HONDURAS GREATER TRANSPARENCY AND ACCOUNTABILITY OF GOVERNMENT PROGRAM

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CONTENTS

ABREVIATIONS USED……4

USG UNITED STATES GOVERNMENT……..5

USAID UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT…….. 5

UTI INTER-MUNICIPAL TECHNICAL UNIT (OF A MANCOMUNIDAD)……..5

INTRODUCTION…….. 6

NATURE AND OBJECTIVE OF THIS DOCUMENT……...6

PROGRAM BACKGROUND……6

SUMMARY OF SEVENTH SEMI ANNUAL PROGRAM PERIOD……8

CURRENT STATE OF THE PROGRAM GOALS AND OBJECTIVES……. 9

DISCUSSION – MUNICIPALITIES…….12

ISSUES AND REMEDIES TO ASSIST IN PERFORMANCE BASED DECISION MAKING…… 36

APPENDIX A: BASE DE DATOS MUNICIPAL INFORME TRIMESTRAL LINEA DE BASE……. 38

APPENDIX B: SUCCESS STORIES…….. 53

ABREVIATIONS USED

AECID	Spanish Agency for International Cooperation and Development
AMHON	Association of Honduran Municipalities
AMUPROLAGO	Association of Municipalities for the Protection of Lake Yajoa
ASDI – SIDA	Swedish International Development Agency
CIES	Center for Enterprise Research of the José Cecilio del Valle Enterprise University
CNA	National Anti-Corruption Council
COHEP	Honduran Private Enterprise Council
COSUDE	Swiss Development Cooperation Agency
CSO	Civil society organization(s)
DASM	Municipal Sector Audit Department of the Superior Accounts Tribunal
EU – UE	European Union – Unión Europea
ERP	Honduras' Strategy for Poverty Reduction
FEDECAMARA	Federation of Chambers of Commerce of Honduras
FHIS	Honduran Fund for Social Infrastructure Investment
FOPRIDEH	Federation of Private Organizations for Honduras Development
GOH	Government of Honduras
GTAG	Greater Transparency and Accountability in Government Program
GTZ	German Technical Cooperation Agency
HIGUITO	Inter-Municipal Council of the Río Higuito
IDB	Inter-American Development Bank
IEE	Initial Environmental Evaluation
IR	Intermediate Result
JICA	Japanese International Cooperation Agency
LCE	State Contracting Law – Ley de Contratación del Estado
MAMUCA	Mancomunidad of Municipalities of Central Atlantida
MAVAQUI	Mancomunidad of Municipalities of the Quimistán Valley
MOU	Memorandum of Understanding
MUNSABAR	Mancomunidad of Municipalities of Southern Santa Barbara
NGO	Not-for-Profit or Non-Governmental Organization
PATMUNI	IDB-funded TA Plans for Municipalities (in Honduras)
PEMD	Municipal Strategic Development Plan
PMP	Performance Milestone Plan
PROMYPE	GTZ's Program to Promote Mini- and Small Enterprises
SANAA	GOH's Autonomous National Water and Sewerage Service
SERNA	GOH's Department of Natural Resources and Environment
SGJ	Governance And Justice Secretary, Secretaría de Gobernación y Justicia
POA	Annual Operating Plan
PEI	AMHON's Strategic Institutional Plan
PEMD	Strategic Plan for Municipal Development (for each municipality)
SO	Strategic Objective
SOW	Scope of Work
TSC	Superior Accounts Tribunal (Comptroller General)
UAPOI	Audit Unit for International Organizations Projects, of the Superior Accounts Tribunal
USG	United States Government
USAID	United Stated Agency for International Development
UTI	Inter-Municipal Technical Unit (of a mancomunidad)
YEGUARE	Mancomunidad of Municipalities of the Upper Río Choluteca or Yeguare

IINTRODUCTION

NATURE AND OBJECTIVE OF THIS DOCUMENT

This is the seventh semi-annual report submitted to USAID Honduras in compliance with Task Order 802, "Greater Transparency and Accountability in Government" Program (GTAG), in support of the Mission's Strategic Objective 1, "Ruling Justly, More Responsive, Transparent Government", and Intermediate Result 1.2, "Greater Transparency and Accountability of Government". The Task Order (TO) calls for the Contractor to submit a semi-annual report every six calendar months, for the periods of January – June and July – December, to be provided within 30 days of the end of each period. At a minimum, these reports shall describe: the current state of the Program relative to its goals and objectives; achievement of results and specific performance requirements; progress on individual results indicators and benchmarks; beneficiaries disaggregated by gender; identification of problems or delays in implementation; proposals to remedy these problems; and recommendations to USAID for actions in support of Program activities.

The present report covers all Program activities carried out from January 1, 2008 through June 30, 2008. The Program Activities during the present reporting period were carried out in the context of Task Order Modifications, approved by USAID in June 2006 and February 2008. These modifications eliminated several performance requirements and substantially modified others, redefining performance standards and adjusting targets and benchmarks, as reflected in the current Performance Milestone Plan (PMP). For the present reporting period the narrative and tabular presentation of results and progress towards meeting targets and benchmarks refer to the modified Task Order and PMP currently in effect.

PROGRAM BACKGROUND

In USAID Honduras' strategic objectives framework, SO1 and IR1 emphasize local-level governance improvements. Municipal governments are seen as propitious sites for strategies to reduce corruption, improve responsiveness and increase accountability. This is because municipal decision-making processes are closer to citizens and voters and because improved governance practices are more visible and more likely to be sustained over time.

The Greater Transparency and Accountability in Government Program, hereinafter called "the Program" or GTAG, seeks to promote and establish practices of transparent, responsive and accountable local governments by municipalities and *mancomunidades*; disseminate best practices to other municipalities and mancomunidades; support civil society initiatives and proposals for improvements in municipal government management and service provision; promote continuity and transparency in political transitions in local governments; improve the capacity of national government entities to support and regulate local government; and engage private sector organizations in promoting good governance and ethical business practices.

In achieving these objectives by the completion date of March 30, 2009, the Program will have improved governance and municipal management practices and will have helped create opportunities for local civil society organizations to engage their municipal governments in dialogue and actively participate in decision-making on local development issues. The activities supported under this Task Order will serve as catalysts for change in a critical mass of local areas around the country and will help citizens, elected officials, and municipal managers establish new models of democratic governance, accountability and transparency. They will also support and sustain improvements in municipal management and service provision.

The emphasis upon generating new democratic governance and municipal management practices reflects the technical approach and methodologies used by the Contractor to meet the performance requirements and benchmarks set out in the Task Order and PMP, particularly for Results 1 and 3. The Contractor has applied concepts and tools of results-based management, working with local elected officials, managers, and local civil society organization representatives to define and create mechanisms to strengthen dialogue and participatory decision-making in key municipal policy and management areas.

The major difficulty in implementing Results 1 and 3 has been the reluctance of mayors, council members, managers, and municipal staff to support the proposed policy reforms and involve local civil society organizations in dialogue, decision-making, and oversight of municipal activities. Mayors and Council members often fear confrontation and conflict and, therefore, resist compliance with recently approved legal norms regarding transparency and accountability, such as open Council meetings, dissemination of Council agendas and session minutes, reports by the mayor to the Council, among others. Some prefer more controlled processes, such as *cabildos abiertos*, or brief periods of time open to civil society representatives prior to Council meeting but not for the duration of the meeting.

For this reason, the Program has been careful to prioritize working with sectors of civil society that are less likely to be confrontational or provoke conflict. This approach needs to be expanded progressively to encompass increasingly greater sectors of civil society and avoid biases in favor of the current municipal administration and the exclusion of key local civil society actors.

The Program approach of creating joint commissions of municipal officials and managers, together with local civil society leaders, seeks to attain formal, public decisions that commit the municipal authorities to specific, measurable results. This approach has been moderately successful, particularly in municipalities where political will for reform is more evident. To the extent that civil society is able to actively participate in these joint commissions and other consultative mechanisms that provide spaces for dialogue with their municipal governments actually function and lead to implementation of the recommendations that result from them, the Program will be able to document the impact of such alliances on municipal decision-making.

Moreover, during this reporting period, greater emphasis has been placed upon compliance with the new Freedom of Information Act (ley de Transparencia y Acceso a la Información Pública), approved by the Government of Honduras. During this reporting period, this training was conducted in the municipalities of Las Vegas, Villanueva, Santa Rosa de Copán and Puerto Cortés. Similar training is planned for the municipality of La Esperanza in August 2008.

Training was also provided four municipalities: Potrerillos, Pimienta, Catacamas, and Guaimaca on parliamentary procedures to facilitate municipal council sessions. This was received with enthusiasm in those municipalities, but it needs to be monitored over the next months to ensure continuity and corrections. .

SUMMARY OF SEVENTH SEMI ANNUAL PROGRAM PERIOD

Performance Requirement	Ongoing activities
Registry of Local Service Providers	The database continues expanding and during the present period 12 new consultants have been, for a new total of 294.
Quality Control Program installed	Performance based formats for all Program contracts have been developed, and staff continue to monitoring and evaluating performance of all service providers.
Build capacity of targeted A/B municipalities	The Project continues working in 13 A/B municipalities, and during the period technical assistance was provided to municipalities as follows: Procurement 5, Management Reports 11, Human Resources, 2, Single Customer Service Center (ventanilla unica) 1, Administration and Internal Control Manuals 1, SAFT 1, Parliamentary Procedures 3, Water Source Surveys 1, ERP 11, and TSC Audit Procedures 10.
Build capacity of targeted C/D municipalities	The Project started the semester with 12 C/D Municipalities, and provided technical assistance in the following areas: Internal Control 5, Human Resources 6, SAFT 5, Water Source Surveys 5, Income 10, Project profiles for extension of service coverage 5, improvement of own source revenue 10, Management Reports 11, ERP 11, TSC Audit Procedures 11, Municipal Finances 10, Finance and Administration Manuals.
Build capacities of targeted mancomunidades	During the period, technical assistance was provided to 5 mancomunidades in: Mancomunidad Finances 5, Human Resources 1, Municipal Finances 10 (member municipalities), ERP 5, Water Source Surveys 5, and TSC Procedures for Accountability 5.
Municipalities with skills to acquire goods and services in accordance with the Honduran Procurement Law	The contractor complied with this performance requirement, as informed in the fifth and six semi-annual reports; however, during the present period support was provided to the Ad-Hoc Civil Society Commission of La Esperanza to carry out a social audit for the water and sanitation system contracting process. Additionally, assistance was provided to Las Vegas Municipal Officers to reinforce Contracting Law process skills.
DASM has a plan to fulfill its mandate to plan the audit activities of local governments	As reported in the previous semi-annual report, this Performance Requirement has been completed in its entirety. During the period, the Contractor has supported the Mission in its effort to promote a Fraud Manual, which is under analysis and approval stage at the TSC. Also, DASM acquired the computer equipment as per recommendation previously made by the Contractor.
Develop and implement a sustainable program of self-directed education for UAPOI audit staff	As reported in the previous semi-annual report, this Performance Requirement has been completed in its entirety.
Capacity training for the new AMHON Board and support for policy advocacy.	As reported in the previous semi-annual report, this Performance Requirement has been completed in its entirety. During the period, AMHON elected a new Board of Directors in the Annual Assembly for 2008 held in April. The contractor does not plan to provide support to the newly elected board.

Performance Requirement	Ongoing activities
Increased private sector awareness of benefits of good governance and ethical business practices	The contractor in response to a request from AMHON and FEDECAMARA to promote speeding up municipal procedures using the Single Service Center (Ventanilla Unica) methodology, provided support during the present period for the conformation of a team including AMHON, FEDECAMARA and COHEP to provide TA to Tela and Danli Municipalities.
Coalitions with the capacity to set local government priorities and decision making	During the present period, the joint commissions have continued to function effectively in 12 A/B and 11 C/D municipalities, engaging municipal authorities in dialogue on transparency and governance. This effort has not been achieved in Choluteca. In the previous period, Nacaome and Trinidad were excluded due to poor performance.
Coalitions with the capacity to monitor performance of local governments	During the period, monitoring activities were carried out with CS for increase in revenue in 1 municipality, and the Transparency Index was re-applied in 24 A/B and C/D municipalities participating in the project.
Transparent transitions between local administrations	The Contractor completed all of the performance requirements in the previous reporting period.
Develop and administer a program to fund small projects with civil society organizations (CSOs) at the local level.	For this period, 34 project requests were received and approved. These were presented by citizens from 21 of the 24 municipalities and 5 mancomunidades working with the project. The proposals are ample, as the incorporation of an integrated focus is preferred in contrast to isolated activities. Execution of 8 projects has already begun.
Rapporteur and dissemination of lessons learned	During the reporting period, a workshop was held with Project mayors to discuss 2007 results and to review activities and expected results for 2008. Also, during the period two important publications were developed, *"Successful Experiences in Transparency, Governance and Citizen Participation at a Municipal Level"* and a *"Better Practices Guide for Management of Own Source Revenue"*; both materials were produced in coordination with AMHON, and will be divulged during the following reporting period. Appendix B contains the successful stories contained in the publications.

CURRENT STATE OF THE PROGRAM GOALS AND OBJECTIVES

In this section we report on the activities and progress made towards meeting the indicator targets as set out in the Task Order and Performance Monitoring Plan (PMP). In the discussion we present the data for both the semi-annual benchmarks established in the PMP for each Result indicator and the individual Performance Requirements for each Result. Only those performance requirements and the corresponding numerical targets and benchmarks maintained in the current Task Order, as modified in June 2006 and February 2008 are reported here.

The PMP reporting periods correspond to semesters within the USG fiscal year structure, but the Semi-Annual Reports reflect activities and progress for calendar year

semesters. Thus there is overlap between reporting periods for indicators presented in this report. PMP reporting period seven ran from October 1, 2007 through March 31, 2008, and PMP reporting period eight began on April 1, 2008 and ends on September 30, 2008. Thus, the data presented here reflect results from both PMP reporting periods but, in the case of PMP reporting period eight, only through June 30, 2008 with projections through September 30, 2008.

