avoidance of the payment of municipal services

Figure E presents fiscal performance for each municipality (* denotes one of the seven).

Figure E: Own-Source Revenues/Total Revenues for 2006-2008, 13 Program Municipalities



Number of Participants

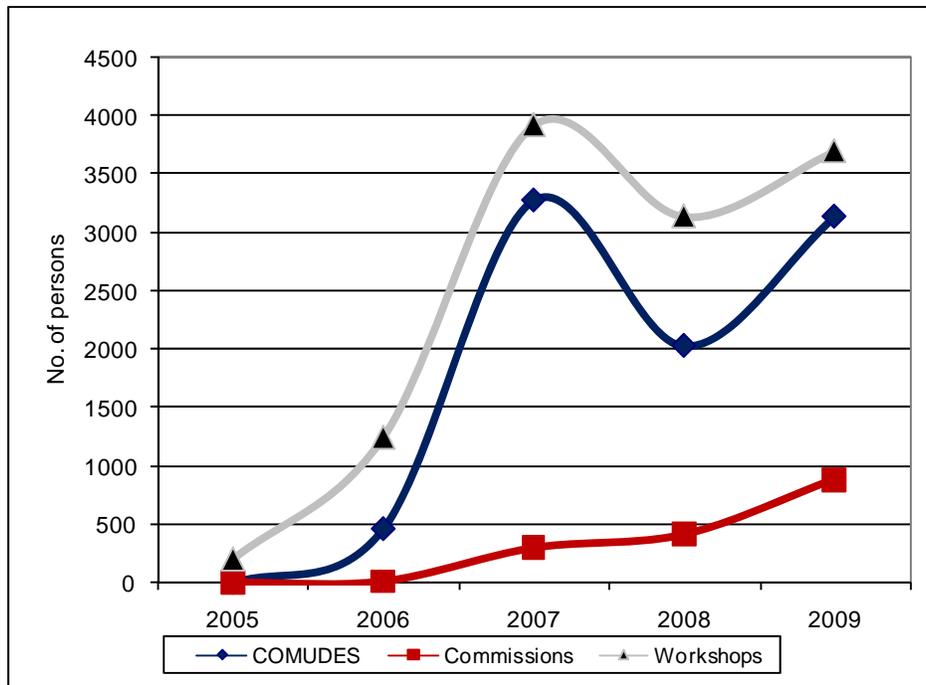
During the course of nearly five years of Program activities a total of 22,744 persons participated in COMUDES, Commission events, and training workshops (see *Table A*).

Table A: Participants in COMUDES, Commissions, and Workshops, 2005-2009

Calendar Year	COMUDES	Commissions	Workshops	Totals
2005	0	0	205	205
2006	460	9	1,248	1,717
2007	3,283	295	3,925	7,503
2008	2,034	411	3,144	5,589
2009	3,143	885	3,702	7,730
TOTAL	8,920	1,600	12,224	22,744

Figure F illustrates that the flow of participation in the program. At the beginning the numbers were minimal, but increased rapidly once field activities established a regular rhythm of activities, reaching the peak in 2007. Thereafter, the number of events and participants decreased as a result of the elections and the political transition. It is recommended that the natural progress of activities be taken into account when establishing targets for M&E plans in future projects.

Figure F. Participants in COMUDES, Commission and Workshops, 2005-2009



Of the 22,744 participants, one-fourth was female. This proportion was different for the three types of events that were held, in particular the workshops where women represented 37.7 participants. Participation in workshops, focused on active capacity-building, was the activity area for which the Program placed the greatest direct action to promote the engagement of women.

Summary

The primary area of focus for the M&E plan was to monitor the agreed upon targets for the Sub-IRs and LLRs over the course of implementation. As summarized in this executive summary, overall the program met more than 90 percent of the targets fully or partially. The level of engagement in the program in the selected municipalities was significant with 20,000 persons participating in events.

Introduction

The Contract for USAID's Decentralization and Local Governance Program (hereafter referred to as the "Program") establishes that Contractor Performance will be evaluated on the basis of the approved M&E Plan and targets met. The Plan was submitted to USAID on 21 September 2005 and approved on 14 October 2005. The M&E Annual Reports for fiscal years 2006, 2007, and 2008 were presented according to the schedule established in the contract. Since the contract ends on 30 September 2009, this report corresponds to the last year of the program.

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

As is reflected in this Fourth and Final Annual M&E Report, the Program has achieved significant results at the municipal level. The dynamics at the local level and the initial delay in some municipalities related to work for several LLRs are some of the factors that explain the partial results.

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

In previous reports, the Contractor reported on the achievement towards the targets and benchmarks for the LLRs as required in the contract stipulated M&E plan. Given that this is the final annual report, a synthesis of the initial and final situation at the municipality and *mancomunidad* level (Section III) is added to provide a broader vision of the results that were obtained.

Section 1 of the report summarizes the strategic objective, sub-intermediate results and the Program's LLRs, which are included as part of the M&E Plan. This section also summarizes changes in the Program statement of work (elimination of two of the *mancomunidades* and adjustments to the performance index) that affect the M&E Plan.

Section 2 of the report details the methodology utilized to calculate the level of completion for the quantitative and qualitative benchmarks. In addition, the section provides a guide for interpreting the indicators.

Section 3 presents the results at the municipal and *mancomunidad* level, comparing the status of each municipality at the end of the Program to its status in the base year. Of course, by reporting the information in this manner it is not the intention to attribute the changes in their totality to the intervention of the Program but rather to give an approximation of the positive evolution that the majority of the municipalities achieved and also a vision about the differences among the geographic regions.

Section 4 begins with the presentation of the primary results. In order to provide the basis for understanding the results to date, the report also presents an overall and specific evaluation of those LLRs for which the Program met or exceeded the targets, as well as those for which the Program achieved only partially the targets. This analysis is based on the “Performance Tracking Table,” included in the section.

Section 5 presents a qualitative analysis of the current situation as compared to the Baseline Study, completed at the start of the Program. The Categories of Performance Matrix (see Annex A) demonstrates how the municipalities have advanced in almost all of the LLRs, even though they have not yet achieved the benchmark target.

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1. Strategic Objective, Purpose and Intermediate Result

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

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

The Intermediate Result to be achieved by this program is: *greater transparency and accountability of governments*.

During Fiscal Year 2009, the Program continued to work towards the achievement of the Sub-Intermediate Results (IRs), the Lower Level Results that included the changes that were approved in the M&E report for fiscal year 2008.

Table 1 synthesizes the data for the current and valid Sub-IRs and LLRs for fiscal year 2009.²

Table 1: PDGL Sub-IRs and LLRs

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

² On 16 October 2006, the Contract was modified to include Sub-IR 2.4 for Fiscal Year 2007 and the first quarter of Fiscal Year 2008.

	Sub Intermediate Results (Sub-IRs) and Lower Level Results (LLRs) Descriptions
2.1.8	Selected municipalities present sustained increase in own-source revenues.
2.1.9	Public-private partnership for local economic development (LED) functioning in selected municipalities and mancomunidades, based on USAID strategic planning methodology.
2.1.10	Critical basic municipal service improved in selected municipalities.
2.1.11	Cost recovery system improved in selected municipalities.
2.1.12	Municipal level planning improved in selected municipalities.
2.1.13	Planning process strengthened in selected mancomunidades
<i>Sub-IR 2.2: Increased devolution of responsibilities and resources to the local level resulting in greater responsiveness by local governments to citizens' needs</i>	
2.2.1	Increased transparency and efficiency in the system of intergovernmental transfers.
2.2.2	Pilot implementation of decentralization policy (and/or de-concentration efforts) in selected municipalities (and/or departments) & development of policies & procedures for successful national replication.
2.2.3	Better coordination between municipal investment and national social investment, especially those that complement USAID Programs in health, education, security, etc.
2.2.4	Policies and practices that regulate and stimulate responsible municipal indebtedness developed and disseminated nationally.
2.2.5	Municipal Tax Code (MTC) passed and implementation supported.
2.2.6	Ability of ANAM, AGAAI, and (possibly) select departmental associations to participate in national policy dialogue strengthened and opportunities for engagement identified.
<i>Sub-IR 2.3: More opportunities for citizen participation in and oversight of local government decision-making</i>	
2.3.1	USAID Accountability and Citizen Oversight methodologies fully institutionalized in selected municipalities and disseminated broadly at the national level.
2.3.2	Leadership and conflict resolution and negotiation skills of local community and municipal leaders improved in selected municipalities.

	Sub Intermediate Results (Sub-IRs) and Lower Level Results (LLRs) Descriptions
2.3.3	Development councils functioning according to applicable Law in selected municipalities.
2.3.4	Innovative media and communication mechanisms to improve transparency of municipal operations in place in selected municipalities.
2.3.5	Participation in the 2007 elections, particularly for women and the indigenous in selected municipalities increased.
<i>Sub-IR 2.4: Strengthening of local capacity in the implementation of reconstruction programs</i>	
2.4.1	Development and implementation of reconstruction/emergency initiatives by local governments in selected municipalities
2.4.2	Departmental Development Councils strengthened in selected departments
2.4.3	Monitoring and coordination mechanisms developed and implemented in selected municipalities of the Hurricane Stan affected area

2. Methodology

2.1. Scope of the M&E Plan and Report

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

- Served as a tool for a learning organization (PDGL team and USAID)
- Provided a solid basis for decisions about program activities
- Guided corrective action in those instances when benchmark targets as detailed in this First Annual M&E Report have only been partially met.

This Final Annual M&E Report:

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

2.2. Benchmarks

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

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

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

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

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

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

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

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

Table 2 illustrates the calculation of how the average number of municipalities by category is calculated, using an example from Fiscal Years 2005 and 2006.

Table 2: Sample Calculation of Municipal Index

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

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

2.3 Municipality Scores

Given that this is the final Annual M&E Report for the Program, the Contractor has conducted additional analysis to add a brief evaluation of the initial and final situation for the municipalities and *mancomunidades* that received Program services (see Section 3).

To evaluate the situation of each municipality, the analysis takes the following as the basis:

- The 13 LLRs of Sub IR 2.1 except LLRs 2.1.3 and 2.1.4 that are related to the Certification of Officials. These two LLRs are excluded because the certification process is not under the direct responsibility of the Program but rather INAP (for to encourage sustainability) and the beneficiaries of the Certification program is nation-wide and not municipal based.
- The 6 LLRs of LLR 2.3, including the municipal elections of 2007.

The LLRs under Sub-IR 2.2 are not included because they are not municipal-based, but rather are related to national issues or advocacy. Likewise, the LLRs for Sub-IR 2.4, reconstruction in San Marcos, are excluded due to the short-term nature of this intervention and the lack of a baseline (given the disaster response circumstances) that allows for an adequate comparison.

To score the municipalities the following procedures are utilized:

- Three points were given for each LLR for which the municipality achieved the highest level according to the performance categories.³
- Two points were given for each LLR for which the municipality achieved the level of 2 or 3 (out of a maximum of 4) for the performance categories.
- Zero points were given for each LLR for which the municipality stayed at the level of one (out of the maximum of 4) for the performance categories.

Given that the performance of the municipality was evaluated for a total of 19 elements (13 LLRs for Sub-IR 2.1 and 6 LLRs of Sub-IR 2.3), the maximum possible points that a municipality could be scored is 19 times 3 equals 57 points. To allow for clearer presentation of the results, the numerical score is converted into a percentage as illustrated in the example included in *Table 3*.