RESULT 1: Increased capacity by government entities to fulfill their roles effectively and transparently and to engage organized civil society in advancing common development goals.

Result Summary: The focus of this result is to enhance governmental capacity to fulfill its mandates in a transparent and effective manner. This capacity building targets local governments, the supreme audit agency of the central government, and mancomunidades. The approach to capacity building is oriented by a selection process that will help identify those local governments that will make the best use of this investment and it will provide continued support only to those local governments that are meeting their performance targets.

The new indicator targets and are as follows:

Indicators	**Targets**
Number of municipalities able to demonstrate annual achievement of performance targets to administer/manage municipal programs.	
A&B	10
C&D	10
Number of C&D municipalities able to demonstrate annual achievement of performance targets to increase municipal tax revenue and coverage of municipal services	10
Number of C&D municipalities in targeted mancomunidades meeting performance targets in public administration practices	10
Number of municipalities and mancomunidades meeting their performance goals in the procurement of works, goods, and services:	
A&B	5
C&D	5
Mancomunidades	5

For the reporting periods covering the time framed the immediately previous one, as well as plans for Period 8, the results are as follow:

Indicator	P6		P7		P8		
	Planned	Actual	Planned	Actual	Planned	Actual	Projected
Number of A/B municipalities able to demonstrate annual achievement of performance targets to administer/manage municipal programs	na	13	5	12	Na	12	10
Number of C/D municipalities able to demonstrate annual achievement of performance targets to administer/manage municipal programs	na	13	10	13	Na	13	10
Number of C/D municipalities able to demonstrate annual achievement of performance targets to increase tax revenues and service coverage.	na	7	10	9	Na	9	10
Number of member C/D municipalities in targeted mancomunidades meeting performance targets	8	0	10	6	10	10	10
Number of A/B municipalities meeting performance goals for procurement of goods and services.	5	15	5	15	10	15	15
Number of C/D municipalities meeting performance goals for procurement of goods and services	15	13	15	13	10	13	13
Number of mancomunidades meeting performance goals for procurement of goods and services	5	5	5	5	5	5	5

As is evident from these tables, either previously or during the reporting periods covered by this report, most of the indicator targets for Result 1 have been met successfully. The one exception is the number of C&D municipalities able to demonstrate annual achievement of performance targets to administer/manage municipal programs, for which the indicator reflects results over two consecutive years. For this period, the reportable number is nine out of a target of ten, but projections are that this target will be reached by the end of Reporting Period 8. This task has been difficult to achieve, in part for political reasons, but also due to the legal and political constraints that limit this possibility.

To achieve these results, the Contractor provided extensive technical assistance (TA) and training as detailed under the performance requirements discussions below.

More could be done to improve C&D municipality management including enhanced own source revenue generation, but it would raise questions about cost/benefit feasibility if the Program were to invest substantially more effort and resources to increase own source revenues in amounts significantly less than the cost of generating them. Some improvements could be made over time by creating better policy incentives to improve cadastres and tax collection mechanisms such as the single window approach. The return is greater in A & B municipalities than in C & D municipalities, where potential increases in revenues are much more modest.

Successful implementation of transparency policies, particularly in the C & D municipalities should improve in future reporting periods in as a result of Program training, which began late in the reporting period, in the application of Honduras' Freedom of Information Act that was approved in late December 2006, published on Diario Oficial La Gaceta in July 2007; its implementation regulation was approved in March 2008.

During the next reporting periods these results should be maintained, but there will be little further work designed to consolidate them.

Performance Requirement # 1.1. Using the previously reported rating systems as a guide, develop selection systems for identifying municipalities and mancomunidades that will receive assistance under Performance Requirement 1.4, 1.5, and 1.7.

Performance Standard:

1.1.1. At a minimum, the selection systems shall be based on the Mission's preliminary municipal rating system and mancomunidades rating system, and shall prioritize (1) opportunities for synergy with activities from other SOs, and (2) opportunities to complement FHIS's decentralized project cycle.

Benchmarks.

A selection system based upon the Mission's preliminary and subsequently modified municipal and mancomunidad criteria and priorities. **Target P2**, Completed; **Actual** Completed; **P6 Target** Completed; **Actual**, Completed; **P7 Target**, Completed; **Actual** Completed; **P8 Target** Completed, **Actual** Completed; **P9 Target** Completed

As previously reported, the benchmarks for this requirement have been completed, and there has been no change in this reporting period.

Discussion – Municipalities

The selection system was approved by USAID in 2005 and has been used subsequently by the Contractor to assess and, in some cases, replace or eliminate poor performers and to target TA where better results may be anticipated. During this reporting period, the assistance agreement with one municipality, Trinidad, in Santa Barbara, a C category municipality was terminated by agreement with USAID. Thus, the Program is now working with 24 municipalities directly (13 A or B and 11 C or D).

The locations, classifications, mayors, and mayors' party affiliations of GTAG municipalities are:

CURRENT GTAG BENEFICIARY MUNICIPALITIES

No	Municipality	Department	Region	Cat	Mayor	Party
1.	La Masica	Atlántida	North	C	Mario Roberto Ayala Trejo	Liberal
2.	Tela	Atlántida	North	A	David Joseph Letterel Zaccaro M.	National
3.	Pimienta	Cortés	North	C	Dr. Raúl Alfredo Ugarte Florentino	National
4.	Potrerillos	Cortés	North	B	Lisandro Valentín Ramírez Guerrero	Liberal
5.	Puerto Cortés	Cortés	North	A	Allan David Ramos Molina	Liberal
6.	San Francisco de Yojoa	Cortés	North	C	Gaspar Pinedo Ríos	Liberal
7.	Villanueva	Cortés	North	A	María Antonieta Botto Handal	National
8.	Nueva Arcadia	Copán	West	B	Marco Junior Vega Pinto	Liberal
9.	San Agustín	Copán	West	D	Melvin Roberto Paredes Milla	National
10.	San Nicolás	Copán	West	C	Angel Antonio Contreras Caballero	Liberal
11.	Santa Rosa de Copán	Copán	West	A	Juan Manuel Bueso Fiallos	Liberal
12.	Las Vegas	Santa Barbara	West	B	Carlos Gustavo Fuentes Paz	Liberal
13.	Naranjito	Santa Barbara	West	C	Santos Flores Toro	National
14.	La Esperanza	Intibucá	Central	B	Dr. Miguel Antonio Fajardo Mejía	National
15.	Yamaranguila	Intibucá	Central	D	José Luis Hernández	National
16.	Comayagua	Comayagua	Central	A	Carlos Miranda Canales	Liberal
17.	Meámbar	Comayagua	Central	D	Rodolfo Rivera Flores	Liberal
18.	Taulabé	Comayagua	Central	C	Lectonio Maldonado	Liberal
19.	Guaimaca	Francisco Morazán	South-Central	B	Nelson René Chávez Hernández	National
20.	Sabanagrande	Francisco Morazán	South-Central	C	Guillermo Díaz Núñez	Liberal
21.	Villa de San Francisco	Francisco Morazán	South-Central	C	Marco Antonio Salgado Henríquez	National
22.	Catacamas	Olancho	East	A	Gustavo Adolfo Rosa Barahona	Liberal
23.	Choluteca	Choluteca	South	A	Quintín Javier Soriano Pérez	Liberal
24.	San Lorenzo	Valle	South	A	Manuel de Jesús Álvarez Baquedano	National

Discussion - Mancomunidades:

Using the previously discussed evaluation instrument, the Contractor evaluated eight mancomunidades and selected five: AMUPROLAGO, HIGUITO, MAMUCA, MAVAQUI, and YEGUARE. Because of its poor performance, YEGUARE was replaced with MUNASBAR. These five mancomunidades selected two member municipalities each, not otherwise participating in the Program, for TA provided by the Program and the Technical Units in order to strength their capacity to replicate to other member municipalities. This report includes the information derived from these efforts in the ten mancomunidad member municipalities.

The member municipalities of the currently active mancomunidades are as follows:

GTAG MANCOMUNIDAD MEMBER MUNICIPALITIES

AMUPROLAGO	HIGUITO	MAMUCA	MAVAQUI	MUNSABAR
Gualala	**Belén**	**Arizona**	**Azacualpa**	**Arada**
Ilama	**Concepción**	**El Porvenir**	**Naranjito**	**Atima**
Las Lajas	**Corquín**	**Esparta**	**Nueva Frontera**	**El Níspero**
Macuelizo	**Cucuyagua**	**La Masica**	**San Francisco de Ojuera**	**Petoa**
Meámbar	**Dolores**	**San Francisco**		**San Nicolás**
Potrerillos	**Dulce Nombre**			**Santa Rita**
San Fco. de Yojoa	**La Jigua**			
San Manuel	**Lucerna**			
San Pedro de Zacapa	**Nueva Arcadia**			
San Sebastián	**San Jerónimo**			
Santa Barbara	**San José**			
Santa Cruz de Yojoa	**San Nicloás**			
Siguatepeque	**Santa Rita**			
Villanueva	**Santa Rosa de Copán**			
	Talgua			
	Veracruz			
14	**16**	**5**	**4**	**6**

Thus, the Program is working in mancomunidades with a total membership of 45., of which ten are already GTAG-selected municipalities, and the potential for replication of GTAG processes is for 35 additional municipalities through their Inter-Municipal Technical Units (UTI).

The ten mancomunidad member municipalities with which the Program in coordination with the Technical Units are working at this time are as follows:

AMUPROLAGO	HIGUITO	MAMUCA	MUNASBAR	MAVAQUI
Ilama	Cucuyagua	Arizona	Atima	Azacualpa
San José	Dulce Nombre	San Francisco	El Níspero	Protección

Performance Requirement # 1.2. Local TA providers are continuously identified/pre-qualified (both for profit and not-for-profit) to deliver the TA (TA) to municipalities,

mancomunidades, and broad-based coalitions required under Performance Requirements # 1.5, 1.7, 3.2, and 4.3.

Performance Standards: At a minimum, an identification/pre-qualification system should include technical areas of expertise and geographic coverage for easy identification.

Benchmarks: Identifying Local TA Providers – **P6 Targets**: Planned 130, **Actual** 270; **P7 Targets**: Planned 140, **Actual** 282; **P8 Targets**: Planned 150, **Actual** as of 6/30/2008, 282, **Projected** to 9/30/2008, 282.

Discussion: During this semi-annual period, the Program continued to use the database to identify both for profit and not-for-profit local service providers to supply training and TA to local government authorities and officials and to civil society representatives. Between January 1 and June 30, 2008, the Contractor has added 12 consultants to the existing registry for a total of 294 consultants. Of the total, at present 47 are NGOs and firms and 247 are individuals.

During the reporting period, the Program initiated 63 new contracting actions for TA and training. These included 28 contracts with female consultants and 35 contracts with male consultants. The cumulative totals are 4,953 person days of work, for which 2,506 were by female consultants and 2,447 by male consultants.

Performance Requirement # 1.3: Quality control program developed and implemented to monitor the services provided by local TA providers under Performance Requirements # 1.5, 1.7, 3.2, 3.4, and 4.3.

Performance Standards: At a minimum, the quality control program should include:

1.3.1. Appropriate performance indicators and a detailed definition of each one.
1.3.2. The source, method, frequency, and schedule of data collection.
1.3.3. Responsible parties for ensuring data are available on schedule.
1.3.4. How performance data will be analyzed.
1.3.5. How performance data will be reported, reviewed, and used to inform decisions.

Discussion:

Appropriate performance indicators were established identifying source, method, frequency and schedule for data collection, as well as responsible parties for ensuring data are available, analyzed, reported, and reviewed to inform decisions. The Contractor developed a model scope of work (SOW) for TA and training sub-contracts that sets out these indicators for the sub-contractor. These SOWs include sections for general and specific background information, the purpose of the consultants' work, activities and tasks to be performed, results to be obtained, deliverables, supervision, and evaluation criteria. The SOWs are incorporated as addenda to the memoranda of understanding (MOU) with the municipalities, which set out indicators and targets for implementation of the measures supported by the Program. The Program monitors the performance indicators of the consultants (local service providers) and the performance targets agreed upon with the municipality or mancomunidad for each TA or training activity.

The Program has provided orientation and backstopping support to the local service providers to reinforce results-based management concepts. As in previous reporting periods, the Contractor has carried out evaluations of service providers' performance, using a standard form that is completed by the recipients of the TA or training. Overall the evaluation results have been very positive. In cases where service is rated mediocre or poor, these results are discussed with the consultant to agree on remedial actions. Where performance is not up to Program standards and prospects for significant improvement low or uncertain, the Contractor has rescinded sub-

contracts. No consultants were removed from the registry of service providers for poor evaluations during the timeframe covered by this semi-annual report.

Performance Requirement # 1.4: Build capacity of A & B municipalities to manage / administer municipal programs.

Benchmarks

Number of municipalities meeting performance targets to administer/manage municipal programs and to achieve implementation of their strategic development plans (PEMD);
P6 Target (5) **Actual** (9**)** **P7 Target** (10) **Actual** (9) **P8 Target** (10) **Projected** (10) **P9 Target** (10**)**

Discussion:

The Contractor has provided TA and training to the municipalities to attain these goals as follows:

TECHNICAL ASSISTANCE PROVIDED A&B MUNICIPALITIES BY AREA

Municipality	Purchasing	Management Reporting	Human Resources	Admin. simplification	Admin , Manual , Internal control	Mgt. Software SAFT	Parlia-mentary Procedu-res	Total
Catacamas		1					1	2
Choluteca								0
Guaimaca		1					1	2
La Esperanza	1	1	1			1		4
Las Vegas	1				1			2
Nueva Arcadia		1	1					2
Potrerillos		1					1	1
Puerto Cortés		1						1
San Lorenzo								0
Santa Rosa de Copán		1						1
Tela		1						2
Villanueva		1		1			1	2
Total	2	9	2	1	1	1	4	19

As will be evident from the performance charts, all of the benchmarks have been met or exceeded, except for the presentation of management reports by the mayors to their Councils, for which the target for the present reporting period is ten and seven were completed in a timely manner, the same situation as in the previous reporting period. However, the mayors who have not yet complied have reportedly either presented their reports, which have not yet been included in the session minutes or have prepared these reports but have not yet included their presentation on the Council agenda or have done so for a date following this reporting period deadline. The Contractor projects that the target will be met by the September 30, 2008 reporting period termination.

In order to disseminate the Freedom of Information Act, the Contractor coordinated with FOPRIDEH and the SGJ to provide training concerning the new law and the information that it requires that municipalities make available to citizens. During the period 7 A/B and 5 C/D Municipalities have named an officer to serve citizens who request public information. The

Contractor will continue providing TA to 5 municipalities during the July to December 2008 period for the implementation of the necessary mechanisms to apply the law.

The training on the implications and possibilities for compliance with Honduras's new Freedom of Information Act was a significant recent program innovation. It is progressing well in the following A&B municipalities as follows:

Trained in the Honduran Freedom of Information Act

Trainees	Municipality	Gender	
		Male	Female
Municipal Personnel	Santa Rosa de Copán	5	10
	Villanueva	12	7
	Las Vegas	17	6
Civil Society	Santa Rosa de Copán	9	6
	Villanueva	8	9
	Las Vegas	4	0
	Total	**55**	**38**

Schedule

Las Vegas	12-Jun-08
Villanueva	19-Jun-08
Santa Rosa	27-Jun-08
Puerto Cortes	3-Jul-08
La Esperanza	6-Aug- 08

<u>Performance Requirement # 1.5</u>: Build capacity of targeted C & D municipalities to administer/manage municipal programs.

<u>Benchmarks</u>.

P6 Target (5) **Actual** (9) **P7 Target** (10**) Actual** (9) **P8 Target** (10) **Projected** (10) **P9 Target** (10)

<u>Discussion</u>.

As for A&B municipalities, the Contractor provided TA and training to improve governance through effective and transparent planning and interventions in fulfillment of their municipalstrategic management plans (PEMD). A complete listing of TA provided to these municipalities is presented below:

TECHNICAL ASSISTANCE PROVIDED C&D MUNICIPALITIES BY AREA

Municipality	Management. Reports	Accounting, Budgeting	Revenue Management	Management Software (SAFT)	Human Resources	Parliamentary Procedures	Totals
Yamaranguila	1		1	1			3
Totals	10	1	10	7	5	1	34
La Masica	1		1				2
Meámbar		1					1
Naranjito	1		1	1	1		4
Pimienta	1		1	1		1	4
Sabanagrande	1		1	1	1		4
San Agustín	1		1	1	1		4
San Francisco de Yojoa	1		1				2
San Nicolás	1		1	1	1		4
Taulabé	1		1				2
Villa de San Francisco	1		1				2

The chart below reflects the changes in the transparency and governance index averages for A & B and for C& D municipalities from 2006 to 2007 that may be attributed, at least in part, to these interventions. The individual evaluations for each of the municipalities were presented to their mayors and councils in sessions where they were discussed at length and recommendations for further improvement made.

INDEX FOR MUNICIPAL MANAGEMENT, TRANSPARENCY, AND GOVERNANCE AVERAGES FOR A & B AND FOR C & D MUNICIPALITIES

Areas Evaluated	Averages A/B Munis		% Change	Averages C/D Munis		% Change
	2006	2007		2006	2007	
Planning and Municipal Development	37.20%	54.70%	17.60%	35.30%	63.80%	28.50%
Loan Management	50.80%	-4.80%	-55.60%	25.00%	-12.50%	-37.50%
Budget Execution	69.70%	70.90%	1.20%	54.20%	66.20%	12.00%
Financial Management, Fines	51.80%	79.10%	27.30%	35.50%	59.80%	24.30%
Tas Management	28.00%	31.10%	3.00%	27.30%	32.90%	5.60%
Municipal Services	17.70%	9.40%	-8.30%	0.00%	1.40%	1.40%
Financial Administration/Treasury	75.20%	83.70%	8.50%	49.60%	62.70%	13.10%
Personnel	-12.50%	13.20%	25.60%	-9.30%	3.10%	12.30%
Contracting Processes	23.80%	45.10%	21.30%	6.20%	27.70%	21.50%
Municipal Council	1.10%	62.00%	60.90%	5.70%	53.80%	48.20%
Citizen Participation	26.50%	40.30%	13.80%	26.30%	50.30%	24.00%
General Average	34.50%	53.70%	19.20%	27.20%	50.30%	23.10%

Areas	%
Very high	80%-100%
High	61%-80%
Medium	41%-60%
Low	21%-40%
Very Low	0%-20%

OTHER TECHNICAL ASSISTANCE PROVIDED IN A&B , C&D AND MANCOMUNIDADES

	Internal Controls	Water fonts study – Aforos	Service coverage Profile projects	Human Resources
A/B Municipalities	1	1		
C/D Municipalities	5	5	5	
Mancomunidades		5		1
Total	6	11	5	1

Performance Requirement # 1.6, Assess Mancomunidades' Governance Structures, has been deleted in its entirety from task order requirements and, therefore, is not reported upon here.

Performance Requirement # 1.7. Build capacity of technical unit employees in targeted mancomunidades in order to provide services to member C and D municipalities in administration practices.

Discussion:

During this reporting period the Program continued work with the selected mancomunidades and their selected member C & D municipalities in areas of improved governance and management. All results indicator targets for this performance requirement have been met and the process continues to consolidate these results in all five mancomunidades and ten member C & D municipalities. Within the framework of the process to strengthen mancomunidades, the Project has defined and implemented technical assistance with the prime objective of contributing to their institutional development as inter-municipal associations and to improve their administrative and governance structures, as well as strengthening the management team.

Some of the results are:

1. Sustainability of implementation of better public administration practices within the UTI.
During the present period, the Project continued providing technical assistance for administrative/financial functions and control for management of the Technical Units, by verification that applicable existing processes and procedures result in more efficiency and improve transparency in management. Currently, the five mancomunidades count with additional management information systems readily available with appropriately structured budgets and accountability. The progress in this regard is significant and showing successful results.

2. Inter-municipal Technical Units with greater capacity to replicate GTAG Project methodologies. One of the aspects that the Project has made emphasis on is the generation of greater capacity of Technical Unit staff in the five mancomunidades for provision of services to C/D municipalities. During this process, the UTI's have received specific training from the project in municipal administration, finance and income, overall management of SRP, and decentralization of projects financed by FHIS.

3. More Municipalities are receiving technical assistance from the UTI's. Between March and May of 2008, the first addendum was made to the technical cooperation agreements signed between the Mancomunidad and each of the ten selected municipalities (2 per mancomunidad). The relevance of this process is that during the first semester of the current year, more municipalities of the mancomunidades are receiving technical assistance from the UTI.

The total membership of the five mancomunidades adds to 41 municipalities; 22 of these receive technical assistance in Procurement and Acquisitions, 28 in municipal administration, finance and income, and 31 regarding the ERP. The aforementioned assistance practically constitute a substantial achievement and put into perspective that despite the budget and logistical limitations, there is a capacity within the UTI's to provide technical assistance to the municipalities.

Technical and Financial Sustainability of Mancomunidades
At this time and considering the environment under which the UTI's operate, the five mancomunidades have had an effective response for replication of Project methodologies; the UTI's of MUNASBAR, MAVAQUI, and the HIGITO Council have intensified the provision of

technical assistance to their municipalities, while AMUPROLAGO and MAMUCA have done so in lesser proportion. With regards to ERP, the results are important considering that the technical assistance increased from 14 municipalities during 2007 to 31 in the first semester of 2008.

The Project, within the framework for organization strengthening of the mancomunidades, has had strong incidence regarding the fact that member municipalities assume responsibility of their financial obligations. As a result of these actions, the Inter-Municipal Council of Higuito, MAMUCA, MUNASBAR, reflect good indicators for institutional sustainability. In MAVAQUI, the process for direct deduction of contributions through the Ministry of Finance is about to conclude; and in AMUPROLAGO, the Board of Directors also approved the direct deduction mechanism. Regarding this issue, the effectiveness of project assistance is quite visible. During 2006 (without Project intervention), the boards of directors of the mancomunidades were elected in the sole presence of the mayors, contradicting what is indicated in the statutes. Regarding the strengthening of internal governance, during the first semester of 2008, changes in the board of directors of four mancomunidades were made applying the procedures indicated in the regulations.

Common Problems Faced by the Mancomunidades.

In general, the demand for technical assistance from municipalities supersedes the installed capacity of the Technical Units, and therefore, a complete coverage of assistance does not exist. For this reason, it can be pointed out that during this period despite the budget and logistical limitations, the UTI's significantly intensified technical assistance to municipalities in comparison to that provided in 2007. With the exception of MAMUCA, the rest of the mancomunidades lack effective means of transportation which limit the UTI's technical assistance work. Mancomunidades, such as MAVAQUI, have had serious difficulties to contract the Technical Unit Coordinator. In the last 7 months, the Board of Directors through a competitive has hired two technical staff members. Both have resigned indicating low-competitive salaries as the cause. The aforementioned limits efforts at institutional sustainability.

Performance Requirement #1.8 – Staff members of municipalities and mancomunidades selected by the Contractor equipped with skills to procure services and public works in accordance with the Honduran public acquisition law. (See Section A.4 I. Applicable Documents, C.4).

Benchmarks and Indicator Targets

Number of A/B municipalities meeting performance goals for procurement of goods and services – **Targets: P7, Planned (12), Actual (12); P8, Planned (12), Projected (12), P9 Projected (12)**

Number of C/D municipalities meeting performance goals for procurement of goods and services **– Targets: P7, Planned (13), Actual (13); P8, Planned (13), Projected (13), P9 Projected (13)**

Number of mancomunidades meeting performance goals for procurement of goods and services **Targets: P7, Planned (5), Actual (5); P8, Planned (5), Projected (5), P9 Projected (5)**

Discussion:

As reported in the semester report for the period January 1 to June 2007, the Contractor accomplished the performance requirements. In total, since the beginning of this activity in 2005, 300 people have received training in the procurement area (185 men and 115 women). Of this total, 230 were municipal authorities and employees; 26 were from mancomunidades,

and 44 were representatives from civil society organizations, including transparency commissions.

Technical assistance in Procurement and Acquisitions is of high relevance and interest for municipal authorities and technical staff, partly due to the availability of poverty reduction funds through the PRS. Policies for these funds mandate that all municipalities apply the Government's Contracting Law - LCE, and above all evidence progress in accountability to the Tribunal Superior de Cuentas – TSC in audits executed in the municipal sector. Previously, an audit was executed once every 14 years to all municipalities; currently, an audit is executed every 2 years, thus creating a greater demand for TA in this area. All public central and decentralized institutions are obligated to apply the LCE, including municipalities. The application of this law is independent of the origin of the funds: national government or from locally generated sources. Throughout municipalities across the country, there is a misconception that the LCE only applies for the funds received from the central government transfers and not for funds generated from other sources.

Support to the PRS

Funds executed to date in a decentralized manner through municipalities, amounting to Lempiras 650 Millions through PRS funds approved through October 2006, have put in evidence certain weaknesses such as: poor capacity in formulation of productive projects taking into account local conditions, poor capacity in applying the LCE, poor capacity in administering funds and application of norms/procedures, as well as certain problems in mismanagement of resources. The process started in an ad hoc manner without training on behalf of the Government. For better or for worse, the process began with the idea that in the way problems would be resolved.

During December 2007, the new regulation for the execution of the PRS funds for 2007-2008 was approved. Once more, municipalities were obligated to apply the LCE. To support the municipalities in this effort the Contractor, in coordination with the Office of the Presidential Commissioner's Office for the PRS – OCPRP, designed a tool kit for application of administrative procedures for accountability and liquidation of funds for transfers received from the PRS. The tool kit was tested by technical staff in 5 mancomunidades and after making the corresponding adjustments, a workshop was held with technical staff from 25 Project municipalities. The workshop also counted with the participation of technical staff from the Spanish Cooperating Agency – AECID. The tool kit was established as the national standard for training in the application of the 2007-2008 administrative procedures. The Contractor made formal delivery of 500 copies of the kit to the OCPRP for their subsequent interventions. USAID introduced the tool kit through the Cooperating Agencies Board; and as a result, the OCPRP organized other training sessions in coordination with other development agencies such as the EU Bi-national Program, ASDI, JICA and COSUDE.

National Efforts to Provide TA- Accountability:

During the initial efforts in 2006 and for the new funding for 2007-2008, the design of a baseline was not contemplated in order to measure impact, but the OCPRP contemplates applying other methodologies to determine de level of progress in the effort to reduce poverty through these funds. On the other hand, with the purpose of accountability, AMHON and the TSC, with the support of the Ministry of Governance – SGJ, agreed to reinforce local capacity through the application of procedures and norms for accountability by carrying out one-week courses addressed to municipal technical staff throughout the country. For this activity, an Accountability Manual was designed in order as a tool for consultation. This effort will be executed with USAID support through an agreement with AMHON for decentralization and local development.

During the period and in order to fulfill requests from various mayors for support for improvement of accountability, the Contractor designed two training courses addressed to managers, administrators and internal auditors related to "Procedures, Norms, Findings and Recommendations of TSC Audits to the Municipal Sector". This support served as an additional element for the design of materials for national training coordinated between AMHON, TSC and SGJ. This activity has also supported the Mission's initiative to promote The Fraud Manual as an additional instrument for application of audits to the municipal sector by the TSC.