Table 3: Calculation Method for “X” Municipality

Situación LLRs	No. of LLR Scored	Points for each LLR	Total Score	Percentage
No. Of LLRs at Level 4	10	3	30	(44/57) x 100 77 %
No. Of LLRs at Level 3	4	2	8	
No. Of LLRs at Level 2	3	2	6	
No. Of LLRs at Level 1	2	0	0	
TOTAL	19		44	

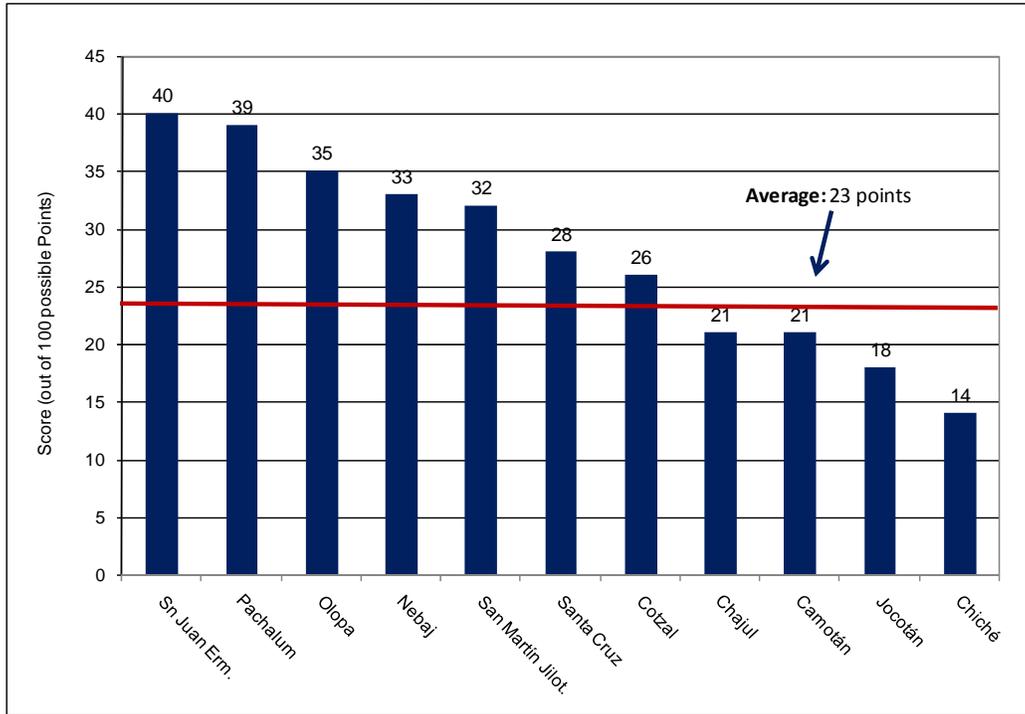
In this example, the municipal obtained a score of 77 points out of 100 maximum points.

³ See Annex A: Matrix of Qualitative Benchmarks by LLR

3. Report by Municipality

The Program M&E Plan is designed to monitor results by Sub-IR and LLR. Since this is the final Annual M&E Report, the Contractor has included a new section that evaluates the data for each municipality that benefited from Program services comparing the change by several of the indicators from the base year (2005) to the final year (2009). According to the methodology designed to score the municipalities (see *Table 3*), there are 11 municipalities that can be compared,⁴ the data for which is presented in *Figure 1*. The average score was 23 out of 100 points.

Figure 1: Score for Selected Municipalities for all of the LLRs in the Base Year (2005)



By the end of the Program the scores changed radically. The average score increased to 83 points with significant changes in the performance of each municipality (see *Figure 2*).

The municipalities that were also members of the *Mancomunidad Chortí* demonstrated the most progress. In the base year, Camotán and Jocotán were in last place. In 2009, the four municipalities of the region were between the second and fifth place with only Chajul progressing more. Chajul demonstrated extraordinary progress moving up from one of the last positions to first place by the end of the program. The progress in the Chortí region was influenced by the active leadership of the officials and community representatives,

⁴ During program implementation the municipalities of Joyabaj and San Pedro Jocopilas were replaced by Granados and San Antonio Ilotenango, respectively.

including the greatest participation of women leaders than in the other geographic areas; the strength of the *mancomunidad*, and the sustained support by donors during various years. The baseline and endline are by municipality are compared in **Figure 3**. The source tables and detailed information are contained in *Annex C*.

Figure 2: Score by Selected Municipality for all of the LLRs in Fiscal Year 2009

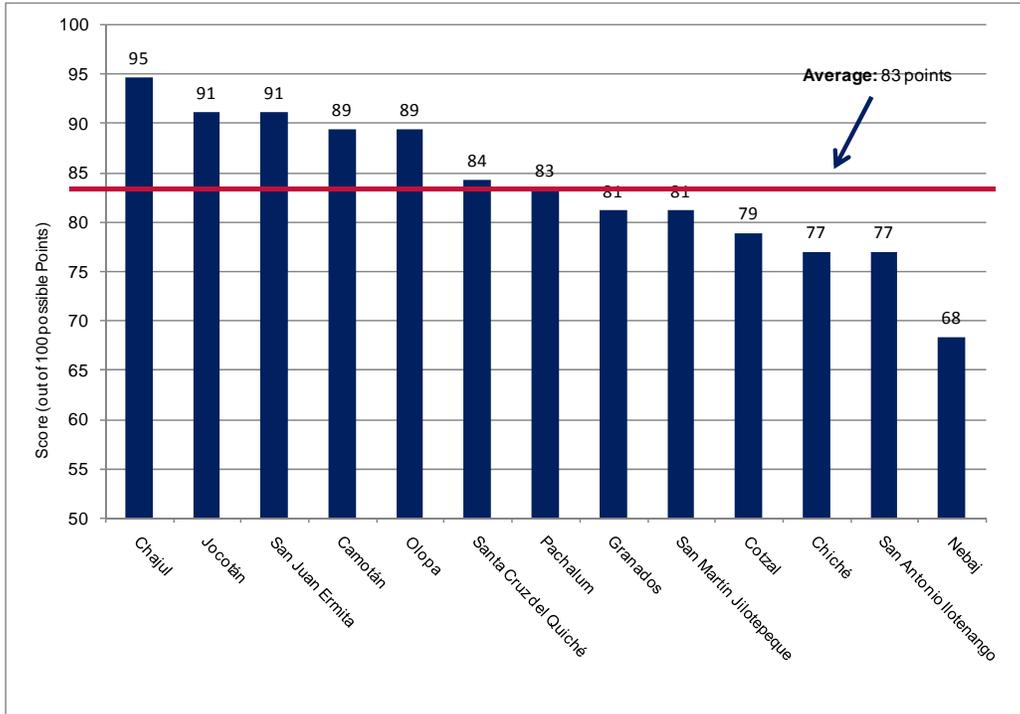
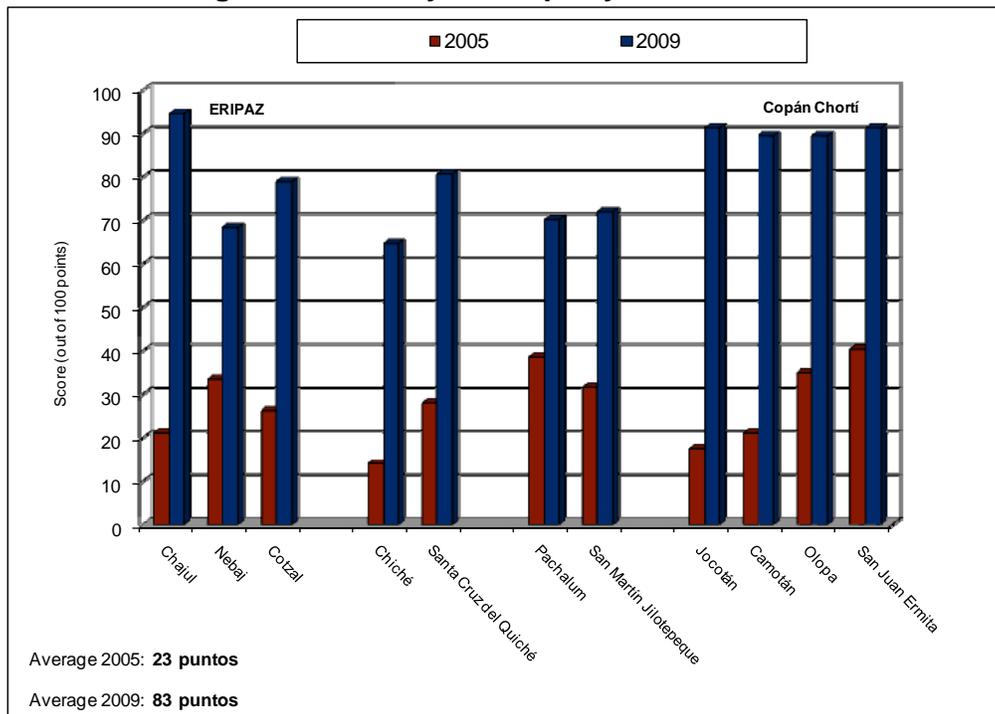


Figure 3: Score by Municipality 2005 and 2009



4. Report on Benchmarks

4.1. Summary Assessment

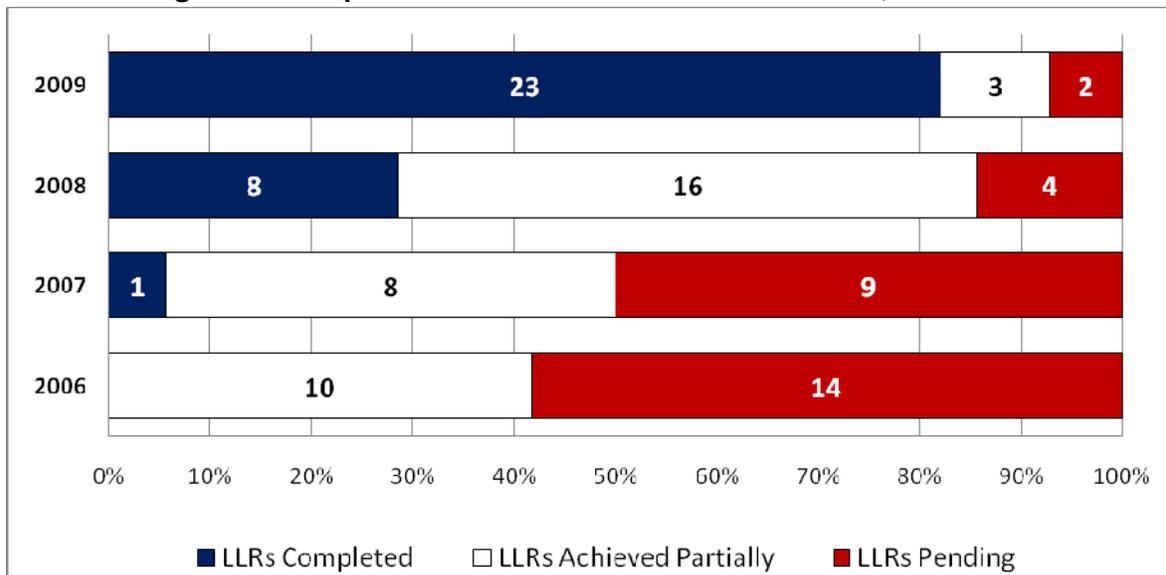
According to the updated M&E Plan, the USAID's Decentralization and Local Governance Program should achieve positive results for four (4) Sub-Intermediate Results (Sub-IRs) and 25 Lower Level Results (LLRs). This Report presents the level of completion for the benchmarks for Fiscal Year 2009, reflecting the status as of 30 September 2009. The level of completion for the four (4) Sub IR and 25 LLRs (in some cases there are two indicators for a single LLR) is summarized in *Table 4*.

Table 4: Summary Table: Quantitative Benchmarks for LLRs

Benchmark	2006	2007	2008	2009	Comments
Completed	0	1	9	23	The planned target has been fully completed.
Achieved partially	10	18	15	3	Yes: Percentage greater than or equal to the target. Partial: Percentage less than the target, but greater than 50 percent of the benchmark.
Pending	14	9	4	2	Utilized when the target is yes/no or no progress (0%), or less than half of the benchmark. See progress report in the next section.

The distribution during the life of the program of the completion of the LLRs is presented in *Figure 4*.

Figure 4: Completion of the Benchmark for each LLR, 2005-2009



The level of completion for each of the Sub-IRs and LLRs are summarized in *Table 5*.

Table 5: Level of Completion: Quantitative Benchmarks

Sub-IR or LLR	Indicator	Planned 2009	Actual ⁵	Met
Sub-IR 2.1	% annual increase in tax revenues collected in the group of municipalities selected by the Program	1%	2.5%	Yes
2.1.1	% of Municipalities that have implemented the SIAF-Muni, in relation to the total Program target for this LLR	100%	100%	Yes
	% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	100%	111%	Yes
	% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	100%	92%	Yes
2.1.3	% of Municipalities in which the Certification program for municipal financial managers is developed, in relation to total Program target for this LLR	100%	111%	Yes
2.1.4	Signature of corresponding letter or agreement	Oct 2007	Aug 2007	Yes
2.1.5	% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	100%	100%	Yes
2.1.6	% of Municipalities that have AFIMS operating effectively, in relation to the total Program target for this LLR	100%	100%	Yes
	% of Municipalities that have UDAs, in relation to the total Program target for this LLR	100%	240%	

⁵ A rating of greater than 100% means that the total number of municipalities that comply with the indicator exceeds the planned number for 2008.