Local Support Activities:

The Contractor informed in the previous SAR of some results and good practices in the application of the LCE, for example in La Esperanza and Intibucá where assistance was provided for public bidding of the construction of the sewage system funded by the Japanese Embassy and a local counterpart. Outstanding from this experience is the social audit process throughout the entire operation by the Ad-hoc Citizen Commission, which counted with training regarding the LCE by the Contractor. The Contractor also provided training on the LCE to the Municipality of Las Vegas.

Performance Requirement # 1.9: Transfer of SANAA Water Systems. This performance requirement has been deleted in its entirety, and, therefore, is not reported on here.

Performance Requirement # 1.19. Build capacity of DASM (Departamento de Auditoria del Sector Municipal of the Superior Accounts Tribunal) to fulfill their auditing roles and responsibilities.

Discussion:

As previously reported, the Contractor has completed the remaining item in this performance requirement, meeting the standard and benchmarks. No further activities with DASM have been conducted during this reporting period or are planned for the future. DASM received the equipment during the present period

Performance Requirement # 1.11. Build the capacity of UAPOI to fulfill its auditing roles and responsibilities.

Benchmarks:

Equipment procured for UAPOI and recommended maintenance schedule established, and strategy for UAPOI sustainability provided.

Discussion:

As previously reported, the Contractor had fully completed this performance requirement, meeting all standards and benchmarks. No activities were conducted with UAPOI during this reporting period nor are planned for the remainder of the Task Order.

RESULT 2: Increased capacity of private and civil society entities to operate transparently; and productively to engage other stakeholders in advancing common development goals.

Result Summary: In this result, targeted, non-governmental entities (both for-profit and not-for-profit) are supported to improve their operational transparency and ethical conduct. By promoting more transparent and ethnical conduct of the organizations' business and operational practices, it is expected that each national entity will implement mechanisms for increasing responsiveness to their members. Likewise, by making the decision-making process more transparent, the organizations will be able to speak with one voice and more effectively carry out their mandates. By also targeting private, for-profit entities, corporate good governance and ethnical conduct will be further promoted.

Indicators:	**Targets:**
% of AMHON board policy decisions implemented by the technical team and documented back to the board (annual)	75
Amount of resources (cash or in-kind) leveraged from private sector for increasing good governance and ethnical business practices	$25,000

Performance Requirement # 2.1. AMHON's in-house capacity to implement an orientation training program for newly elected AMHON board of directors enhanced (after 2006 elections) in order to improve the efficiency and effectiveness of the board to advance its decentralization agenda.

Discussion:

Activities related to this performance requirement were completed successfully and reported on in previous reports. There were no activities in this regard during this reporting period or planned for the remainder of the task order.

In May 2008, AMHON elected a new board, with the previous President continuing in office and some changes among other members.

Performance Requirement # 2.2. Build the capacity of the CNA to update its strategic plan to fulfill its "watchdog" function within the parameters of the national anti-corruption strategy.

Discussion:

All activities toward achieving this performance requirement have been completed successfully and reported on previously. No activities were carried out toward this PR during the present reporting period, and none are planned for the remainder of the task order.

Performance Requirement # 2.3. Increase private sector awareness of the benefits of embracing good governance and ethnical business practices in promoting global competitiveness in the northern and central regions of Honduras.

Performance Requirement and Benchmarks

Performance Standard 2.3.1 calls for "A private sector alliance and association (e.g. business associations and trade organization) resources leveraged for increasing good governance and ethical business practices. – **Targets: P7 Projected (Started in 1 municipality), Actual (started in 1 municipality); P8 Projected (Started in 2 municipalities), Actual (started in 2 municipality); P9, Projected (Finished in 2 municipalities).**

Discussion

A single customer service center (ventanilla única) was opened in Villanueva during November 2007, with the presence of a group of mayors from the metropolitan area of the Sula Valley and the AMHON leadership, to coincide with an AMHON meeting scheduled for this city. The mayors became familiar with the experience and some initial results, which drew interest in developing similar initiatives in their municipalities.

During this reporting period, in January and February, AMHON requested more details on the methodology of the single customer service center, and at the same time FEDECAMARA informed the Contractor that they were receiving requests from several local chambers of commerce for support of similar initiatives in order to improve and reduce the time needed for municipal administrative actions.

AMHON receives 1 % of the transfers from the central government to the municipalities and also implements programs and projects with international funding channeled through cooperation agencies such as AECID, COSUDE, GTZ, and others, and some central government departments like SERNA. It also conducts joint activities with the Department of Governance and Justice as one of its principal GOH counterparts. USAID is the agency that has contributed most to this institution since AMHON's creation 15 years ago. In November 2007, USAID y AMHON signed an cooperation agreement to promote decentralization and local economic development with a $600,000 USAID donation and a $150,000 AMHON counterpart contribution.

AMHON has approved a new Institutional Strategic Plan (PEI), in which it proposed a new structure to be able to improve communication with and better respond to its member municipalities, among other objectives. In spite of these efforts, a number of A and B category municipalities, the largest in the country, criticize AMHON for devoting more resources and attention to category C & D municipalities, and they, the A & B category municipalities receive little support from AMHON . The institution expressed interest in the single customer service center for these A & B category municipalities. As a result, the GTAG Program agreed to work together with AMHON on this matter during this phase.

On March 27, 2008, the Contractor signed an MOU with AMHON, FEDECAMARA and COHEP to develop the methodology for single customer service centers in the municipalities of Tela and Danlí, both proposed by AMHON with agreement by the Program. AMHON agreed to pay a consultant to work specifically in this area and designated its Economic Development Department as the official counterpart for this initiative.

During this reporting period, AMHON and FEDECAMARA, through its local Chambers are meeting their commitments to further the single customer service center in Ventanilla. COHEP has yet to respond in its role of systemizing the experience through the Enterprise Research Center (CIES), a part of the José Cecilio del Valle Enterprise University.

The single customer service center methodology is based on proposing changes in the organizational culture. It begins with a diagnosis and is followed up by a group of municipal employees and members of civil society with ties to the local Chamber of Commerce who review practices and processes for the issuance of building permits and for the establishment of new businesses. The purpose is not only to reduce the time but to propose an integrated

perspective on practices of attending citizen more effectively and in a single location. By establishing clearly defined and transparent procedures, municipal administrative operations should be able to minimize the hardships usually experienced by citizens who seek to establish new businesses or obtain the relevant permits, and thereby improve the investment climate in the municipality.

Other donors and programs are working on similar activities to facilitate administrative procedures. The PROMYPE program of GTZ has developed similar activities in at least four municipalities. The IDB-funded PATMUNI Program, implemented by the Department of Governance and Justice's Technical Decentralization Unit has plans for similar activities. Similarly, the International Finance Corporation – IFC of the World Bank plans similar interventions in several municipalities in the country.

In the case of Danlí, the PATMUNI program, implemented by the EPYPSA firm in that city has undertaken several activities to support the reduction in administrative procedures, which has facilitated the work there.

Some of the technical proposals of other donors and programs are based on the establishment and development of specific software programs to facilitate procedures. However, in some of these municipalities the initiative was discontinued when the cooperating entity withdrew from the municipality.

Results of the Villanueva Single Customer Service Center.

In late January the GTAG program visited Villanueva to monitor progress with the single customer service center, which was opened to the public on November 3, 2007. The results indicate significant improvements in the reduction in time for completion of the administrative procedures:

- Delivery time for operations and building permits for November and December 2006 — one to two months
- Delivery time for operations and building permits for November and December 2007--- five to seven days

Operation Permits delivered:

- November-December 2005 15
- November-December 2006 14
- November-December 2007 80

Operation Permits delivered::

- January 2007 15
- January 2008 41

Building permits delivered:

- November and December 2006 131
- November and December 2007 134
- January 2007 86
- January 2008 72

Some minor problems were detected, principally in processing building permits that require water and sewerage installation, since this service is granted in concession to a mixed enterprise, Aguas de Villanueva (ASVI), which lacks Internet service.

No formal survey has yet been conducted, but the Municipality has reported that through its Suggestion Box placed inside the Single Customer Service Center, several citizens expressed satisfaction with this new service.

The following chart presents the indicator data for progress to date in this result area:

Indicator	P6		P7		P8		
	Planned	Actual	Planned	Actual	Planned	Actual	Projected
% of AHMON Board decisions implemented by technical team and documented back to the Board (annual)	75	89					
Amount of resources (cash or in-kind) leveraged from private sector for increasing good governance and ethical practices	$0	$0	$20,000	$0	$25,000	$6,542	$25,000

RESULT 3: Increased Ownership by stakeholders of local development processes enhanced.

Result Summary: In order make development processes sustainable, ownership is needed by as many stakeholders as possible. This ownership can be encouraged in part by active oversight of governmental activities and participation of civil society in decision-making processes at the local level. The activities under this result aim at promoting greater transparency and accountability of local governments by supporting civil society groups that can actively monitor the performance of their municipalities and participate in important decisions.

Indicators: **Cumulative Target:**

Number of local government decisions with impact on local development where participation of broad-based coalitions can be documented:

In A & B municipalities 70
In C & D municipalities 70

Number of municipalities where broad-based coalitions are annually Monitoring performance of their local governments:

In A & B municipalities 10
In C & D municipalities 10

Discussion.

Program work in this area is oriented toward strengthening the capabilities of the civil society organizations (CSO) and coalitions to 1) influence decision-making by local governments, and 2) monitor local government performance. To achieve these ends the Contractor has provided CSOs with methodological tools for consultation and monitoring of local government activities.

During the timeframe of this report, the Program helped create space for dialogue between municipal authorities and civil society representatives around the recommendations derived from the Transparency and Governance Index that was re-applied during the last quarter of calendar year 2007. The civil society representatives made a number of new proposals for improving their Municipal Council performance and new transparency policies. Also, with Program support, the civil society coalitions have followed up on proposals to prioritize and improve the management of projects in the municipal budget for 2008, monitored the increase in municipal revenues and carried out social audits.

Also, during this semester the Program began training on Honduras' Freedom of Information Act, approved in 2006 with implementation regulations adopted in March 2008.

CSO capabilities were strengthened through the preparation of project profiles for the Program's small projects and activities fund, in which the CSOs decided upon and defined their priorities. In some cases, most notably Taulabé, there was some resistance to these priorities by mayors who had other priorities. The opportunity for funding of the small projects and activities was widely disseminated among CSOs present in each of the Program municipalities, including some CSO organizations that have not traditionally been involved or that are not usually supporters of their municipal governments.

For the periods of this report, the Program has significantly exceeded the established targets, as follows:

Result Indicator	Target Period								
		P6		P7		P8			P9
		Target	Actual	Target	Actual	Target	Actual	Projected	Target
Number of local government decisions with impact on local development where participation of broad-based coalitions can be documented.	A/B	40	82	50	129	60	141	141	70
	C/D	40	117	50	146	60	147	147	70
Number of municipalities where broad-based coalitions are annually monitoring performance of their local governments.	A/B	5	10	10	11	10	11	12	10
	C/D	10	13	10	13	10	13	13	10

Performance Requirement # 3.1. Develop a selection system for identifying broad-based coalitions that will receive assistance under Performance Requirements 3.2, 3.4, 3.5, and 4.3.

Discussion.

As reported in the Semi-Annual Report for the period July-December 2006, the Contractor implemented the selection system to evaluate the strengths and weaknesses of local civil society in GTAG municipalities. This system has been used since that time for planning and programming GTAG interventions to promote civil society participation and transparency in the Program municipalities. During the period covered by the present semi-annual report, a strategy for civil society strengthening and involvement in municipal affairs was prepared and submitted to the USAID Mission. Its purpose is to expand the coverage of civil society organizations beyond the *patronatos*, water boards, transparency commissions, and the other usual participants in municipal dialogue to reach out to sectors of civil society that are more often marginalized from municipal affairs.

Performance Requirement # 3.2. Build capacity of broad-based coalitions for monitoring the performance of their local governments.
Benchmarks

Number of local government decisions with impact on local development where participation of broad-based coalitions can be documented in A/B municipalities- **Targets: P6, Planned (18), Actual (82); P7, Planned (60), Actual (129); P8 Planned (70), Actual (141), Projected (125)**

Number of local government decisions with impact on local development where participation of broad based coalitions can be documented in C/D municipalities- **Targets: P6, Planned (45), Actual (117); P7, Planned (60), Actual (147); P8 Planned (70), Actual (147), Projected (120)**

Discussion.

Interventions supporting PR 3.2, and also PR 3.4, were oriented toward the small projects and activities to be funded by the Program. In these 214 civil society organizations and 763 leaders and activists from the organizations participated. Among the initiatives presented as profiles and later proposals, 24 addressed the definition of local government priorities while 17 addressed monitoring of local government performance

The most important advances for the periods of this report in the areas of civil society influence over and monitoring of local government activities were in moving a number of transparency policies from approved status to implementation by the municipal councils.

The Program has identified and documented 93 policies implemented in A&B municipalities and 79 such policies in C&D municipalities during this time frame. This compares with 24 new policies implemented in A&B municipalities and 21 in C&D municipalities during the previous semi-annual report time frame, ending in December 2007.

This exercise has allowed the CSO coalitions, together with the municipal councils, to evaluate their local government management and reflect upon the applicability of the approved new transparency measures and policies and proceed toward the implementation of those that had not yet been applied. It has also led to increased investment in the implementation of the transparency measures.

In the formulation of the 2008 municipal budgets, the Program provided TA to civil society organizations to generate space for consultation and CSO influence upon local governments in one A category municipality, Villanueva, and 5 C&D municipalities—La Masica, Pimienta, Taulabé, Sabanagrande and San Francisco de Yojoa. For results of these interventions, see the chart below.

Citizen Consensus in the Prioritization of Projects for Inclusion in 2008 Municipal Budgets

Municipality	No. Projects Presented	No. Projects Prioritized	No. Projects Included In Municipal Budget	No. CSOs Participating
La Masica	17	3	0	19
Pimienta	20	20	5	20
Sabanagrande	23	4	3	23
San Francisco de Yojoa	103	103	103	14
Taulabé	20	10	0	20
Villanueva	11	4	3	11
Totals	194	144	114	107

Regarding these numbers, in the case of La Masica, the CSO priorities were for projects outside the jurisdiction of the municipality, the Regional Hospital, which is a dependency of the Department of Public Health. In Taulabé, the CSOs were unable to influence municipal budget priorities for 2008.

Moreover, the Program sponsored monitoring at the initiative of CSOs of two activities in two municipalities, Tela and Nueva Arcadia (La Entrada). The first of these involved public debate over municipal finance; the second over the transfer process of potable water service from the SANAA to the municipality.

Although important decisions were taken, none were implemented. These decisions in the framework of the public debate reflect not only the need for political will but also the lack of financial resources and of austerity and financial rationalization policies.

Even so, this exercise, as a process that seeks transparent public information by empowering citizen information, met that objective. Among the chief accomplishments are improved awareness regarding municipal finance, clarity of the possibilities and improved management of municipal finance over the past four years with projections to 2010, citizen influence over municipal decision-making in the budget process, even when citizen priorities have not yet been implemented. Thus, this exercise has strengthened dialogue between municipalities and CSOs, and has proven to be a useful instrument for decision-making and improved transparency.

In Nueva Arcadia (La Entrada) the training and support to CSOs, the establishment of guidelines for the transfer of the public water system from SANAA to the municipality has indeed empowered CSOs, has achieved consensus on the process, and joint efforts at developing the instruments needed for it. An appropriate number of joint commissions has been created, and they are meeting weekly until the process is complete. During this stage of the process, the CSOs involved are sharing the work with Proyecto Norte..

The Program hopes to replicate these experiences of CSO participation and the identification of important subjects for civil society-municipality dialogue among other Program and mancomunidad member municipalities as appropriate.

As will be evident from the chart below, this performance requirement is being surpassed.

Result Indicator		Target (Period)							
		6		7		8			9
		Target	Actual	Target	Actual	Target	Actual	Projected	Target
3.2 Build capacity of broad-based coalitions of locally organized civil society to engage in local governments' priority setting, decision-making processes in order to impact local government (cumulative).		5	14	5	14	10	14	14	10
Number of A/B municipalities with which the work has begun (cumulative).	A/B	10	11	10	12	10	12	12	10
Number of C/ D municipalities with which work has begun (cumulative).	C/D	10	13	15	13	10	13	13	10

Performance Requirement # 3.3. Build capacity of local governments and other stakeholders to promote public-private partnerships contributing to local and/or regional development.

This PR has been deleted in its entirety and is not reported on for this reporting period nor will it be in the future.

Performance Requirement # 3.4. Build capacity of broad-based coalitions for monitoring the performance of their governments.

Benchmarks: Number of A/B municipalities where broad-based coalitions are annually monitoring performance of their local government. **Targets: P6 Planned (8), Actual (6); P7 Planned (10), Actual 11; P8 Planned 10, Actual 16, Projected 16; P9 Planned 10.**

Discussion.

The Contractor worked with CSOs during the time frame of this report in monitoring and evaluation of the management of local government projects so far. During this period, CSO representatives were present. A greater number of citizen participants in these sessions has also been documented, with an average of 13 persons in A/B municipalities and 40 in C&D municipalities. This increase reflects improved recording of citizen presence in addition to increased participation per se. Most significant is that a greater number of citizens are paying attention to their local government's activities.

However, during this period, a decline in this civil society presence was reflected in Trinidad and La Masica, which can be explained by a lesser effort on the part of those municipalities in disseminating the Schedule for Municipal Council meetings.

Indicators of Progress in Open Council Sessions				
	% of Council Sessions Open to Public		Average No. of People Attending Public Council Sessions	
Period	A/B	C/D	A/B	C/D
Oct.-Dec., 2006	4.3	29.7	4	10
Jan.-March, 2007	17.3	66.3	18	10
April-June, 2007	33	79.1	27	26
July-Sept, 2007	48.1	89.3	10	20
Oct.-Dec., 2007	56.8	90.9	10	15
Jan.-March, 2008	67.1	88.1	13	30
April-June, 2008	66.7	91.7	13	40

The greatest challenge for the next reporting periods will be to maintain the indicators recorded in these municipalities in the context of the upcoming primary elections for the traditional political parties and their choices for mayor and council members in the 2009 municipal elections.

Another key activity advanced by the Contractor was in the context of the newly regulated Freedom of Information Act in Honduras. CSO leaders recommended new transparency policies to their municipal councils. The Program has documented the participation of 67 CSO leaders, representing an average of 5 CSOs per municipality in the sessions where the results and new recommendations derived from the re-application of the Transparent Management and Governance Index to the municipal councils.

In the first quarter of 2008—the last quarter of reporting period 7, Revenues Commissions monitored the increases in municipal revenues for 2007 and the implementation of the new Annual Operational Plans (POA) for 2008, including training of the units responsible for municipal revenues during 2008.

To strengthen the capacity of municipal authorities and local actors to respect and comply with the terms of the newly regulated Freedom of Information Act and complement other processes developed by the Program, three workshops have been conducted during the timeframe of this report in the municipalities of Las Vegas, Santa Rosa de Copán, and Villanueva. In early July, after the timeframe of this report, a similar workshop was held in Puerto Cortés and a final one is planned for La Esperanza in August 2008. .

The Program is emphasizing promptness, timeliness, and quality in citizen participation to improve municipal management. To support compliance with the Freedom of Information Act on the municipal level, the Program has highlighted the importance of the role of the municipal official assigned responsibilities in the dissemination of public information and to make municipal information available to the public, in accordance with that law. The participant municipalities have shown strengths and also limitations in compliance with that law.

Following these workshops and the análisis of the concerns expressed by the working groups that participated in them, the municipalities will be faced with the challenge to adopt and strengthen a culture of transparency that brings about attitude and behavior changes, including the political will to inform the citizens in a clear and legally compliant manner. The procedures involved were not previously transparent. Further effort is needed to consolidate these interventions. The key elements of such a strategy include the four principal areas of municipal

management, as well as citizen interest, generally. These elements are municipal agreements, purchasing and contracting processes, and implementation of the budget and salary structures.

The following chart shows the results for the most recent reporting periods for this performance requirement.

Result Indicator	Target (Period)							
	P6		P7		P8			P9
	Target	Actual	Target	Actual	Target	Actual	Projected	Target
Number of coalitions from A/B municipalities reaching accord with municipal governments on transparency measures	10	10	10	16	10	16	16	10
Number of coalitions from C/D municipalities reaching accord with municipal governments on transparency measures	10	4	10	13	10	13	13	10
Number of A/B municipalities in which coalitions are working with municipality to review annual FHIS/ERP priorities and decide on projects for funding	na	5	5	16	Na	16	16	5
Number of C/D municipalities in which coalitions are working with municipality to review annual FHIS/ERP priorities and decide on projects for funding.	na		10	13	Na	13	13	10

As for actual transparency measures adopted, the following data reveal progress to date:

A/B	Transparency Measures Agreed Upon			Total
	Implemented	Not implemented	Not verifiable	
P5	56	2	2	**60**
P6	19	5	1	**25**
P7	17	6	21	**44**
P8	1	0	11	**12**
Total	**93**	**13**	**35**	**141**
C/D	**Transparency Measures Agreed Upon**			**Total**
	Implemented	**Not implemented**	**Not verifiable**	
P5	41	13	8	**62**
P6	32	6	5	**43**
P7	5	0	12	**17**
Total	**78**	**19**	**25**	**122**
Total A/B/C/D	**Transparency Measures Agreed Upon**			**Total**
	Implemented	**Not implemented**	**Not verifiable**	
P5	97	15	10	**122**
P6	51	11	6	**68**
P7	22	6	33	**61**
P8	1	0	11	**12**
Total	**171**	**32**	**60**	**263**

The opening of Municipal Council meetings was one of the key initiatives proposed by the coalitions of civil society organizations during these reporting periods. This proposal has met

with significant resistance by Council members who are not accustomed to such transparency and have traditionally functioned behind closed doors. Nevertheless, the Program was able to make significant progress in this area as shown below. The failure to open Council meetings to citizen participation has been one of the key factors involved in decisions to withdraw from program municipalities. In the remaining municipalities, progress has been gradual and steady.

Result Indicator		Target (Period)							
		6		7		8			9
		Target	Actual	Target	Actual	Target	Actual	Projected	Target
Number of coalitions from A/B municipalities carrying out annual monitoring (cumulative)		10	0	10	3	10	11	11	10
% of A/B council meetings attended by representatives from coalition		50	41	75	61	75	63	75	75
Number of coalitions from C/D municipalities carrying out annual monitoring (cumulative).		15	4	15	13	10	13	13	10
% of C/D council meetings attended by representatives from coalition		50	84	75	90	75	91	91	75

In summary, of the 25 municipalities with which the Program has been working during this reporting period, the following chart show the Program's estimate of their probabilities for success in approving and implementing transparency policies:

RANKING OF GTAG Municipalities By Probabilities of Success

Rank	High Probability of Progress	Rank	Medium Probability of Progress
1.	La Esperanza	17.	La Masica
2.	Villanueva	18.	Meámbar
3.	Potrerillos	19.	Catacamas
4.	Las Vegas	20.	Comayagua
5.	Yamaranguila	21.	Taulabé
6.	San Agustín	22.	Choluteca
7.	Sabanagrande	23.	San Lorenzo
8.	Naranjito	24.	Villa de San Franciso
9.	San Francisco de Yojoa		
10..	Guaimaca		
11.	Nueva Arcadia		
12.	San Nicolás		
13.	Tela		
14.	Pimienta		
15.	Puerto Cortés		
16.	Santa Rosa de Copán		

Total 25 Municipalities

The color coding reflects the direction of change, with green signifying municipalities having possibilities of further improvement in their prospects for success; yellow representing little dynamism for change, and red, indicating little prospect for progress. Additionally, GTAG work has concluded in Trinidad, Santa Barbara, during this reporting period and with six other municipalities (Nacaome, Choloma, Talanga, Concepción de María, Ceguaca, and Yuscarán, previously, all of which were deemed to have little probability of success.

RESULT 4: Transparent transitions between local administrations contributing to uninterrupted municipal service provision and advancement of development goals by the incoming elected administration

Discussion:

The Contractor completed the tasks related to this Result in previous reporting periods and had no activity related to it during this reporting period.

However, as new elections are forthcoming, primaries later in 2008 and general elections in 2009, in which all 298 municipalities in Honduras will renew their administrations, the Contractor is monitoring the process closely. A new transition program for 2009 and 2010 will be needed to follow on to Program progress from the previous transition, but this lies beyond the time frame of the current Task Order.

RESULT 5: Administer, fund and evaluate activities with partner organizations

Result Summary: The purpose of this activity is to provide a mechanism for developing and funding initiatives that contribute to the overall results required under this procurement, with an emphasis on rewarding innovation and creativity.

Performance Milestone Plan Indicators

Indicator	**Target**
Number of Funded activities with:	
BBCs	range (30-40)
Mancomunidades	range (10-15)

Performance Requirement # 5.1. Administer, fund and evaluate an activity program with partner organizations to support Performance Requirements # 1.7, 3.2, and 3.4. (A plug amount of $300,000 is available for this performance requirement.)

Discussion.

During this reporting period, the Contractor revised and translated into English, the Manual for Funding of Small Projects and Activities developed during the previous reporting period. The Contractor team followed its procedures carefully to ensure widespread dissemination of the opportunity for funding of these projects and activities throughout the civil society coalitions in each of the municipalities in which the Program has been working. A Projects and Activities Approvals Committee was established in the GTAG office, which met weekly, on Mondays, to review these proposals. GTAG regional coordinators worked closely with these civil society groups to develop project and activity profiles that met the established conditions. Many issues arose, regarding the nature of these projects and how they responded to Program objectives, to what extent the proposals reflected civil society priorities, the adequacy of counterpart or leveraged contributions, among others.

By the end of the reporting period, 34 profiles had been approved, technical feasibility was determined in most cases, some adjustments or modifications were made, initial environmental evaluations approved and security clearances obtained for the beneficiaries. Moreover, pricing and initial procurement to initiate these projects had begun.

The following chart provides the details of the small projects and activities approved by the end of the reporting period.

The following chart provides the data on small projects and activities approved for funding to date.

Indicator	P7		P8		
	Planned	Actual	Planned	Actual	Projected
Number of funded activities with BBCs (cumulative)	15	0	Range (30-40)	12	Range (30-40)
Number of funded activities with mancomunidades (cumulative)	5	0	Range (10-15)	5	Range (10-15)

Details of the small projects and activities for which funding was approved during the reporting period are provided in the following table.