Sub-IR or LLR	Indicator	Planned 2009	Actual ⁵	Met
2.1.8	% of Municipalities that register an increase in tax revenue as a percentage of total revenues, in relation to the total Program target for this LLR	100%	129%	Yes
2.1.9	% of Municipalities with local economic development plans elaborated, in relation to the total Program target for this LLR	100%	57%	Partial
2.1.10	% of Municipalities with at least one critical basic service improved, in relation to the total Program target for this LLR	100%	89%	Yes
2.1.11	% of Municipalities that have implemented a cost recovery system, in relation to the total Program target for this LLR	100%	89%	Yes
2.1.12	% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	100%	73%	Yes
2.1.13	% de Mancomunidades with Strategic Plans approved, in relation to the total Program target for this LLR	100%	100%	Yes
Sub-IR 2.2	Number of Municipalities that have developed at least one new competency as detailed in the National Decentralization Policy	2	0	Pending
2.2.1	Presentation to the Ministry of Finance of the proposed modification to the system of Inter-governmental transfers system	August 2006	April 2008	Yes
2.2.2	% de Municipalities with staff trained regarding the implementation of the National Decentralization Policy, in relation to the total Program target for this LLR	100%	133%	Yes
2.2.3	% de Municipalities in which coordination between national and municipal public investment has been improved, in relation to the total Program target for this LLR	100%	0%	Pending

Sub-IR or LLR	Indicator	Planned 2009	Actual ⁵	Met
2.2.4	Presentation of the study on legal framework of municipal debt	100%	100%	Yes
	Presentation of the proposal regarding the regulation of municipal indebtedness practices	100%	100%	
2.2.5	Presentation of the study on the Municipal Tax Code	100%	100%	Yes
	Resolution by the Congressional Commissions of Municipal Affairs and Public Finances Affairs.	100%	100%	
2.2.6	Approval dates of new statutes for ANAM	March 2006	July 2008	Partial
	Approval dates of new statutes for AGAAI	Sept. 2006	Pending	
Sub-IR 2.3	Number of Municipalities with COMUDE Citizen Participation Commissions operating	7	10	Yes
2.3.1	% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	100%	77%	Yes
	% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	100%	14%	
2.3.2	% of Municipalities in which leadership and conflict resolution training has been delivered, in relation to the total Program target for this LLR	100%	118%	Yes
2.3.3	% of Municipalities with COMUDEs conformed, in relation to the total Program target for this LLR	100%	77%	Yes
2.3.4	% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	100%	50%	Partial

Sub-IR or LLR	Indicator	Planned 2009	Actual ⁵	Met
2.3.5	Increase in the percentage of voting amongst women in the 2007 elections, in 3 municipalities of the Program.	100%	100%	Yes
Sub-IR 2.4	Local capacity for the development and implementation of reconstruction programs strengthened			
2.4.1	Number of reconstruction projects monitored and implemented in the selected municipalities	37	55	Yes
2.4.2	Disaster Reconstruction and Risk Mitigation Plan validated	Feb. 2007	Feb. 2007	Yes
	Disaster Reconstruction and Risk Mitigation Plan implemented	March 2007	Plan implemented	
2.4.3	Municipal Information System developed (SIM)	Julio 2007	Julio 2007	Yes
	SIM institutionalized in Reconstruction office	Agt. 2007	Agt. 2007	

4.2. Completion of the Sub-IRs

The fiscal performance of the municipalities is one of the issues most critical for the strengthening of local governments. The majority of the local governments depend considerably on transfers from the central government. In the 13 selected municipalities, the transfers represented, on average, 92 percent of the total revenues in 2008.⁶ As a result, the Program focused its efforts on assisting municipalities in increasing their own-source revenues.

The M&E Plan for the Program established two indicators related to own-source revenues:

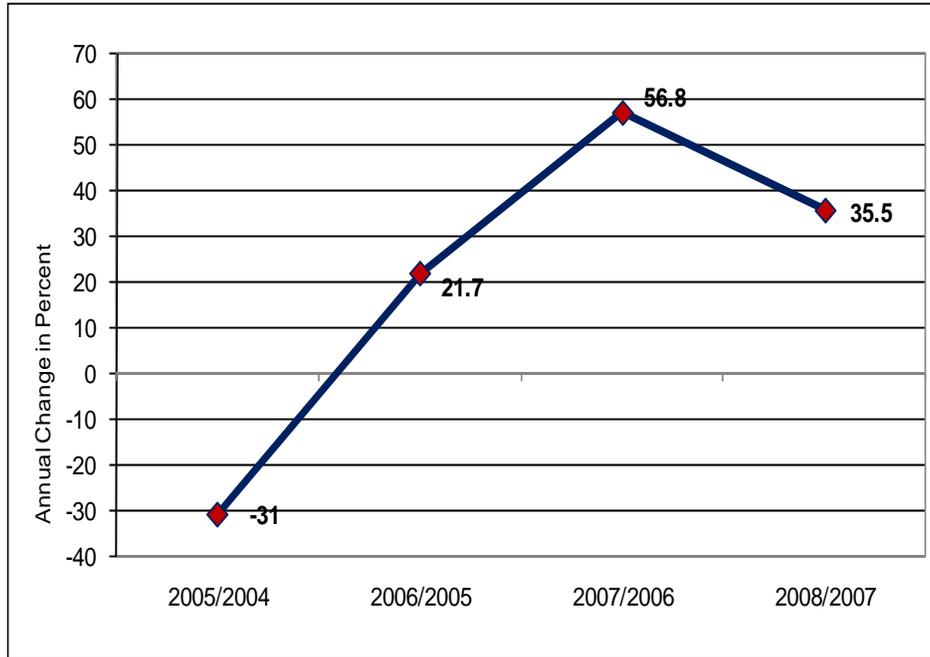
Sub IR 2.1 % annual increase in tax revenues collected in the Group of municipalities selected by the Program

⁶ This indicator is measured comparing the results according to the fiscal year of Guatemala (calendar year). Therefore, the last year for which data are available is 2008.

LLR 2.1.8 % of Municipalities that register an increase in tax revenues as a percentage of total revenues, in relation to the total Program target for this LLR

The results for Sub-IR 2.1 for the seven municipalities that participated in this component of the program were favorable (see *Figure 5*).

Figure 5: Rate of Increase of Own-Source Revenues, 2004-2008 (7 Municipalities)



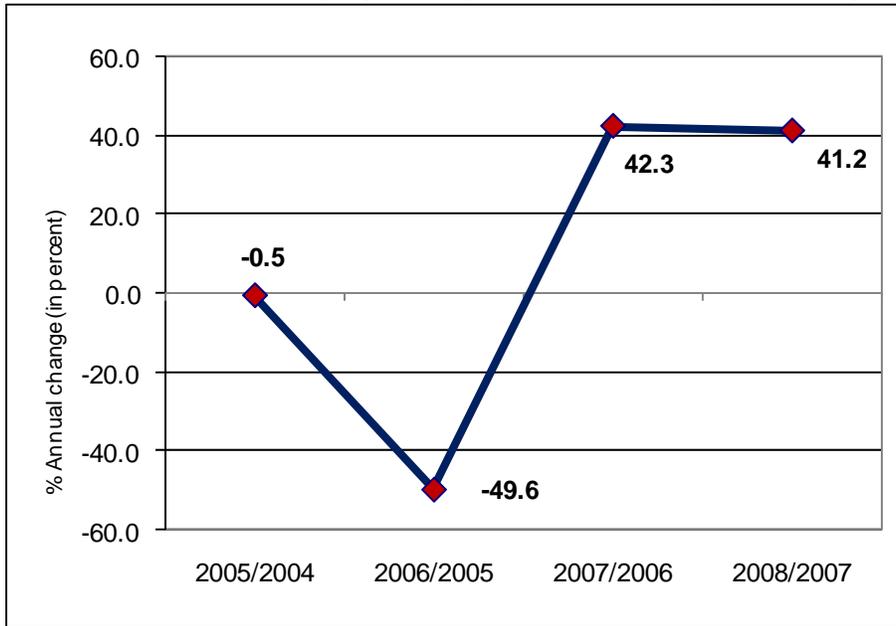
The situation was equally positive for the 13 selected municipalities (see *Figure 6*), although the rates of increase were less due to influence of those municipalities with lower fiscal performance.

Figure 5 and *Figure 6* confirm that between the base year and 2006 the municipalities had declines in their own-source revenues, which were recouped during the following years when the Program began to provide technical assistance.⁷ Technical assistance was delivered through three mechanisms:

- Updating the municipal fees schedules
- Improving operating regulations and collection of fees for municipal services
- Strengthening policies to reduce the avoidance of the payment of municipal services

⁷ Not all municipalities began receiving assistance under this LLR. The seven municipalities were Camotán, Chajul, Chiché Cotza, Olopa Pachalum, Santa Cruz.

Figure 6: Annual Increase (in percent) from 2004-2008 (13 municipalities)



Given that some of these results could be influenced by the inflation rate or by the decrease in total revenues (with which a simultaneous increase in own source revenues would be proportionally larger), the Program has also monitored the results with a “coefficient increase in own-source revenues over total revenues” (LLR 2.1.8) for the seven selected municipalities (*Figure 7*) and for all of the municipalities (*Figure 8*) that participated in the program.

Figure 7: Own-Source Revenues/Total Revenues (7 Municipalities), 2004-2008

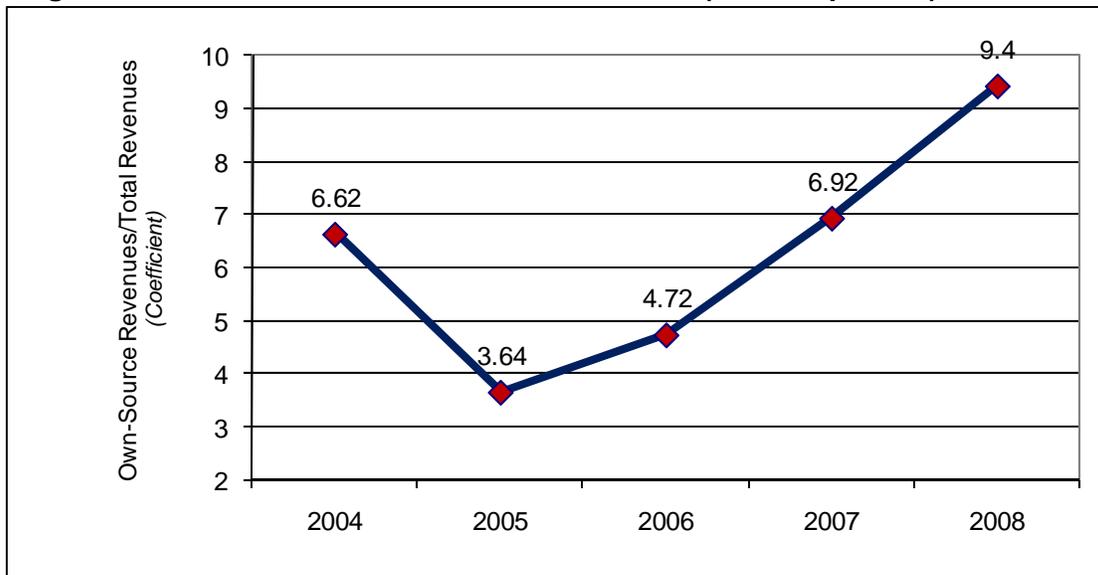
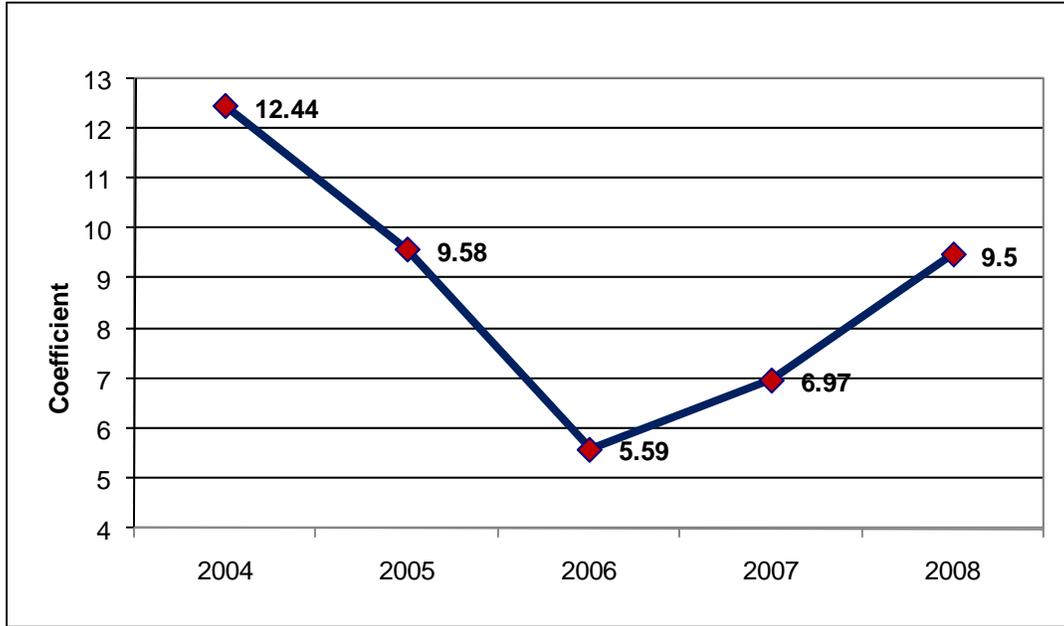
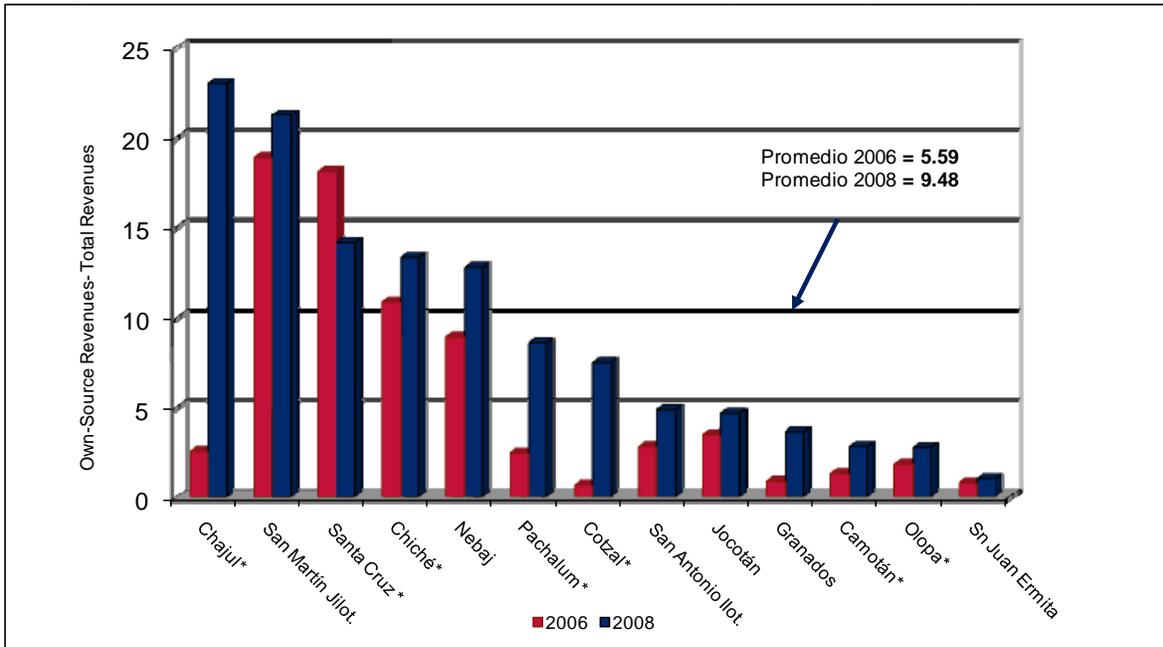


Figure 8: Own-Source Revenues/Total Revenues (13 Municipalities), 2004-2008



The annual rates of change and the coefficients are consistent: the fiscal performance improved after fiscal year 2006 (See *Figure 9*) when the Program began to provide technical assistance with the caveat that not all of the result can be attributed to the intervention of the Program.⁸

Figure 9: Own-Source Revenues/Total Revenues (13 Municipalities), 2006-2008



⁸ The seven municipalities included in the calculations in Figure 5 are denoted with an asterick.

Given that some of the municipalities approved the changes in their fee schedule and collections policies for over-due accounts in GOG fiscal year 2009 it is likely that the indicators of fiscal performance will increase in GOG fiscal year 2010, reducing the average dependence on governmental transfers.

The indicator for *Sub-IR 2.2* was defined as: “Number of municipalities that have developed at least one new competency as detailed in the National Decentralization Policy.” However, the national government did not put into effect the policy, and as a result this indicator could not be measured. Notwithstanding, four of the six LLRs under this Sub-IR were completed fully and one partially.

The indicator for Sub-IR 2.3 was defined as: “Number of Municipalities with COMUDE Citizen Participation Commissions operating”. At the end of the Program, 10 of the 13 COMUDEs were established and operating their Citizen Participation Commissions. The creation of these Commissions was promoted by the Program with two basic objectives:

1. Promote social auditing.
2. Increase the quality of participation of women.

One of the major challenges was succeeding in the acceptance of social auditing in the selected municipalities. The resistance by the authorities was primarily because of their perception that the focus of social auditing was to find and claim acts of corruption for the purpose of political gain of the opposition groups.

Over the course of the Program, that perception was slowly substituted by one that was broader with the Citizen Participation Commissions established with authorities and community leaders focused on monitoring municipal public expenditures and the commitments of both parties made in the COMUDE.

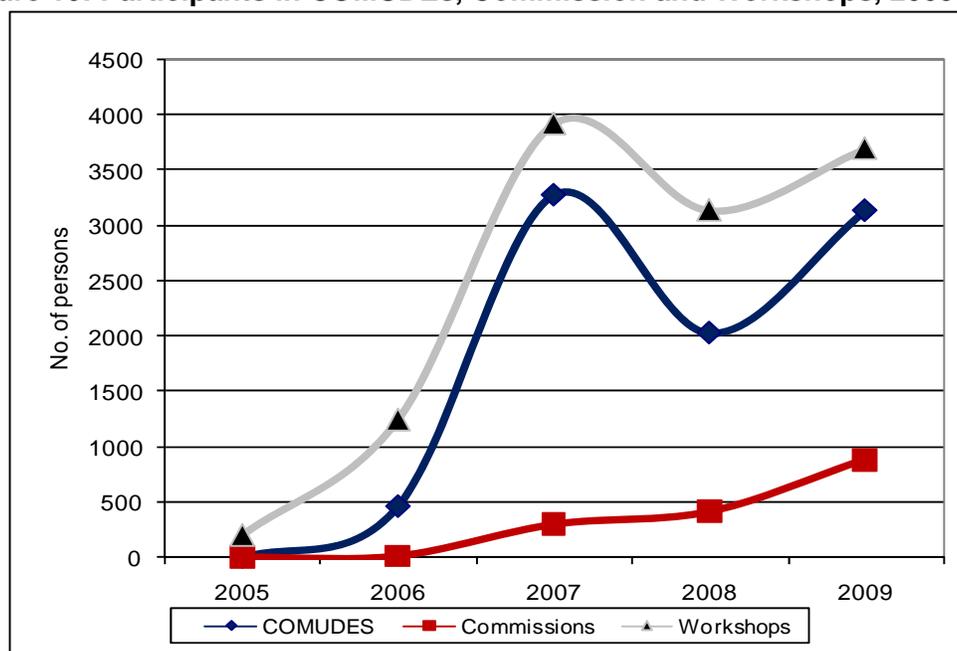
Likewise, the Commissions were conceived as a space to improve the quality, not only the number, of participation of women. The Program’s experience in the field confirmed that the women participate more actively in smaller groups. Therefore, the Program technical team focused its attention on providing information, training, assistance in proposal preparation, and general support to women that participates in the Commissions of the COMUDE (not only the Citizen Participation Commission) to ensure that the decisions and formal proposals of the Commission took into account the point of view of the women in the community.

During the nearly five years of the Program, 22,744 persons participated in COMUDE and Commission meetings, or participated in workshops as summarized in *Table 5*.

Table 6: Participants in COMUDES, Commissions and Workshops, 2005-2009

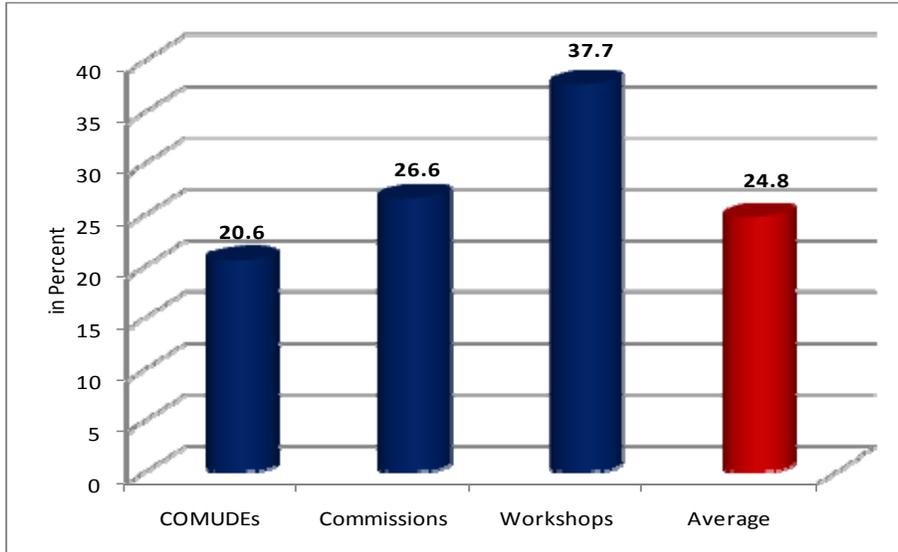
Calendar Year	COMUDES	Commissions	Workshops	Totals
2005	0	0	205	205
2006	460	9	1,248	1,717
2007	3,283	295	3,925	7,503
2008	2,034	411	3,144	5,589
2009	3,143	885	3,702	7,730
TOTAL	8,920	1,600	12,224	22,744

At the beginning the numbers were minimal, but increased rapidly once field activities established a regular rhythm of activities, reaching the peak in 2007 (see *Figure 10*). Thereafter, the number of events and participants decreased as a result of the elections and the political transition. It is recommended that the natural progress of activities be taken into account when establishing targets for M&E plans in future projects.

Figure 10: Participants in COMUDES, Commission and Workshops, 2005-2009

Of the 22,744 participants, one-fourth was female. This proportion was different for the three types of events that were held, in particular the workshops where women represented 37.7 participants (see *Figure 11*). Participation in workshops, focused on active capacity-building, was the activity area for which the Program placed the greatest direct action to promote the engagement of women.

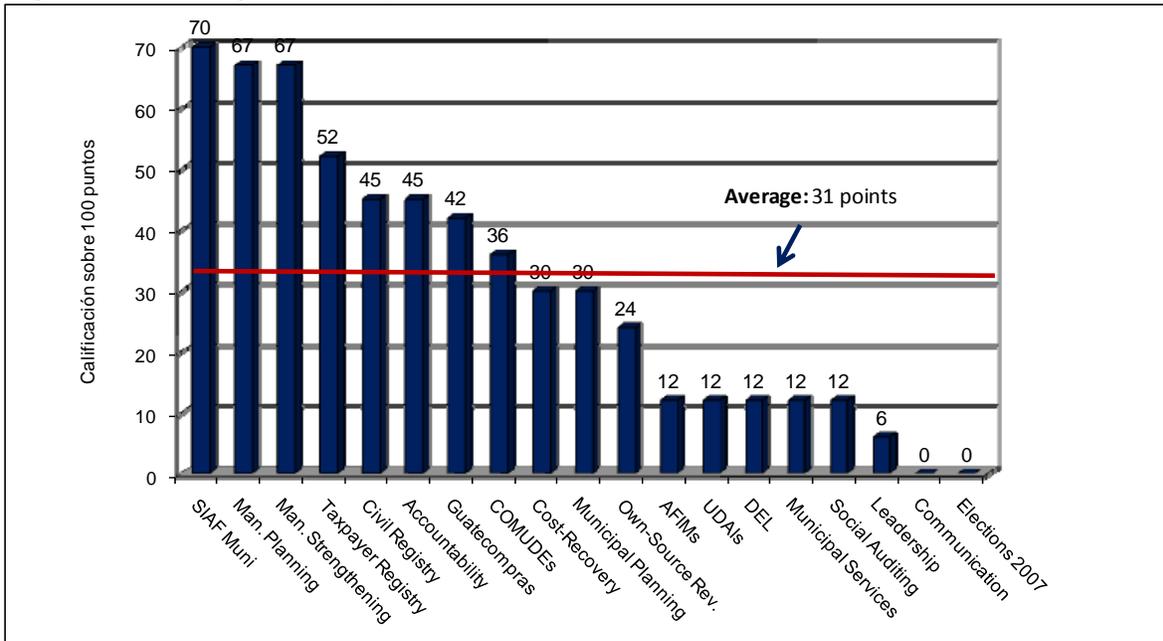
Figure 11: Women’s Participation, COMUDES, Commissions & Workshops 2005-2009



4.3. LLR Completion

To evaluate the efficiency of the Program in its service to the selected municipalities it is important to “cross-check” the data for the LLRs of Sub-IR 2.1 and 2.3.⁹ In the base year (2005), the average score for the LLRs was 31 out of 100 points (see *Figure 12*).