GREATER TRANSPARENCY AND ACCOUNTABILITY IN GOVERNMENT
APPROVED SMALL PROJECTS AND ACTIVITIES, CIVIL SOCIETY ORGANIZATIONS
Thorugh June 30, 2008

Costs are in Honduran lempiras; approximate exchange rate L.19= US$1.00

Municipality/ Mancomunidad	Code	Brief Description	GTAG Cost	Counterpart Contribution	Total Cost
		Being Implemented			
MUNASBAR	Manc-01	Equipment of UTI	93,179	21,222	114,408
Río Higuito	Manc-02	Equipment of UTI	96,935	30,000	126,935
MAMUCA	Manc-05	Renovatrion of UTI office	190,000	29,059	219,059
MAVAQUI	Manc-06	Equipment of UTI	81,892	15,000	96,892
MAVAQUI	Manc-07	Renovation of UTI office	147,087	22,000	169,087
La Esperanza	Muni-01	Implementation citizen information tech. center	135,448	58,700	189,148
Potrerillos	Muni-04	Remodeling park kiosk as civil society center	189,307	33,735	223,042
Yamaranguila	Muni-03	Classrooms, SAT school	175,001	218,406	393,407
San Agustín	Muni-06	Youth training center, construction	126,950	62,160	189,110
Naranjito	Muni-11	Construction Patronato Municipal office	209,192	187,047	396,239
San Francisco de Yojoa	Muni-12	Construction classroom, workshop	155,743	130,000	285,743
San Fracisco de Yojoa	Muni-13	Cemetery fence, administration training	82,056	70,000	152,056
Las Vegas	Muni-14	Office for Transparency Commission	134,679	140,972	275,651
Pimienta	Muni-16	Renovation Transparency Commission office	146,359	14,000	160,359
Meámbar	Muni-18	Classroom, Instituto Gustavo Martínez Pineda	191,521	174,723	366,244
Puerto Cortés	Muni-09	Electrification Barrio Lomas de Chile	150,000	117,683	267,683
Santa Rosa de Copán	Muni.25	Citizen participation workshops, training	128,000	31,250	159,250
		Ready for implementation			
AMUPROLAGO	Manc-09	Training in design of water systems	190,000	120,000	310,000
Yamaranguila	Muni-40	Classrooms, Manantiales SAT school	175,001	218,406	393,407
San Agustín	Muni-05	Computer training, equipment	155,273	29,000	184,273
Naranjito	Muni-07	Training, implementation, water boards	102,808	84,000	186,808
Naranjito	Muni-32	Improvements, Santa Ana water system	176,423	95,469	271,892
Las Vegas	Muni-15	Equipment, Transparency Commission office	94,850	0	94,850
Tela	Muni-08	Improvements, Transparency Commission office	164,325	36,464	200,789
Tela	Muni-19	Civil society meeting room in Chamber of Com.	217,404	231,015	448,419
Sabanagrande	Muni-36	Classrooms, El Obelisco school	99,151	57,000	156,151
San Nicolás	Muni-23	Sewerage extension	199,942	136,802	336,744
Villa de San Francisco	Muni-33	Barrio Viejo sewerage line design	79,697	3,900	83,597
Villanueva	Muni-35	COMVIDA Infants/children program equipment	191,453	138,827	320,280
Taulabé	Muni-38	New roof, Modesto Rodas school	140,060	157,717	297,777
Nueva Arcadia	Muni-44	Classroom, Ramón Villeda Morales kindergarten	190,000	94,179	284,179
		Approved. Implementation if funding available			
San Lorenzo	Muni-01	Renovation Transparency Commission office	163,160	0	163,160
Sabanagrande	Muni-21	Transparency Commission improvements	136,870	10,000	146,870
Comayagua	Muni-37	Tiling of public market areas	129,890	383,370	513,260
Totals					
34			429,920	393,370	823,290

Result 6: Rapporteur with municipal, decentralization and local government sectors and dissemination of lessons learned

Result Summary: The focus of this result is to consolidate and report on information of importance in the development of municipal, decentralization, and local government sectors and to disseminate lessons learned.

Performance Requirement # 6.1. Coordinate, track, and report on GTAG-related activities and achievements and serve as liaison on selected activities with other GTAG-related donor initiatives in order to optimize use of resources and to disseminate lessons learned.

Discussion:

The Contractor has held three monthly meetings with the Mission Team and two other were postponed by mutual agreement, because of the heavy workload in both the Mission and the Program at the time the meetings were originally scheduled. During these meetings the Contractor provided extensive documentation, including charts by area of activity, a chart indicating the probabilities of success by municipality, summaries of TA by municipality, summaries of civil society interventions, summaries of mancomunidad activities, reports on progress in the municipalities in closing the books on ERP projects using information provided by the Commissioner of the Poverty Reduction Program, and summaries of the status of funding for the small projects and activities, plus any other specific information requested.

For the six month period covered by this report, USAID has participated in the donors' Cooperation Table, but not as its President. For that reason, the Contractor's presence was not requested, and GTAG has not participated directly in these meetings. However, the Contractor did provide the Mission supporting documentation—notes and charts—on specific subjects under discussion in these meetings. Moreover, during this time frame the Contractor has provided field notes and profiles in anticipation of each Mission or Embassy visit for each place visited. Additionally, the Contractor has supported the Mission with information and notes to accompany the National Assembly of AMHON, held in late April, and to which the Contractor's representatives were also invited by AMHON.

Moreover, during the six month period of this report, the contractor prepared a range of materials, including success stories of municipal administration, press releases, and interviews recorded on DVD. All of these materials were used during the week of activities scheduled by AMHON for presentations on municipal transparency, challenges, and best practices.

In a similar manner, the Contractor has coordinated activities with other organizations and donor agencies, including AMHON, FOPRIDEH, AECID, the UE Programa Binacional, ASDI, PRIDEMUN II-SNV, and the Office of the Commissioner for the Poverty Reduction Program (OCRP). On the local level, similar coordination's has been carried out with a range of locally present organizations and donor organizations.

Performance Requirement # 6.2. Subject to CTO approval, design, implement, and maintain a municipal database for program-related indicators.

ISSUES AND REMEDIES TO ASSIST IN PERFORMANCE BASED DECISION MAKING

In this section, we will review past issues and the extent to which they were addressed. We will also identify issues and remedies, as they pertain to this and future semi-annual reporting periods.

Issues and Remedies in the Seventh Semi-Annual Report:

1. Modification of the Contract: For the present reporting period, a thorough pipeline analysis of all costs to be incurred through the end of the Project has been conducted. As a result of this analysis, we requested reallocation of funds within the ODC section of the contract to be able to

cover outstanding activities and operating office costs for the remainder of the contract. **RESULT 5:** 28 initiatives have been presented by CS organizations and 6 by Mancomunidades for a total of 34 initiatives eligible to be funded; the Project contributes approximately 65% and 35% of counterpart from CS, municipalities and some private organizations. The Contractor considers that the current target of 40-55 activities to be funded will limit the Program impact to respond to the objectives of results 1.7, 3.2 and 3.4, and we believe that the impact of fewer such integrated projects on the achievement of greater transparency, citizen participation, and improvement of mancomunidades service will be greater than that of a large number of more isolated smaller activity projects.

2. Private Sector: The Contractor, upon request of AMHON and FEDECAMARA, jointly articulated an initiative with COHEP to support the reduction of administrative steps and improve transparency which resulted in the idea of a single customer service center (ventanilla unica) opened in Tela and Danlí. During the period, the incorporation of COHEP in this effort has not been achieved. The contractor informed the Mission that STTA funds for Result 2.3 from S02 have been totally used; and therefore, AMHON was informed so it could continue financing this activity, as the project is about to end. AMHON indicated that its contracting mechanisms do now allow for continuation of this prior commitment with the team leader; however, the activity will continue within their organization with the junior consultant hired for this initiative. On the other hand, activities for reduction of administrative steps in Danlí had already been supported by the PATMUNI-SGJ.IDB Funds through another contractor, EPYPSA. As a result, support through the GTAG Project and AMHON was discarded for Danlí. Opening of the single customer service center (ventanilla unica) in Tela is planned for September; however, without the participation of the consultant acting as Team Leader due to lack of funds, the opening activity is at risk.

APPENDIX A

BASE DE DATOS MUNICIPAL

INFORME TRIMESTRAL

LÍNEA DE BASE

I. Introducción

El presente informe evalúa los ingresos y egresos de veintisiete (27) municipalidades[1] con las que el Programa de Gobernabilidad y Transparencia, ha venido desarrollando actividades en el marco del contrato suscrito con USAID. El análisis incluye comparaciones entre los años fiscales hondureños 2004, 2005, 2006 y 2007.

La fuente de información la constituyen los informes rentísticos de ingresos y gastos reportados al Programa. Se ha excluido del análisis dos (2) municipalidades[2] que entraron a inicios del año 2006, debido a que con el cambio de administración municipal no se logró completar la información para los años fiscales en estudio.

El documento presenta un análisis de la situación fiscal consolidada para la muestra de municipios en estudio. Dicha muestra contiene 16 municipios A/B y 11 C/D (lo que representa 59% y 41% del total, respectivamente).

Para el 2007, las municipalidades A/B tienen una población de 1,215,755[3] personas, mientras que las C/D abarcan un total de 172,634 personas. Todos los municipios de la muestra acumulan una población que representa un 18.4% de la población total del país[4].

Posteriormente se aborda la evolución de los ingresos y gastos por categoría de municipios, determinando los factores principales que influyen en su comportamiento. De igual forma, se calculan indicadores de desempeño para evaluar la gestión financiera municipal consolidada y por categoría de municipios.

II. Situación fiscal municipal consolidada

En los años 2004, 2006 y 2007, se observa un superávit en el desempeño financiero de las municipalidades[5]. Este superávit es mayor en el año 2006 comparado con el mostrado en el 2004 y 2007. No obstante para el 2005, los datos muestran un déficit financiero explicado principalmente por el comportamiento de la municipalidad de Puerto Cortés, la cual mostró gastos superiores a los ingresos[6].

El total de ingresos recaudados por los 27 municipios en estudio, se redujo en el año 2005 en 5.6% en comparación al año 2004, sin embargo para el 2006 estos ingresos muestran un incremento de aproximadamente 61.9% en términos nominales (ver tabla

[1] La Masica, Tela, Comayagua, Taulabé, Santa Rosa de Copán, Nueva Arcadia, San Agustín, San Nicolás, Choloma, Pimienta, Potrerillos, Puerto Cortés, San Francisco de Yojoa, Villanueva, Choluteca, Yuscarán, Guaimaca, Sabanagrande, Talanga, Villa de San Francisco, La Esperanza, Yamaranguila, Catacamas, Naranjito, Trinidad, Las Vegas, Nacaome y San Lorenzo.
[2] Concepción de María y Meámbar.
[3] Fuente: Estimaciones de población del Instituto Nacional de Estadísticas (INE)
[4] A nivel nacional, para el 2007 la población es igual a 7,536,946 personas.
[5] Superávit: ingresos mayor a los gastos.
[6] Los gastos fueron de 206.2 millones, en tanto que los ingresos alcanzaron los 127.5 millones de lempiras. Se consultó con la encargada de presupuesto de la municipalidad para verificar estas cifras reflejadas en los informes recibidos, y ella reconfirmó que esas son las cifras registradas en el sistema de información.

1). Por otro lado, los gastos se incrementaron en 5.8%, 36.9% y 21.6% en términos nominales, para los períodos 2005/2004, 2006/2005, 2007/2006, respectivamente.

Tabla 1: Ingresos y gastos municipales por año

Rubro	Categoría	Año Fiscal (en miles de Lps)				Variación Relativa (%)		
		2004	2005	2006	2007	FY05/FY04	FY06/FY05	FY07/FY06
Ingresos	A/B	671,647.6	621,261.9	1,017,252.8	1,156,182.0	-7.5	63.7	13.7
	C/D	34,754.8	45,769.1	62,528.8	109,181.1	31.7	36.6	74.6
	Total	**706,402.4**	**667,031.0**	**1,079,781.5**	**1,265,363.1**	**-5.6**	**61.9**	**17.2**
Gastos	A/B	639,598.8	667,951.7	922,348.7	1,091,569.3	4.4	38.1	18.3
	C/D	35,747.5	46,341.6	55,355.7	97,519.7	29.6	19.5	76.2
	Total	**675,346.3**	**714,293.3**	**977,704.4**	**1,189,089.0**	**5.8**	**36.9**	**21.6**
Brecha	A/B	32,048.8	-46,689.8	94,904.0	64,612.7	-246	-303	-32
	C/D	-992.7	-572.5	7,173.1	11,661.4	-42	-1,353.00	62.57
	Total	**31,056.1**	**-47,262.3**	**102,077.1**	**76,274.1**	**-252**	**-315.98**	**-25.28**

Fuente: elaboración propia en base a los informes rentísticos municipales

II A. Composición de los ingresos municipales

Los ingresos generados por las 298 municipalidades en Honduras muestran una alta variabilidad, incluso dentro de una misma categoría de municipios. Esto también se refleja al realizar estudios con una muestra de municipios.

Esta alta variabilidad podría estar determinada por muchos factores, entre los cuales se puede mencionar: ciclos fiscales electorales, capacidad dispar para generar recursos, nivel de desarrollo y/o condiciones de infraestructura y prestación de servicios públicos, entre otras.

Los ingresos municipales del período 2004-2007 están integrados por las siguientes fuentes: a) los ingresos corrientes, que aportan entre 43.5% y 56.8%; b) los recursos obtenidos en calidad de préstamos del sistema bancario nacional que han significado desde un 6.2% de los ingresos totales hasta un 19.1%; c) las transferencias del Gobierno Central (incluyendo las del 5% y otras transferencias de distintas instituciones gubernamentales ligadas al quehacer municipal) que han contribuido desde un 20.6% hasta un 57.3%: d) las donaciones recibidas que representan entre el 1.2% y el 3.6%; y, e) otros ingresos de capital, que han correspondido a un 6.6% hasta un 12.9% de los ingresos totales.

Dentro de la estructura de los ingresos corrientes, los que muestran mayor importancia relativa son los ingresos tributarios. Los impuestos más importantes o que aportan más a la recaudación de ingresos propios son los de bienes inmuebles y del industria, comercio y servicios. Sin embargo, existen municipalidades para las cuales el impuesto de extracción y explotación de recursos aporta más del 50% de sus ingresos, con el consecuente riesgo de generar un menor esfuerzo fiscal por parte de las autoridades locales y de contar con ingresos que no serán sostenibles en el tiempo dado que los recursos naturales se agotan.