Figure 12: Average Score by LLR, 2005

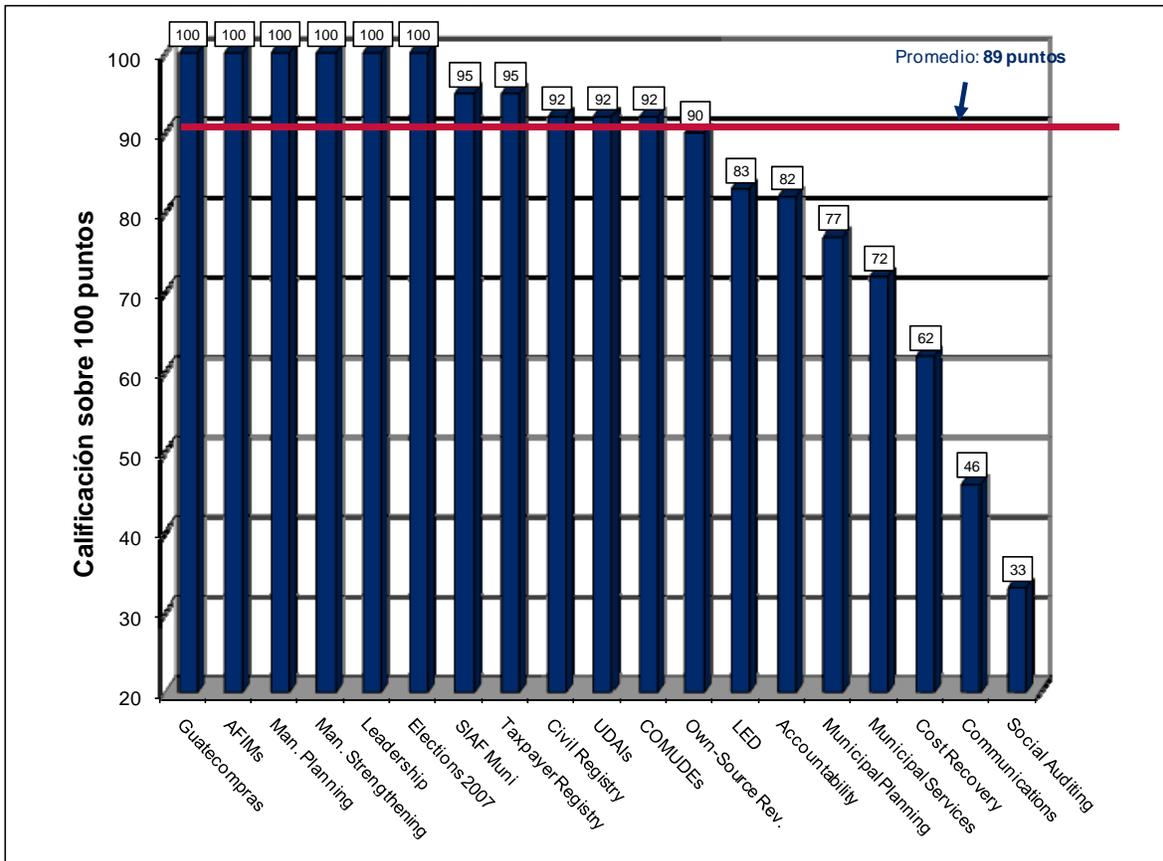


⁹ LLRs for Sub-IR 2.2 are not taken into account because they are not applicable at the municipal level.

In the base year the highest scoring was for the LLRs related to the SIAF, planning at in the *mancomunidades*, as well as the tax and civil registries. However, it is important to note that in 2005 the majority of the municipalities had not installed SIAF but rather the SIAFITO. The taxpayer and civil registry scoring was for the programs developed by the previous USAID project rather than the requirements of the SIAF. The indicators for the two registries (as separate requirements) were modified by USAID since they were not applicable given GOG requirements.

When the Program ended in 2009, the average score for the LLRs had increased from 31 points to 89 points out of 100 (see Figure 13).

Figure 13: Average Score by LLR, 2009



The results demonstrate that the scores improved on average for 12 of the 199 LLRs evaluated. These data are also evaluated by municipality (see *Annex C*).

The best results were achieved for those LLRs related to the information management tools (*Guatecompras*, SIAF, taxpayer registry and the civil registry), and the creation of internal financial management structures for the municipalities (AFIMs and UDAs). The selected municipalities that received Program assistance are now better prepared to manage their resources in compliance with the standards as established in Guatemala.

Likewise, positive results were achieved in planning and strengthening the *mancomunidades* of Copán Chortí and ERIPAZ. Both are recognized as among the best *mancomunidades* in the country. The Program's emphasis of institutional strengthening (internal procedures and leadership), as well as capacity building in coordination with other donor funded activities, especially in the Chortí area, were key to the successes achieved.

Positive results are confirmed for the LLR related to leadership and conflict resolution, and it was an issue area addressed in the 13 selected municipalities through training courses.

As has been confirmed in the Program reports perhaps the greatest area of weakness in municipal management is in the weak regulatory, financial and operational structures related to the delivery of basic services. Over the course of implementation resources were limited (until the final year) for this area. Nevertheless, the Program addressed this critical area and succeeded in improving the score from 12 points in the base year to 72 points in the final year.

The partial results related to the promotion of innovative communication mechanisms and social auditing are described in Section 4.4.

4.4. Analysis of Benchmarks Achieved Partially and Pending

Of the 28 indicators for the Program (for three Sub IRs and 25 LLRs), by the end of the Program only the targets for five indicators have not been reached as follows:

- Local Economic Development (LLR 2.1.)
- Decentralization Policy (Sub-IR 2.2)
- Coordination of Public Investment at the National and Municipal Level (LLR 2.2.3)
- Approval of reforms to the AGAAI statutes (LLR 2.2.6)
- Innovative communication mechanisms (LLR 2.3.4)

In the case of *local economic development (LED)*, the Program completed successfully the design of the LED plan for the Mancomunidad Copán Chortí, and the plan was presented in July 2009. This LLR cannot be considered achieved because it was not possible to deliver the service to the other municipalities as plan, specifically those in the Ixil region. The process of completing the LED plan for Copán Chortí was delayed almost a full year given that the consultants contracted with funds from another donor did not prepare a report that

was accepted by the Mancomunidad. Eventually, the Mancomunidad requested that the Program prepare the final plan.

Notwithstanding the delay, the final plan has resulted in some positive reactions, with SEGEPLAN deciding to utilize the methodology developed by the program to prepare the plans that are contemplated as part of the National Planning System, which will be completed in 2010.

The ***Decentralization Policy***, as contemplated in the target, was not reformed over the life of the Program. There are several institutional factors that precluded the achievement of those results related to the decentralization policy. These include the frequent changes in the SCEP appointees, the reduced authority that the Secretariat experienced following the Constitutional Court decision that eliminated the executive authorities, the lack of a budget mechanism to transfer these authorities, as well as the limited interest that the majority of the municipalities in reform.

There has been an increased number of municipalities that have solicited the creation of their Municipal Transit police, which in practice help support decentralization, although these cases are isolated.

Coordination of ***national and municipal public investment*** was to be addressed on the one hand by the creation of a Single-Window for Municipal Projects and on the other by the implementation of a National Planning System that would unify in one plan the investment programs of the national and municipal agencies. The program financed for SCEP a consultancy to create the Single-Window and then signed an agreement with SCEP that was transferred to SEGEPLAN for the creation of the Single-Window. Notwithstanding that the consultant that prepared the plan assumed the position of Sub-secretary of SEGEPLAN the Single-Window has not been implemented as of 30 September 2009.

The program prepared a study to reform the ***AGAAI statutes*** and proposed a series of changes. Although the proposal was well received, its approval was postponed on several occasions. What was achieved is the report of the ANAM statutes, including the extension of the term for the Board of Directors after 2010.

The Program developed and disseminated a Guide to implement municipal communication strategies as an integrated mechanism to promote ***innovative communication mechanisms***. In the municipalities of Cobán, Pachalum and Santa Cruz del Quiché, the communication strategies were approved but in the other municipalities the level of advancement was limited to the publication of the reports on accountability events, municipal strategic plans, the internal regulations of COMUDES, and cultural sensitive signage for municipal offices.

Recognizing a new opportunity for improving transparency and communication mechanisms, during the last year the Program assisted municipalities in executing the requirements established in the Freedom of Access to Public Information Law (LAIP, acronym in Spanish), which included the establishment of Public Information Offices. Among the areas of support provided was to upload municipal information on a portal that was added to ANAM's website. The requirement was established in the law effective in April 2009. Given the pending closure of the Program this activity could not be completed. This innovation by the Program in the last year merits additional attention in the next phase.

4.5. Summary of Performance

Table 7 presents the summary of the performance tracking over the course of the Program according to the planned and achieved targets. The Table also provides the reader an opportunity to review the level of participation of the municipalities by kind of intervention.

Table 7: Performance Tracking Table – Planned and Actual Targets, Level of Participation**Intermediate Result 2: Greater Transparency and Accountability of Governments**

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
Sub-IR 2.1: More transparent systems for management of public resources by local governments.													
% annual increase in tax revenues collected in the group of municipalities selected by the Program	Program and Ministry of Finance records	0%	0%	0%	1%	22%	3%	57%	5%	35.5%	7	7	
LLR 2.1.1. SIAF-Muni fully implemented in selected municipalities													
% of Municipalities that have implemented the SIAF-Muni, in relation to the total Program target for this LLR	Program, SIAF-SAG, and local government records	7%	43%	43%	50%	69%	77%	77%	100%	100%	13	13	
% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	Program, SIAF-SAG, and local government records	78%	78%	56%	100%	100%	100%	111%	100%	110%	9	10	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	Program, SIAF-SAG, and local government records	75%	75%	50%	75%	75%	100%	92%	100%	92%	12	11	
LLR 2.1.3. Certification Program for municipal financial managers developed and implemented in selected municipalities.													
% of Municipalities in which the Certification program for municipal financial managers is developed, in relation to total Program target for this LLR	Program, RENICAM, and local government records	0%	0%	0%	0%	0%	33%	67%	100%	111%	9	10	
LLR 2.1.4. National level replication plan for municipal financial managers Certification Program promoted													
Signature of corresponding letter or agreement	Program and RENICAM records		0%	0%	October 2007	Aug 2007	100%	100%	100%	100%	Letter or agreement	Letter or agreement	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
LLR 2.1.5. Improved transparency in municipal procurement processes, procedures & systems (Guatecompras) in selected municipalities.													
% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	Program, SIAF-SAG, and local government records	38%	38%	92%	62%	100%	77%	100%	100%	100%	100%	13	13
LLR 2.1.6. Internal audit units and financial management units (AFIMs) are operating effectively in selected municipalities and best practices developed are disseminated nationally													
% of Municipalities that have AFIMS operating effectively, in relation to the total Program target for this LLR	Program, Controller General, and local government records	21%	21%	7%	77%	77%	93%	85%	100%	100%	100%	13	13
% of Municipalities that have UDAs, in relation to the total Program target for this LLR	Program, Controller General, and local government records	0%	0%	0%	20%	120%	80%	180%	100%	240%	100%	5	12

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
LLR 2.1.8. Selected municipalities present sustained increased in own-sources revenues.													
% of Municipalities that register an increase in tax revenue as a percentage of total revenues , in relation to the total Program target for this LLR	Program, Ministry of Finance, INFOM, and local government records	0%	0%	114%	29%	129%	71%	129%	100%	129%	7	9	
LLR 2.1.9. Public-private partnership for local economic development (LED) functioning in selected municipalities and mancomunidades, based on USAID strategic planning methodology.													
% of Municipalities with local economic development plans elaborated, in relation to the total Program target for this LLR	Program and local government records	57%	57%	0%	57%	0%	86%	0%	100%	57%	7	4	
LLR 2.1.10. Critical basic municipal service improved in selected municipalities.													
% of Municipalities with at least one critical basic service improved, in relation to the total Program target for this LLR	Program and local government records	33%	33%	0%	56%	0%	100%	33%	100%	89%	9	8	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
LLR2.1.11. Cost recovery system improved in selected municipalities.													
% of Municipalities that have implemented a cost recovery system, in relation to the total Program target for this LLR	Program and local government records	33%	33%	0%	56%	0%	78%	44%	100%	89%	9	8	
LLR2.1.12. Municipal level planning improved in selected municipalities.													
% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	Program and local government records.	18%	18%	11%	64%	36%	91%	45%	100%	73%	11	8	
LLR2.1.13. Planning process strengthened in selected mancomunidades.													
% of mancomunidades with Strategic Plans approved, in relation to the total Program target for this LLR	Program and Mancomunidades records.	25%	25%	25%	50%	50%	75%	50%	100%	100%	2	2	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
Sub-IR 2.2 Increased devolution of responsibilities and resources to the local level resulting in greater responsiveness by local governments to citizens' needs													
Number of Municipalities that have developed at least one new competency as detailed in the National Decentralization Policy	Program, SCEP, and local government records	0	0	0	2	0	2	0	2	0	2	0	
LLR 2.2.1. Increased transparency and efficiency in the system of inter-governmental transfers and results well communicated to Guatemalan municipalities													
Presentation to the Ministry of Finance of the proposed modification to the system of Inter-governmental transfers system	Program and Ministry of Finance records		August 2006		August 2006	Pending	August 2006	April 2008	August 2006	April 2008	Proposal presented	Proposal presented	
LLR 2.2.2. Pilot implementation of decentralization policy (and/or de-concentration efforts) in select municipalities (and/or departments) & development of policies & procedures for successful national replication													
% de Municipalities with staff trained regarding the implementation of the National Decentralization Policy, in relation to the total Program target for this LLR	Program, SCEP, and local government records.	0%	0%	0%	44%	0%	67%	133%	100%	133%	9	12	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
LLR 2.2.3. Better coordination between municipal investment and national social investment, especially those that complement USAID programs in health, education, security, etc.													
% de Municipalities in which coordination between national and municipal public investment has been improved, in relation to the total Program target for this LLR	Program, SEGEPLAN, and local government records	0%	0%	0%	33%	0%	100%	0%	100%	0%	6	0	
LLR 2.2.4. Policies and practices that regulate and simulate responsible municipal indebtedness developed and disseminated nationally.													
Presentation of the study on legal framework of municipal debt	Program and Ministry of Finance records	August 2005		Completed	100%	100%	100%	100%	100%	100%	Proposal presented	Proposal Presented	
Presentation of the proposal regarding the regulation of municipal indebtedness practices	Program and Ministry of Finance records		June 2006	Completed	100%	100%	100%	100%	100%	100%	Proposal presented	Proposal Presented	
LLR 2.2.5. Municipal Tax Code (MTC) passed and implementation supported.													
Presentation of the study on the Municipal Tax Code	Program and Ministry of Finance records	July 2005		Completed	100%	100%	100%	100%	100%	100%	Proposal presented	Proposal Presented	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
Resolution by the Congressional Commissions of Municipal Affairs and Public Finances Affairs.	Program, Congress and Ministry of Finance records		Nov 2006	Pending	Nov 2006	Pending	100%	100%	100%	100%	Favorable resolution	Favorable resolution	
LLR 2.2.6. Ability of ANAM, AGAAI, and (possibly) selected departmental associations to participate in national policy dialogue strengthened and opportunities for engagement identified.													
Approval dates of new statutes ANAM	July 2008		March 2006	Pending	March 2006	Pending	March 2006	July 2008	March 2006	July 2008	Reform approved	Reform approved	
Approval dates of new statutes AGAAI	Pending		Sept 2006	Pending	Sept 2006	Pending	Sept. 2006	Pending	Sept 2006	Proposal March 2008	Proposal presented	Proposal Presented	
Sub-IR 2.3 More opportunities for citizen participation in and oversight of local government decision-making													
Number of Municipalities with COMUDE Citizen Participation Commissions operating	Program and local government records	0	2	2	5	6	7	6	7	10	7	10	
LLR 2.3.1. USAID Accountability and Citizen Oversight methodologies are fully institutionalized in selected municipalities and disseminated broadly at the national level.													
% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	Program, Controller General, and local government records	69%	69%	23%	77%	46%	100%	77%	100%	77%	13	10	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned 2005-2009	Final Result 2005-2009	
% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	Program, COMUDES and local government records	0%	0%	0%	14%	0%	86%	43%	100%	14%	7	1	
LLR 2.3.2. Leadership and Conflict Resolution and negotiation skills of local community and municipal leaders improved in all selected municipalities.													
% of Municipalities in which leadership and conflict resolution training has been delivered, in relation to the total Program target for this LLR	Program and local government records	9%	27%	0%	64%	0%	82%	0%	100%	118%	11	13	
LLR 2.3.3. Municipal Development Councils conforming to and functioning in accordance with the applicable law in the selected municipalities.													
% of Municipalities with COMUDES conformed, in relation to the total Program target for this LLR	Program, COMUDES and local government records.	0%	8%	54%	100%	54%	100%	77%	100%	77%	13	10	

Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Planned 2005-2009	Final Result 2005-2009
	Data Source	Value	Year 2006		Year 2007		Year 2008		Year 2009				
			Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual			
LLR 2.3.4. Innovative media and communication mechanisms to improve transparency of municipal operations in place in selected municipalities.													
% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	Program and local government records	0%	17%	0%	100%	33%	100%	50%	100%	50%	6	3	
LLR 2.3.5. Participation in the 2007 elections, particularly for women and indigenous in selected municipalities increased.													
Increase in the percentage of voting amongst women in the 2007 elections, in 3 municipalities of the Program.	Program, TSE and local government records	0%	0%	0%	100%	Complete	100%	100%	100%	100%	3	3	
Sub-IR 2.4: Strengthening of local capacity in the implementation of reconstruction programs													
Number of reconstruction projects monitored and executed	Program, Reconstruction Office and local government records	0%	0%	0%	37	55	100%	100%	100%	100%	21	21	
Reconstruction and Risk Management Plan developed	Program, Reconstruction Office and local government records	0%	0%	0%	Feb 07	Feb 07	100%	100%	100%	100%	Plan developed	Plan developed	

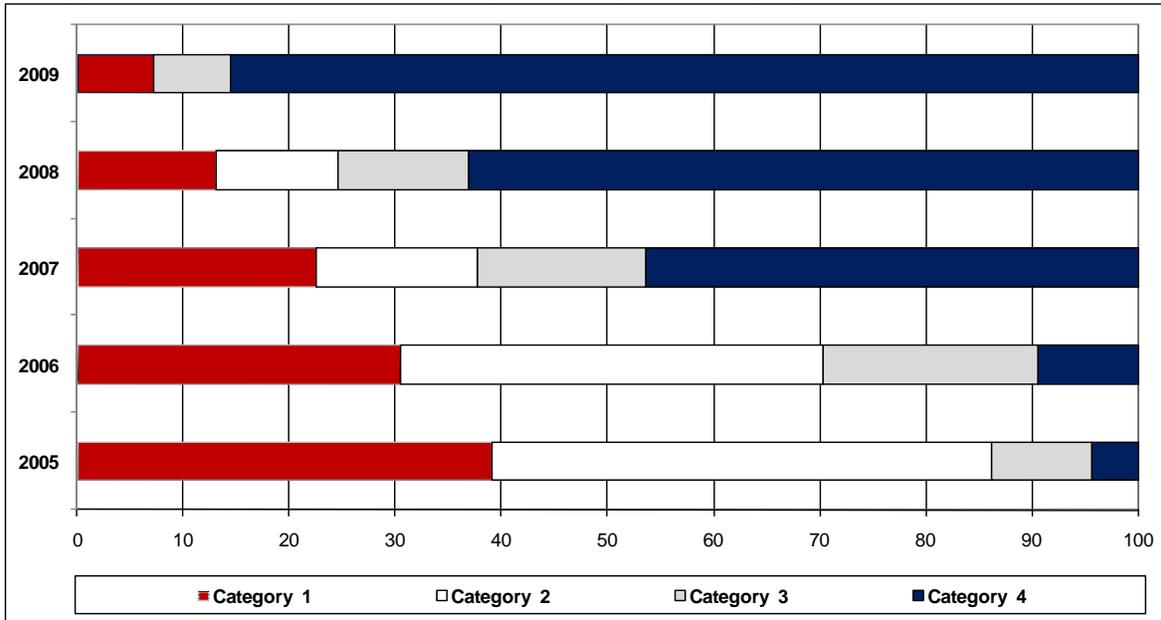
Table 5: Performance Tracking Table – Planned and Actual Targets													
Sub-IR, LRR and Performance Indicator(s)	Baseline Year – 2005		Project Time Frame									Life of Project	
			Year 2006		Year 2007		Year 2008		Year 2009				
	Data Source	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned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

V. Monitoring Qualitative Change

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

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

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

Figure 14: Distribution of Municipalities by Category by Fiscal Year –Sub-IR 2.1

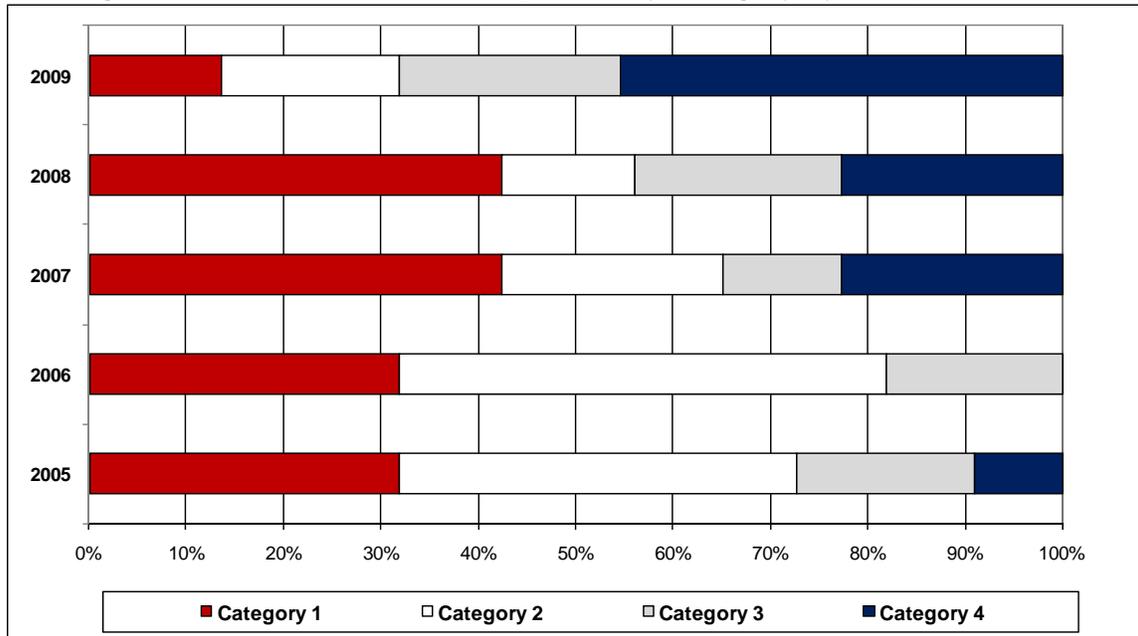
Note: The calculation is based on 13 municipalities where the Program is only working in one LLR.

The proportion of municipalities that have graduated (Category 4) for the Sub-IR 2.1 LLRs increased considerably over the life of the program to represent 85 percent of the total (see *Figure 14*). As has been discussed in this report, the primary area where there was less progress was in the delivery of municipal services and their cost-recovery.

In the case of the Sub-IR 2.3 LLRs the situation was distinct. As demonstrated in *Figure 15*, the progress was slower given the difficulties with advancing social auditing, leadership, and communication. The municipalities that graduated (Category 4) were only 60 percent, considerably less than for Sub-IR 2.1. Part of the explanation can be found in the level of resources that were dedicated to leadership and innovative communications. This topic will be addressed more extensively in the Final Contract Report.

As has been reported in previous M&E reports, the Sub-IR 2.3 LLRs are more susceptible for the political situation in the municipalities, and were heavily affected by the 2007 elections, the transition from one administration to another, turn-over in the municipal staff, and political will. For these reasons the participation and citizen oversight represented the greatest challenges for future local government projects.

Figure 15: Distribution of Municipalities by Category by Year, Sub-IR 2.3



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

ANNEXES

Annex A: Matrix for Qualitative Benchmarks by LLR

Tables A-1: Categories of Performance Matrix by LLR

2.1.1 SIAF-MUNI									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
SIAF Muni implemented	% of Municipalities that have implemented the SIAF Muni, in relation to the total Program target for this LLR	1	No SIAFITO	4	2	0	0	0	Use of a traditional financial registry system and/or the version before SIAFITO (w/o 1.4)
		2	SIAFITO working	9	6	1	0	0	Version 1.4 (s/b v 1.7) not installed and registered.
		3	SIAF-Muni installed	0	5	3	3	2	Software installed and working. In a process of migrating registries and beginning operations.
		4	SIAF-Muni working (Executed)	0	0	9	10	13	Without basic models (of budget, of accounting, of treasury) working and being implemented.

Cotzal y San Antonio Ilotenango have the SAFI-Muni operating but are registering operations with some detail.