Al evaluar la variación relativa al interior de la estructura de ingresos, las más altas tasas de crecimiento se observan en el período 2005-2006. Las donaciones recibidas, préstamos y otras transferencias mostraron un crecimiento de más del 100%, las transferencias 67.6%, los ingresos no tributarios 29.1% e ingresos tributarios 23.7%.

Cabe resaltar que el 2006 fue marcado por un cambio de autoridades locales, quienes comúnmente realizan cambios de personal que conlleva ante la falta de fondos, a contraer préstamos para hacer frente al pago de prestaciones laborales; y por otro lado, los ingresos propios tienen a subir en el primer año de gobierno debido a la necesidad de contar con fondos para sufragar los gastos.

Por otra parte, los rubros que muestran las tasas de crecimiento negativas más altas son: donaciones, con -63.9% y otras transferencias, que muestran una caída de aproximadamente -62.9% en el periodo 2004-2005 (ver tabla 2). Dichos rubros representaron entre el 3.2% y el 6.1% de los ingresos totales del año 2004, alcanzaron una importancia relativa menor en el año 2005, para el 2006 mostraron valores similares a los del 2004; y finalmente, en el 2007 las donaciones no mostraron un aporte mayor que el del 2004, en tanto que otras transferencias aportaron un 8.0%.

Tabla 2: Estructura de ingresos por año

Rubros	Año (cantidad en miles de Lps)				% de los Ingresos Totales				Variación Relativa (%) 05/04	Variación Relativa (%) 06/05	Variación Relativa (%) 07/06
	2004	2005	2006	2007	2004	2005	2006	2007			
Ingresos Totales	**706,402.4**	**667,031.0**	**1,079,781.5**	**1,265,363.1**	**100.00**	**100.00**	**100.00**	**100.00**	**-5.57**	**61.88**	**17.19**
Ingresos Corrientes	**363,418.6**	**379,417.4**	**473,780.4**	**551,169.6**	**51.45**	**56.88**	**43.88**	**43.56**	**4.40**	**24.87**	**16.33**
Ingresos Tributarios	274,978.8	300,930.8	372,383.9	435,618.4	38.93	45.11	34.49	34.43	9.44	23.74	16.98
Ingresos no Tributarios	88,439.9	78,486.6	101,396.6	115,551.3	12.52	11.77	9.39	9.13	-11.25	29.19	13.96
Ingresos de Capital	**342,983.8**	**287,613.6**	**606,001.1**	**714,193.5**	**48.55**	**43.12**	**56.12**	**56.44**	**-16.14**	**110.70**	**17.85**
Préstamos	44,340.7	47,146.3	206,582.2	143,398.7	6.28	7.07	19.13	11.33	6.33	338.17	-30.59
Transferencias	185,043.2	129,778.8	217,562.3	303,954.5	26.20	19.46	20.15	24.02	-29.87	67.64	39.71
Otras Transferencias	43,463.5	16,104.6	70,386.7	101,167.3	6.15	2.41	6.52	8.00	-62.95	337.06	43.73
Donaciones	22,708.3	8,190.2	39,541.2	40,331.3	3.21	1.23	3.66	3.19	-63.93	382.79	2.00
Otros ingresos de capital**	47,428.2	86,393.7	71,928.7	125,341.7	6.71	12.95	6.66	9.91	82.16	-16.74	74.26

Fuente: elaboración propia en base a los informes rentísticos municipales

En cuanto a los ingresos corrientes, de acuerdo a los datos, se puede inferir que las municipalidades realizaron un esfuerzo por mejorar la recaudación durante los años en estudio. Sin embargo el incremento más alto se observa en el año 2006 comparado con el 2005, alcanzando un valor de 24.8% en términos nominales.

Por su parte, los ingresos de capital, a pesar de haber disminuido en el año 2005, para el siguiente año muestran una recuperación de 110.7% en términos nominales; influenciada en gran parte por los aumentos en los préstamos, otras transferencias y donaciones. Para el año 2007, las municipalidades prescinden de la adquisición de préstamos y esto ocasiona una caída en este rubro que determina el mismo comportamiento en los ingresos de capital, los cuales muestran una variación relativa de 17.8% en términos nominales.

II B. Composición de los gastos municipales

Los gastos municipales están compuestos por los siguientes rubros: a) los gastos de funcionamiento que han representado más del 43.4% de los gastos totales; b) los gastos destinados a infraestructura o inversión municipal que han aportado desde un 22.9% hasta un 40.6%; c) aquellos gastos destinados al pago del servicio de la deuda, los cuales han alcanzado porcentajes muy superiores al 10% (valor por encima del cual se corre el riesgo de que la deuda se vuelva inmanejable); y d) otros gastos de capital, incluyendo transferencias de capital y activos financieros, los cuales han mostrado poca importancia relativa dentro del total de gastos.

Al observar los gastos de funcionamiento, los datos muestran que las variaciones de estos gastos están determinadas por el incremento o disminución de los servicios personales y no personales. Ambos tienen el mayor peso relativo dentro de la estructura de gastos de funcionamiento (ver tabla 3).

La reducción de las transferencias de capital, se debe a cambios en la manera como se está registrando este tipo de gastos, de acuerdo con las nuevas disposiciones de la Secretaria de Gobernación y Justicia. Por tanto, no reflejan verdaderamente disminuciones como las mostradas en la tabla 3.

Tabla 3: Estructura de gastos por año

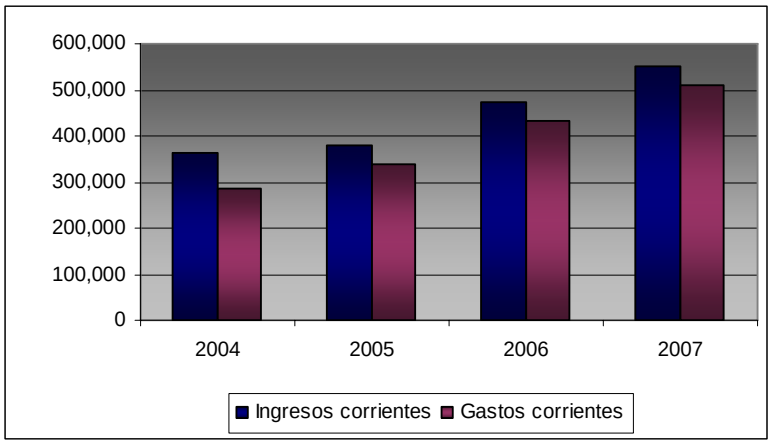
Rubros	Año Fiscal (En miles de Lps)				Porcent. del Gasto Total				Variación Relativa (%)	Variación Relativa (%)	Variación Relativa (%)
	2004	2005	2006	2007	2004	2005	2006	2007	05/04	06/05	07/06
Gastos de Funcionamiento	**293,941.9**	**341,192.8**	**440,718.1**	**515,967.2**	**43.5**	**47.8**	**45.1**	**43.4**	**16.1**	**29.2**	**17.1**
Servicios Personales	180,921.0	211,521.8	253,601.8	277,322.8	26.8	29.6	25.9	23.3	16.9	19.9	9.4
Servicios no personales	53,716.2	48,365.0	79,951.0	91,408.3	8.0	6.8	8.2	7.7	-10.0	65.3	14.3
Mat y suministros	20,874.9	24,825.5	28,068.6	39,467.5	3.1	3.5	2.9	3.3	18.9	13.1	40.6
Maq y equipo	5,665.2	1,086.2	6,269.0	9,272.8	0.8	0.2	0.6	0.8	-80.8	477.2	47.9
Trans ctes	32,651.4	55,254.6	72,591.5	98,366.0	4.8	7.7	7.4	8.3	69.2	31.4	35.5
Otros Gtos Ctes	113.3	139.7	236.2	129.8	0.0	0.0	0.0	0.0	23.3	69.1	-45.1
Gastos de Capital y Deuda Públ	**381,404.4**	**373,100.6**	**536,986.3**	**673,121.8**	**56.5**	**52.2**	**54.9**	**56.6**	**-2.2**	**43.9**	**25.4**
Bienes capitalizables	154,788.2	211,763.1	301,819.2	482,389.9	22.9	29.6	30.9	40.6	36.8	42.5	59.8
Servicio deuda	97,467.4	156,363.6	235,167.0	189,889.5	14.4	21.9	24.1	16.0	60.4	50.4	-19.3
Activos Financieros	1,479.1	629.5	0.0	0.0	0.2	0.1	0.0	0.0	-57.4	-	-
Transferencias de Capital	86,982.4	4,061.4	0.0	0.0	12.9	0.6	0.0	0.0	-95.3	-	-
Otros Gtos de capital	40,687.3	282.9	0.0	842.4	6.0	0.0	0.0	0.1	-99.3	-	-
Gasto Total	**675,346.3**	**714,293.3**	**977,704.4**	**1,189,089.0**	**100.0**	**100.0**	**100.0**	**100.0**	**5.77**	**36.9**	**21.6**

Fuente: elaboración propia en base a los informes rentísticos municipales

Al evaluar el comportamiento de los ingresos y gastos corrientes, se observa que ambos aumentaron pero los segundos lo hicieron en mayor proporción. Desde el año 2005, el saldo en cuenta corriente[7] se viene reduciendo y para el 2007 cambia su comportamiento. La brecha es un poco más alta y alcanza un valor de aproximadamente 44.4 millones de lempiras; aunque no supera el valor mostrado en el 2004 (75.7 millones de lempiras). Sin embargo, en términos consolidados, las municipalidades lograron cubrir sus gastos corrientes con los ingresos corrientes recaudados, durante los años fiscales tal como muestra la siguiente gráfica.

Gráfica 1: Ingresos y gastos corrientes por año (Miles de Lempiras)

[7] Saldo en cuenta corriente se define como ingresos corrientes menos gastos corrientes.

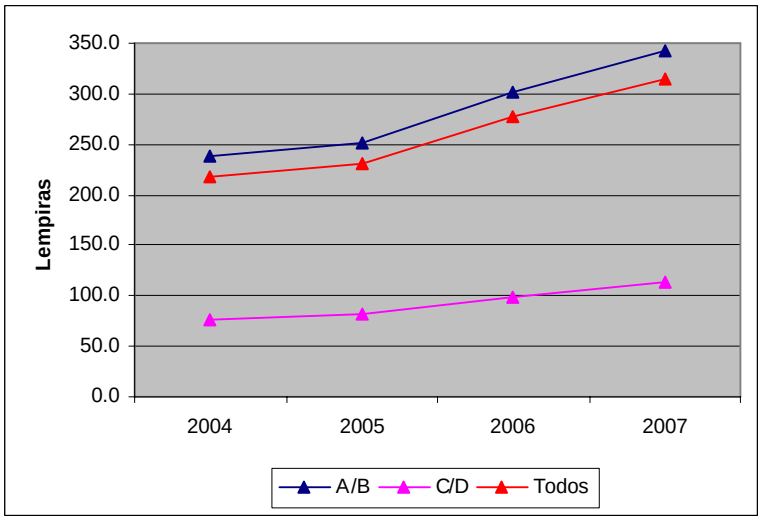


II.a). Comportamiento de los ingresos por categoría de municipios

Las características de las municipalidades A/B son muy distintas a las C/D. Una de las diferencias notables entre ellas es su capacidad dispar para generar recursos propios, es decir, su desequilibrio fiscal horizontal.

La capacidad dispar en la generación de recursos propios se refleja en el comportamiento de los ingresos tributarios per cápita (ver gráfica 2). El promedio para los municipios A/B y CD es de Lps 283.6 y Lps 92.6, respectivamente. Para el consolidado el promedio alcanzó los Lps 259.5, valor inferior al mostrado por las A/B, las cuales marcan la tendencia como responsables de la mayor recaudación per cápita.

Gráfica 2: Ingresos per cápita por año (Lempiras)



Por otro lado, en el consolidado de los municipios, las municipalidades A/B muestran mayor importancia relativa que las C/D, por lo cual también determinan en gran parte los resultados globales. De las 27 municipalidades en estudio, el 59% (16 del total) corresponde a A/B y el restante 41, a C/D.
Las municipalidades A/B, reflejaron una disminución de 7.5% en la recaudación de ingresos totales para el periodo 05/04 (valor por encima del observado para el

consolidado de municipios en estudio); en tanto que para el período 06/05 y 07/06, se observa un incremento de 63.7% y 13.6%, respectivamente.

Al igual que en el escenario consolidado la disminución 05/04 está determinada principalmente por la caída en otras transferencias y donaciones. Para el siguiente período, el incremento de más del 70% que experimentaron los préstamos y las transferencias del 5% del Gobierno Central determinaron mayormente el incremento de 63.7% en los ingresos totales.

En el último período, la caída en los préstamos y las donaciones marcaron una tendencia en el comportamiento de los ingresos totales. A pesar de haber incrementado en un 13.6% en términos nominales, dicho incremento fue muy inferior al del período 06/05.

La tabla siguiente muestra la estructura de los ingresos para municipalidades A/B con las respectivas variaciones en términos nominales.