2.1.1 A) CIVIL REGISTRY MODULE									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Civil Registry module installed and functioning at municipal level	% of Municipalities that have Civil Registry Systems implemented, in relation to total Program target for this LLR	1	No electronic civil registry	3	3	0	0	0	Traditional Civil Registry operating. There is no interest, or there is resistance or conflict.
		2	Have software, but not in use	8	3	0	0	0	The Municipality acquired software (including USAID's), but is not being used or implementation delayed (at least 6 months without usage).
		3	Use USAID software	1	6	4	3	3	The Municipality has installed USAID's software and it is operation (no more than 3 months behind in its registries).
		4	Civil Registry module working (Executed)	1	1	9	10	10	The Municipality has installed and is utilizing the software included in SIAF-Muni.

The following have not completed: Pachalum, San Martín Jilotepeque y Cotzal (the use the software developed by USAID). As of 2008, the civil registry by law had to move from the municipalities to the national government (Ley RENAP).

2.1.1 B) TAX PAYER REGISTRY MODULE									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Tax roll system implemented	% of Municipalities that have electronic tax roll systems operational, in relation to the total Program target for this LLR	1	Without electronic system of taxpayer registry.	2	2	2	0	0	Traditional form of registry of taxpayers operating. There is no interest or there is resistance or conflict
		2	Software in place. No usage.	6	6	2	0	0	The Municipality acquired software (including USAID's software), but it is not being used or that implementation has been delayed (at least 6 months without usage).
		3	Use USAID software.	3	3	0	2	2	The Municipality has installed USAID's software and it is operational (no more than 3 months behind in its registries).
		4	Taxpayer Registry implemented (Executed)	2	2	9	11	11	The Municipality has installed and is utilizing the software included in SIAF-Muni.

Category 3 includes: Cotzal and San Antonio Ilotenango.

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

2.1.4 PROGRAM OF CERTIFICATION REPLICATED									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Certification Program replicated	Number of Municipalities participating in Certification Program	1	Without participation in the Program	13	13	13	7	3	There is no interest, or there is resistance or conflict.
		2	There is interest in the Program	0	0	0	0	0	Council or Mayor shows interest.
		3	Program managed	0	0	0	0	0	Steps have been taken for those municipal financial officials participating.
		4	Program implemented (Executed)	0	0	0	6	10	Municipal financial officials have the capacity.

A total of 28 municipal officials (9 women) have been certified from the selected municipalities.

2.1.5 GUATECOMPRAS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Guatecompras implemented	% of Municipalities that have implemented Guatecompras, in relation to the total Program target for this LLR	1	Not using the system	6	0	0	0	0	There is no interest, or there is resistance or conflict.
		2	There is interest to use the system	0	2	0	0	0	Council or Mayor shows interest. Steps have been taken to install it.
		3	Implementation began	5	3	0	0	0	Software installed, there is personnel capacity. Request of use transmitted. Partial use.
		4	Guatecompras systems working (Executed)	2	8	13	13	13	The municipality has published some acquisitions or contracting on Guatecompras.

2.1.6 AFIMS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
AFIMS implemented	% of Municipalities that have AFIMS operating effectively, in relation to the total Program target for this LLR	1	There is no AFIM	6	0	0	0	0	There is no interest, or there is resistance or conflict.
		2	There is interest	5	4	0	0	0	Council or Mayor shows interest to create AFIM.
		3	AFIM created, not implemented.	2	9	3	2	0	Council approves AFIM. Approval of working manual in process.
		4	AFIMS working (Executed)	0	0	10	11	13	AFIM working (there is a boss, personnel and manual).

2.1.6 (A) UDAIS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
UDAIs implemented	% of Municipalities that have UDAIs, in relation to the total Program target for this LLR	1	There is no UDAI	6	6	4	2	1	There is no interest, or there is resistance or conflict.
		2	There is interest.	7	7	3	2	0	Personnel contracted working as auditor, without manual or rules.
		3	UDAI approved, not implemented.0	0	0	0	0	0	Council approves UDAI. Auditor contracted, No manuals or procedures.
		4	UDAIs working (Executed)	0	0	6	9	12	Auditor contracted, manual in place or rules approved.

The municipality that does not have UDAIs is: Granados. Granados joined the project late.

2.1.8 OWN INCOME RESOURCES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Increase in municipal tax revenues	Number of municipalities that had an increase in the coefficient of own-source revenues/total revenues over prior year.	1	With reduction of tax income	7	5	5	4	4	Negative variation in the coefficient of own-source revenues/total revenues.
		2	With slight increases of tax income	3	4	3	1	3	The coefficient for own-source revenues/total revenues varies between 0 and 0.5 basis points.
		3	Moderate increase	2	2	2	2	0	The coefficient of own-source revenues/total revenues varies between 0.6 and 1.0 basis points
		4	Significant increase	1	2	3	6	6	The coefficient of own-source revenues/total revenues varies more that 1 basis point

Note: The data reported in the 4th M&E report are for fiscal year 2008 (of the municipalities, not USAID).

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

Category 2: Municipalities of ERIPAZ

Category 3: Santa Cruz del Quiché

Category 4: Four municipaliteis of Copán Chorti

2.1.10 IMPROVING MUNICIPAL SERVICES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Basic Municipal Service improved	% of Municipalities with at least one critical basic service improved, in relation to the total Program target for this LLR	1	There is no interest	3	9	8	6	3	There is no interest, or there is resistance or conflict.
		2	There is interest	10	4	3	5	0	Council or Mayor shows interest. There is an act or written request.
		3	Proposal approved	0	0	2	0	2	Priority service selected. Process for identifying and proposing improves began. Proposal approved.
		4	Improving municipal service (Executed)	0	0	0	2	8	Mayor or municipal Council approves the proposal strategy for improving services. Implementation initiated.

Category 1 includes: Nebaj, Chiché and San Antonio Ilotenango.

Category 3 includes: Camotán (construction) y Cotzal (Municipal Transit Police).

2.1.11 COST-RECOVERY SYSTEM									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Cost recovery system implemented	% of Municipalities that have implemented a cost recover system, in relation to the total Program target for this LLR	1	There is no plan	3	9	8	5	5	There is no interest, or there is resistance or conflict.
		2	There is interest	10	4	4	4	0	Council or Mayor has interest. There is an act or written request.
		3	Design of initiated plan	0	0	1	0	0	Diagnostic of municipal finance and technical proposal in process.
		4	Recuperation system of costs implemented (Executed)	0	0	0	4	8	Council or Mayor approves the plan.

Category 1 includes: Camotán, Jocotán, Nebaj, San Martín Jilotepeque and Santa Cruz del Quiché.

2.1.12 MUNICIPAL PLANNING									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Participatory strategic planning implemented and/or strengthened	% of Municipalities with Strategic Plans approved, in relation to the total Program target for this LLR	1	Without interest in achieving	13	5	3	1	2	There is a plan, no perceived necessity to implement it.
		2	Interest in achieving Strategic Plan	0	8	3	4	0	Council or Mayor shows interest.
		3	Initiating plan	0	0	3	3	3	Implementation in process.
		4	Plans elaborated and/or implemented (Executed)	0	0	4	5	8	COMUDE, Mayor or Municipal Council approves plan. Implementation begins.

Category 1 includes: Nebaj and Chiché.

Category 3 includes: Santa Cruz, San Martín Jilotepeque and Cotzal.

2.1.13 PLANNING OF MANCOMUNIDADES									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Mancomunidad strategic plans improved	% de Mancomunidades with Strategic Plans approved, in relation to the total Program target for this LLR	1	Without interest in achieving	0	0	1	0	0	There is a plan, no perceived necessity to implement it.
		2	Interest in achieving Strategic Plan	3	3	0	0	0	Joint Director, Assembly or Manager shows interest.
		3	Plan initiated	0	0	1	1	0	Process achieved.
		4	Plans in progress or achieved (Executed)	0	0	1	1	2	Joint Director approves plan. Implementation begins.

Since Fiscal Year 2008 the Program is only working in two mancomunidades: ERIPAZ and Copán Chorti.

2.2.1 INTERGOVERNMENTAL TRANSFERS									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Inter-governmental transfer system strengthened	Presentation to the Ministry of Finance of proposed modifications to the inter-governmental transfer system	1	No Proposal	X	X				There is no interest, or there is resistance or conflict.
		2	Proposal developed						There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated			X			Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)				X	X	Ministry of Public Finance receives and assumes responsibility to present the proposal.

The proposal was presented to the Ministry of Finance 2 April 2008.

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

Training was completed in 12 of the 13 municipalities during a workshop held during the transition in February 2008.

2.2.3 COORDINATION OF MUNICIPAL PUBLIC INVESTMENT

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

The first assessment of SCEP (September 2008) has already been completed by the consultant contracted by the Program, Vivian Lemús.

2.2.4 MUNICIPAL DEBT REGULATORY FRAMEWORK

Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Strengthened regulatory framework for municipal debt	Proposed reforms presented to the Ministry of Finance	1	No Proposal						There is no interest, or there is resistance or conflict.
		2	Proposal developed	X					There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated		X	X			Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)				X	X	Ministry of Public Finance receives and assumes responsibility to present the proposal.

The proposal was completed with the support of the Program and validated by the Inter-institutional Commission (which the Minister of Finance participated on), and was included almost in its entirety in the recommendations to the Technical Working Group of the Instancia Municipalista, within the proposal of reforms for the Municipal Code. The Board of Director for ANAM guaranteed support of the proposal and sent it to the Legislative Commission of the Municipal Subjects that is making a final ruling.

2.2.5 MUNICIPAL TAX CODE									
Indicator	Unit of Measure	Categories	Categories of Performance	Planned categories in each year					Definitions
				2005	2006	2007	2008	2009	
Municipal Tax Code supported	The Congressional Commissions on Municipal Affairs and Public Finances formalizes its supports	1	No Proposal						There is no interest, or there is resistance or conflict.
		2	Proposal developed	X					There is interest. In the process of contracting or implementing assistance.
		3	Proposal validated		X	X			Draft of the proposal is presented, and in the process of being validated.
		4	Proposal presented (Completed)				X	X	Congressional committees release report in favor of the legislation

The Technical Working Group is studying the Municipal Tax Code proposal. DevTech will be requesting a modification of this LLR.

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

ANAM approved the reform of statutes during the Assembly Celebration on 10 July 2008.

The proposal for the reform of AGAAI's statutes was presented in March 2008, but has not yet been completed.

2.3.1 ACCOUNTABILITY									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Accountability and citizen oversight reports published	% of Municipalities that present accountability reports, in relation to the total Program target for this LLR	1	No Reports presented	2	1	2	2	1	There is no interest, or there is resistance or conflict.
		2	There is interest	1	9	1	1	2	Council or Mayor express interest with a written act or request.
		3	Partial reporting	10	3	4	0	0	Municipalities present reports with partial information or delayed by more than 6 months. Dissemination is restricted. Outside of the framework of the COMUDE.
		4	Reports presented (Completed)	0	0	6	10	10	At least one annual report presented to the COMUDE.

Category 1 includes Granados and Pachalum. Category 2 includes Nebaj and Cotzal.

2.3.1 (A) SOCIAL AUDITING									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Social auditing mechanisms in place	% of Municipalities in which social auditing reports are presented, in relation to the total Program target for this LLR	1	No reports presented	4	6	6	6	3	There is no interest, or there is resistance or conflict.
		2	There is interest	9	7	7	1	4	Members of the COMUDE express interest with a written act or request.
		3	Implementation strategy designed	0	0	0	5	5	Committee for social auditing, with the support of the Program design a strategy and formats for presenting reports.
		4	Reports presented (Completed)	0	0	0	1	1	At least one annual report is presented to the Social Auditing Committee of the COMUDE.

Category 1 includes: Pachalum, Nebaj and Chiché.

Category 2 includes: Granados, San Antonio Ilotenango, Olopa y San Juan Ermita.

Category 3 includes: Jocotán, Camotán, San Martín Jilotepeque, Chajul y Cotzal.

Category 4 includes: Santa Cruz del Quiché.

2.3.2 LEADERSHIP AND CONFLICT RESOLUTION

Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Local leaders trained	% of municipalities in which leadership and conflict resolution and negotiation skills training has provided, in relation to total Program target for this LLR	1	No interest	12	12	12	12	0	There is no interest, or there is resistance or conflict.
		2	There is interest	1	1	1	1	0	The mayor or members of the COMUDE express interest. There is an act or request.
		3	Strategy designed	0	0	0	0	0	Program team designs a training strategy for leadership and conflict resolution.
		4	Training in process (Completed)	0	0	0	0	13	At least 2 COMUDEs have received training.

The municipalities that have build consensus for conflict resolution are: Nebaj, Cotzal, Chajul, Santa Cruz, San Antonio Ilotenango, Chiché and Pachalum. The municipalities that have trained community leaders in leadership are Olopa, Jocotán, Camotán, San Juan Ermita, Granados and San Martín Jilotepeque.

2.3.3 COMUDES

Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
COMUDEs formed and functioning	% of Municipalities with COMUDEs conformed, in relation to the total Program target for this LLR	1	No COMUDEs	1	2	3	0	0	The COMUDE is created, but does not meet and committees are not integrated.
		2	COMUDE created	4	5	0	3	3	The COMUDE does not meet regularly. It does not have procedures. Integrated Committees are not functioning. No documentation of acts or agreements.
		3	COMUDE strengthened	2	6	3	6	0	The COMUDE meets at least 3 times per year. Committees integrated. There are acts, and procedures are established.
		4	COMUDEs fully-functioning (Completed)	6	0	7	4	10	The COMUDE meets at least 3 times per year, and has procedures. Committees are working, and there are acts.

Category 2 includes: Nebaj, Chiché and Pachalum.

2.3.4 COMMUNICATION MECHANISMS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Innovative communication mechanisms in place	% de Municipalities that have implemented innovative media and communication mechanisms, in relation to the total Program target for this LLR	1	There are not communication mechanisms	2	0	5	5	5	There is no interest, or there is resistance or conflict.
		2	Isolated use of mechanisms	12	11	6	3	6	Office of the Mayor uses releases, local radio and other means intermittently. Publish public record and/or Bulletins.
		3	There is interest	0	3	1	3	0	Communication strategy design in process.
		4	Strategy is being implemented (Completed)	0	0	2	2	3	Strategy approved by the Mayor or Municipal Council, and is being implemented.

Category 1 includes: Cotzal, San Antonio Ilotenango, Granados, Olopa and Nebaj.

Category 2 includes: Jocotán, Camotán, San Juan Ermita, Chajul, Chiché and San Martín Jilotepeque.

Category 4 includes: Cobán, Pachalum and Santa Cruz.

2.3.5 WOMEN'S PARTICIPATION IN 2007 ELECTIONS									
Indicator	Unit of Measure	Categories	Categories of Performance	Number of Municipalities					Definitions
				2005	2006	2007	2008	2009	
Participation of women in 2007 elections	% of women voting increased in 2007 elections (over 2003 statistics) in 3 Program municipalities	1	Participation decreases						The adjusted % women voting decreases compared to the 2003 elections.
		2	No change in participation						The adjusted percentage of women voting is the same as the 2003 elections.
		3	Small Increase						The adjusted percentage of women voting increases by 3% over the percentage voting in the 2003 elections.
		4	Significant increase (Completed)				X	X	The adjusted percentage of women voting increases by more than 3% over the percentage voting in the 2003 elections.

Annex B: Fiscal Performance, 2004-2008

Table B-1: Detailed Table on Fiscal Performance for 13 Municipalities

Municipality	2004			2005			2006			2007			2008			Aumento Coeficiente Ingresos Propios			
	Total Revenues	Own-Source Revenues	Own/Total	Total Revenues	Own-Source Revenues	Own/Total	Total Revenues	Own-Source Revenues	Own/Total	Total Revenues	Own-Source Revenues	Own/Total	Total Revenues	Own-Source Revenues	Own/Total	2005	2006	2007	2008
CONVERGENCIA																			
Pachalum	12,943,309	259,897	2.01	17,370,309	363,040	2.09	17,478,725	433,132	2.48	16,153,864	381,056	2.4	9,211,976	791,904	8.6	0.08	0.39	-0.12	6.2
San Martín Jilotepeque	19,704,074	6,844,765	34.74	26,128,190	7,063,457	27.03	18,143,813	3,422,407	18.86	17,180,801	3,701,467	21.5	20,836,036	4,422,580	21.2	-7.7	-8.17	2.68	-0.3
Granados	10,058,654	4,770,148	47.42	16,933,947	5,539,945	32.72	19,346,995	176,238	0.91	20,658,255	175,900	0.9	18,631,676	670,739	3.6	-14.71	-31.8	-0.06	2.7
COPAN CHORTI																			
Jocotán	9,498,451	265,490	2.8	12,763,783	449,673	3.52	13,364,130	462,142	3.46	14,433,792	436,221	3	12,070,761	564,689	4.7	0.73	-0.06	-0.44	1.7
Camolán	14,971,139	70,902	0.47	17,006,665	143,170	0.84	17,140,133	225,862	1.32	14,025,132	359,231	2.6	14,584,378	413,597	2.8	0.37	0.48	1.24	0.2
Olopa	8,782,630	62,091	0.71	9,578,840	140,073	1.46	15,949,195	288,984	1.81	8,810,376	413,802	4.7	9,096,979	253,834	2.8	0.76	0.35	2.88	-1.9
San Juan Ermita	5,889,406	63,387	1.08	8,920,155	97,032	1.09	8,093,892	65,576	0.81	9,864,442	121,149	1.2	9,213,993	96,485	1.0	0.01	-0.28	0.42	-0.2
ERIPAZ																			
Nebaj	16,949,719	709,739	4.19	19,161,933	850,500	4.44	4,402,933	391,795	8.9	17,568,186	1,340,784	7.6	20,082,856	2,564,688	12.8	0.25	4.46	-1.27	5.2
Chajul	9,168,467	189,494	2.07	15,291,682	272,526	1.78	7,672,830	197,760	2.58	14,448,394	1,149,909	8	4,916,704	1,128,183	22.9	-0.28	0.8	5.38	14.9
Cotzal	10,412,423	113,230	1.09	15,942,669	20,399	0.13	12,896,228	92,030	0.71	20,793,830	355,628	1.7	26,813,333	2,000,407	7.5	-0.96	0.59	1	5.8
CENTRO DEL QUICHE																			
Chiché	8,666,586	346,768	4	9,182,767	639,528	6.96	8,446,632	914,970	10.83	7,068,306	938,430	13.3	8,518,073	1,132,447	13.3	2.96	3.87	2.44	0.0
Santa Cruz del Quiché	12,939,894	4,112,304	31.78	13,299,279	1,976,083	14.86	11,996,295	2,172,245	18.11	16,707,445	3,183,950	19.1	24,468,668	3,466,900	14.2	-16.92	3.25	0.95	-4.9
San Antonio Ilotenango	4,861,221	204,026	4.2	5,463,151	362,443	6.63	6,320,028	178,789	2.83	6,452,793	283,429	4.4	12,716,121	619,599	4.9	2.44	-3.81	1.56	0.5
TOTAL	144,845,973	18,012,241	12.44	187,043,370	17,917,869	9.58	161,251,831	9,021,932	5.59	184,165,617.28	12,840,955.99	6.97	191,161,554	18,126,052	9.5	-2.86	-3.98	1.38	2.5

Own-Source Revenues = Total Revenues – (capital transfers + operating transfers + internal debt)

Own-Source Revenues = Tax revenues + Non-Tax Revenues + Sale of Goods and Services + Operation Income + Property Sales.

Source: Calculation based on INFOM data (2004 y 2005), SIAF Muni (2006-2008)

Table B-2: Detailed Table on Fiscal Performance for 7 Municipalities

Municipality	2004			2005			2006			2007			2008		
	Total Revenues	Own-Source Revenues	Own / Total	Total Revenues	Own-Source Revenues	Own / Total	Total Revenues	Own-Source Revenues	Own / Total	Total Revenues	Own-Source Revenues	Own / Total	Total Revenues	Own-Source Revenues	Own / Total
Pachalum	12,943,309	259,897	2.01	17,370,309	363,040	2.09	17,478,725	433,132	2.48	16,153,864	381,056	2.36	9,211,976	791,904	8.6
Camotán	14,971,139	70,902	0.47	17,006,665	143,170	0.84	17,140,133	225,862	1.32	14,025,132	359,231	2.56	14,584,378	413,597	2.8
Olopa	8,782,630	62,091	0.71	9,578,840	140,073	1.46	15,949,195	288,984	1.81	8,810,376	413,802	4.7	9,096,979	253,834	2.8
Cotzal	10,412,423	113,230	1.09	15,942,669	20,399	0.13	12,896,228	92,030	0.71	20,793,830	355,628	1.71	26,813,333	2,000,407	7.5
Chajul	9,168,467	189,494	2.07	15,291,682	272,526	1.78	7,672,830	197,760	2.58	14,448,394	1,149,909	7.96	4,916,704	1,128,183	22.9
Chiché	8,666,586	346,768	4	9,182,767	639,528	6.96	8,446,632	914,970	10.83	7,068,306	938,430	13.28	8,518,073	1,132,447	13.3
Santa Cruz	12,939,894	4,112,304	31.78	13,299,279	1,976,083	14.86	11,996,295	2,172,245	18.11	16,707,445	3,183,950	19.06	24,468,668	3,466,900	14.2
SUBTOTALES	#####	#####	6.62	97,672,211	3,554,819	3.64	91,580,039	4,324,984	4.72	98,007,347	6,782,007	6.92	97,610,111	9,187,272	9.4

Source: INFOM (2004-2005) y SIAF Muni (2006-2008)

Annex C: Summary Results by Municipality and LLR, 2005 and 2009

Table C-1: Summary of Results by Municipality and LLR, 2005

Municipality, Mancomunidad or National Entity	Sub-IR 2.1 LLRs														Sub-IR 2.3 LLRs						Final Score	
	SIAF Muni	Reg Civil	Guatecompras	AFIMs	UDAls	Taxpayer Registry	Own-Source Rev	LED	Municipal Services	Cost-Recovery	Municipal Planning	Man Planning	Man Streng Hening	Accountability	Social Auditing	Leadership	COMUDES	Communication	Elections 2007	Points	%	
Points by LLR	23	15	14	4	4	17	8	4	4	10	10	14	14	15	4	2	12	0	0	9		
% by LLR	70	45	42	12	12	51.5	24	12	12	30	30	67	67	45	12	6.1	36	0	0	31		
ERIPAZ																				15	27	
Chajul																				12	21	
Nebaj																				19	33	
Cotzal																				15	26	
SECTOR CENTRAL DE EL QUICHE																				8	14	
Chiché							na				na	na								8	14	
Santa Cruz del Quiché											na	na								16	28	
San Pedro Jocopilas 1/	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	0	0	
CONVERGENCIA DE LOS OCHO																				13	23	
Pachalum							na				na	na								22	39	
Joyabaj 2/	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	0	0	
San Martín Jilotepeque							na				na	na								18	32	
COPAN CHORTI																				16	29	
Jocotán																				10	18	
Camotán																				12	21	
Olopa																				20	35	
San Juan Ermita																				23	40	
INDIVIDUAL MUNICIPALITIES																						
Cobán 3/	na	na	na	na	na	na	na	na	na	na	na	na	na	na								
Villa Nueva 4/	na	na	na	na	na	na	na	na	na	na	na	na	na	na								
Average Score																			13	23		

1/ na. Replaced by San Antonio Ilotenango

2/ na. Replaced by Granados.

3/ The only commitment was to work on the strategy of communication. Assistance was completed in 2007.

4/ The only commitment was to co-support the security strategy. Assistance was completed in 2006

	Result completed (3 points)
	Result advanced (2 puntos)
	Partial Result (0 puntos)



The maximum possible points for ERIPAZ and Copán Chortí is 57 points (19 LLRs at 3 points each). For the rest that are not mancomunidades the total is 49 points.

Table C-2: Summary of Results by Municipality and LLR, 2009

Municipality, Mancomunidad or National Entity	Sub-IR 2.1 LLRs														Sub-IR 2.3 LLRs					Final Score	
	SIAF Muni	Reg. Civil	Guatecompras	AFIMs	UDAI's	Reg. Contrib.	Ingrs. Propios	DEL	Serv. Mpal.	Recup. Costos	Planif. Mpal.	Planif. Mancom.	Fortal. Mancom.	Rend. Ctas.	Aud. Social	Liderazgo	COMUDES	Comunicación	Elecciones 2007	Points	%
ERIPAZ																				46	81
Chajul																				54	95
Nebaj																				39	68
Cotzal																				45	79
SECTOR CENTRAL DE EL QUICHE																				39	80
Chiché							na				na	na								37	77
Santa Cruz del Quiché											na	na								43	84
San Antonio Ilotenango 1/							na				na	na								37	77
CONVERGENCIA DE LOS OCHO																				39	82
Pachalum							na				na	na								40	83
Granados 2/							na				na	na								39	81
San Martín Jilotepeque							na				na	na								39	81
COPAN CHORTI																				52	90
Jocotán																				52	91
Camotán																				51	89
Olopa																				51	89
San Juan Ermita																				52	91
Average Score																				44	83

1/ Replaced San Pedro Jocopilas

2/ Replaced Joyabaj.

na = not applicable (no mancomunidades)

	Result completed (3 puntos)
	Result advanced (2 puntos)
	Partial Result (0 puntos)

} The maximum possible points for ERIPAZ and Copán Chortí is 57 points (19 LLRs at 3 points each). For the rest that are not mancomunidades the total is 49 points.

*/ The increase in own-source revenues/total revenue was measured between 2008 and 2006 because the M&E report was prepared in September 2009.