Tabla 4: Estructura de ingresos por año calendario, municipalidades A/B

Rubros	Año (cantidad en miles de Lps)				% de los Ingresos Totales				Variación Relativa (%) 05/04	Variación Relativa (%) 06/05	Variación Relativa (%) 07/06
	2004	2005	2006	2007	2004	2005	2006	2007			
Ingresos Totales	**671,647.6**	**621,261.9**	**1,017,252.8**	**1,156,182.0**	**100.00**	**100.00**	**100.00**	**100.00**	**-7.50**	**63.74**	**13.66**
Ingresos Corrientes	**349,127.7**	**363,412.1**	**454,077.1**	**526,780.3**	**51.98**	**58.50**	**44.64**	**45.56**	**4.09**	**24.95**	**16.01**
Ingresos Tributarios	262,447.6	287,415.6	355,851.4	415,935.7	39.08	46.26	34.98	35.97	9.51	23.81	16.88
Ingresos no Tributarios	86,680.0	75,996.5	98,225.7	110,844.6	12.91	12.23	9.66	9.59	-12.33	29.25	12.85
Ingresos de Capital	**322,520.0**	**257,849.8**	**563,175.7**	**629,401.7**	**48.02**	**41.50**	**55.36**	**54.44**	**-20.05**	**118.41**	**11.76**
Préstamos	42,782.7	46,346.6	203,903.4	140,978.5	6.37	7.46	20.04	12.19	8.33	339.95	-30.86
Transferencias 5%	170,170.5	106,936.6	185,723.7	258,944.2	25.34	17.21	18.26	22.40	-37.16	73.68	39.42
Otras Transferencias*	43,049.1	13,668.1	68,110.5	84,825.7	6.41	2.20	6.70	7.34	-68.25	398.32	24.54
Donaciones	22,487.1	7,882.4	37,927.2	36,132.1	3.35	1.27	3.73	3.13	-64.95	381.16	-4.73
Otros ingresos de capital**	44,030.6	83,016.0	67,510.9	108,521.3	6.56	13.36	6.64	9.39	88.54	-18.68	60.75

* Abarcan principalmente transferencias realizadas por el FHIS

**Incluyen otros ingresos de capital definidos como tal en el manual de la SGJ, vta de activos, contribución por mejoras, subsidios y recursos de balance

Fuente: elaboración propia en base a los informes rentísticos municipales

En las municipalidades C/D, se puede observar un comportamiento diferente, es decir, la tendencia de los ingresos totales se revierte en relación al consolidado de los municipios, de forma que se observa un incremento de 31.6% y 36.6% para los períodos 05/04 y 06/05, respectivamente. Este incremento se explica principalmente por aumentos en las transferencias del 5% del Gobierno Central (a partir del 2006 de acuerdo a la modificación del artículo 91 de la Ley de Municipalidades, aquellas categoría C/D se favorecen recibiendo un monto mayor de transferencia en comparación con el recibido de acuerdo a la fórmula anterior).

En el último período (07/06), el incremento nominal de 74.6% en los ingresos totales se ve fuertemente influenciado por los aumentos en otras transferencias. Este renglón incluye las transferencias recibidas de la Estrategia de Reducción de la Pobreza (ERP). El Gobierno Central inició a entregar los fondos de la ERP a partir del 2006 y en el caso de estas municipalidades ya en el 2007 representaron hasta un 14.9% de los ingresos totales.

Estas transferencias han contribuido a la ejecución de proyectos ejecutados en el marco de los tres ejes de la ERP: productivo, social y desarrollo institucional y gobernabilidad. Como requisito para los desembolsos, estos proyectos de inversión

son focalizados y priorizados en cada municipalidad por sus respectivas Corporaciones, en amplios procesos de consulta con la comunidad y las organizaciones locales de la sociedad civil.

Cabe resaltar que el incremento en los ingresos totales, para el último período, de 74.6% fue muy superior al mostrado por el consolidado y por las municipalidades A/B.

Tabla 5: Estructura de ingresos por año calendario, municipalidades C/D

Rubros	Año (cantidad en miles de Lps)				% de los Ingresos Totales				Variación Relativa (%)	Variación Relativa (%)	Variación Relativa (%)
	2004	2005	2006	2007	2004	2005	2006	2007	05/04	06/05	07/06
Ingresos Totales	**34,754.8**	**45,769.1**	**62,528.8**	**109,181.1**	**100.00**	**100.00**	**100.00**	**100.00**	**31.69**	**36.62**	**74.61**
Ingresos Corrientes	**14,291.0**	**16,005.3**	**19,703.3**	**24,389.3**	**41.12**	**34.97**	**31.51**	**22.34**	**12.00**	**23.11**	**23.78**
Ingresos Tributarios	12,531.1	13,515.2	16,532.5	19,682.7	36.06	29.53	26.44	18.03	7.85	22.33	19.05
Ingresos no Tributarios	1,759.8	2,490.1	3,170.9	4,706.7	5.06	5.44	5.07	4.31	41.50	27.34	48.43
Ingresos de Capital	**20,463.8**	**29,763.8**	**42,825.4**	**84,791.8**	**58.88**	**65.03**	**68.49**	**77.66**	**45.45**	**43.88**	**97.99**
Préstamos	1,558.0	799.7	2,678.8	2,420.2	4.48	1.75	4.28	2.22	-48.67	235.00	-9.65
Transferencias	14,872.7	22,842.2	31,838.5	45,010.4	42.79	49.91	50.92	41.23	53.58	39.39	41.37
Otras Transferencias*	414.4	2,436.5	2,276.2	16,341.6	1.19	5.32	3.64	14.97	487.97	-6.58	617.93
Donaciones	221.1	307.8	1,614.0	4,199.2	0.64	0.67	2.58	3.85	39.18	424.39	160.17
Otros ingresos de capital**	3,397.6	3,377.7	4,417.9	16,820.4	9.78	7.38	7.07	15.41	-0.59	30.79	280.74

* Abarcan principalmente transferencias realizadas por el FHIS

**Incluyen otros ingresos de capital definidos como tal en el manual de la SGJ, vta de activos, contribución por mejoras, subsidios y recursos de balance

Fuente: elaboración propia en base a los informes rentísticos municipales

II.b). Comportamiento de los gastos por categoría de municipios

El comportamiento de los gastos para municipalidades A/B muestra variaciones relativas similares al consolidado de municipios para los rubros de gastos de funcionamiento y de capital y deuda pública. Los servicios personales, bienes capitalizables y servicio de la deuda influyen mayormente en estos resultados. Adicionalmente, estos rubros tienen las más altas importancias relativas en relación a los ingresos totales.

El total de gastos se incrementó en 4.4% para el 2005 y se incrementaron en el 2006 en 38.1% en términos nominales. En la estructura de gastos, los de funcionamiento se incrementaron en los años 2005-2007, mientras que los gastos de capital se redujeron únicamente en el 2005. Sin embargo los primeros muestran incrementos menores a los mostrados por los últimos.

Tabla 6: Total de Gastos, municipalidades A/B por año

Rubros	Año Fiscal (En miles de Lps)				Porcent. del Gasto Total				Variación Relativa (%) 05/04	Variación Relativa (%) 06/05	Variación Relativa (%) 07/06
	2004	2005	2006	2007	2004	2005	2006	2007			
Gastos de Funcionamiento	**275,596.3**	**319,179.6**	**412,676.9**	**475,143.3**	**43.1**	**47.8**	**44.7**	**43.5**	**15.8**	**29.3**	**15.1**
Servicios Personales	170,206.3	200,253.9	238,867.5	260,461.2	26.6	30.0	25.9	23.9	17.7	19.3	9.0
Servicios no personales	49,283.4	43,023.1	74,497.1	83,352.5	7.7	6.4	8.1	7.6	-12.7	73.2	11.9
Mat y suministros	19,532.9	23,399.3	26,172.1	36,329.3	3.1	3.5	2.8	3.3	19.8	11.8	38.8
Maq y equipo	5,531.9	984.6	6,003.8	7,401.5	0.9	0.1	0.7	0.7	-82.2	509.8	23.3
Trans ctes	30,928.6	51,380.0	66,967.6	87,529.5	4.8	7.7	7.3	8.0	66.1	30.3	30.7
Otros Gtos Ctes	113.3	138.7	168.7	69.4	0.0	0.0	0.0	0.0	22.5	21.6	-58.9
Gastos de Capital y Deuda Públ	**364,002.5**	**348,772.1**	**509,671.8**	**616,425.9**	**56.9**	**52.2**	**55.3**	**56.5**	**-4.2**	**46.1**	**20.9**
Bienes capitalizables	142,179.0	190,361.2	277,643.9	428,930.9	22.2	28.5	30.1	39.3	33.9	45.9	54.5
Servicio deuda	95,821.2	153,710.1	232,028.0	187,346.8	15.0	23.0	25.2	17.2	60.4	51.0	-19.3
Activos Financieros	1,479.1	629.5	0.0	0.0	0.2	0.1	0.0	0.0	-57.4	-	-
Transferencias de Capital	83,840.7	3,889.1	0.0	0.0	13.1	0.6	0.0	0.0	-95.4	-	-
Otros Gtos de capital	40,682.5	182.3	0.0	148.3	6.4	0.0	0.0	0.0	-99.6	-	-
Gasto Total	**639,598.8**	**667,951.7**	**922,348.7**	**1,091,569.3**	**100.0**	**100.0**	**100.0**	**100.0**	**4.4**	**38.1**	**18.3**

El escenario de los gastos para las municipalidades C/D es diferente que el mostrado por las A/B. En términos porcentuales, muestran un incremento en los gastos superior al consolidado municipal y al ejecutado por las A/B, para los periodos 05/04 y 07/06 (29.6% y 76.2%, respectivamente). Sin embargo, para el período 06/05 la situación se revierte, observando un incremento en menor proporción que el anterior hasta alcanzar un 19.5%. Dicho incremento está por debajo de los valores del consolidado y de las municipalidades A/B. Lo anterior podría explicarse al analizar la correspondiente desaceleración en el crecimiento de los bienes capitalizables y del servicio de la deuda.

Tabla 7: Total de Gastos, municipalidades C/D por año

Rubros	Año Fiscal (En miles de Lps)				Porcent. del Gasto Total				Variación Relativa (%) 05/04	Variación Relativa (%) 06/05	Variación Relativa (%) 07/06
	2004	2005	2006	2007	2004	2005	2006	2007			
Gastos de Funcionamiento	**18,345.6**	**22,013.2**	**28,041.3**	**40,823.9**	**51.3**	**47.5**	**50.7**	**41.9**	**20.0**	**27.4**	**45.6**
Servicios Personales	10,714.7	11,267.9	14,734.3	16,861.6	30.0	24.3	26.6	17.3	5.2	30.8	14.4
Servicios no personales	4,432.8	5,341.9	5,453.8	8,055.8	12.4	11.5	9.9	8.3	20.5	2.1	47.7
Mat y suministros	1,342.0	1,426.2	1,896.5	3,138.3	3.8	3.1	3.4	3.2	6.3	33.0	65.5
Maq y equipo	133.3	101.6	265.2	1,871.3	0.4	0.2	0.5	1.9	-23.8	161.0	605.7
Trans ctes	1,722.8	3,874.6	5,623.9	10,836.5	4.8	8.4	10.2	11.1	124.9	45.1	92.7
Otros Gtos Ctes	0.0	1.0	67.6	60.4	0.0	0.0	0.1	0.1	0.0	6,725.4	-10.6
Gastos de Capital y Deuda Públ	**17,401.9**	**24,328.4**	**27,314.4**	**56,695.8**	**48.7**	**52.5**	**49.3**	**58.1**	**39.8**	**12.3**	**107.6**
Bienes capitalizables	12,609.2	21,401.9	24,175.4	53,458.9	35.3	46.2	43.7	54.8	69.7	13.0	121.1
Servicio deuda	1,646.2	2,653.5	3,139.0	2,542.8	4.6	5.7	5.7	2.6	61.2	18.3	-19.0
Activos Financieros	0.0	0.0	0.0	0.0	0	0	0	0	0.0	0.0	0.0
Transferencias de Capital	3,141.7	172.3	0.0	0.0	8.8	0.4	0	0	-94.5	-100.0	0.0
Otros Gtos de capital	4.8	100.7	0.0	694.1	0.0	0.2	0	1	2,000.9	-100.0	-
Gasto Total	**35,747.5**	**46,341.6**	**55,355.7**	**97,519.7**	**100.0**	**100.0**	**100.0**	**100.0**	**29.6**	**19.5**	**76.2**

Fuente: elaboración propia en base a los informes rentísticos municipales

Contrario al escenario mostrado en el consolidado y en los municipios A/B, los gastos de funcionamiento para municipalidades C/D, muestran una importancia relativa menor a los gastos de capital y deuda pública para los años 2005 y 2007 (los primeros representan hasta 51.3% de los gastos totales mientras que los últimos alcanzan hasta un 58.1%).

III. Indicadores de desempeño

Con el objetivo de evaluar el desempeño financiero de las municipalidades, se calculan los siguientes indicadores: autonomía financiera[8], dependencia financiera del gobierno central[9], capacidad financiera[10], porcentaje de inversión en el gasto total (magnitud de la inversión)[11], Servicios personales/gasto de funcionamiento y servicio de la deuda como porcentaje de los ingresos corrientes.

Los valores que toman estos indicadores para cada uno de los años en estudio se muestran en la siguiente tabla:

Tabla 8: Indicadores de desempeño por año

Indicador	Año Fiscal			
	2004	2005	2006	2007
Autonomía Financiera	54.8%	61.9%	47.4%	47.2%
Dependencia financiera del Gobierno Central	26 2%	19.5%	20.1%	24.0%
Capacidad Financiera	126.3%	111.6%	109.1%	108.8%
Porcentaje de inversión en el gasto total	22.9%	29.6%	30.9%	40.6%
Servicios Personales/Gto de Funcionamiento	61.5%	62.0%	57.5%	53.7%
Servicio de la deuda como porcentaje de los ingresos ctes	26.8%	41.2%	49.6%	34.5%

Fuente: elaboración propia en base a los informes rentísticos municipales

Autonomía Financiera

En los cuatro años evaluados los ingresos propios representan más del 47.2% de los ingresos totales. Para el año 2005, hay un incremento de 61.9% para luego disminuir en el siguiente año hasta alcanzar un valor de 47.4% (valor un poco inferior al logrado en el 2004).

Al analizar los valores mostrados por cada municipio para este indicador, se encuentra que para el año 2004 y 2005, el 51.9% de los municipios (14 de un total de 27), tiene una autonomía financiera superior al 50%; para el 33.3% (9 municipios) los ingresos propios representan entre un 25% y un 50% de sus ingresos recaudados y para el restante 14.8%, los ingresos propios aportan menos del 25% a los ingresos totales (ver tabla 9).

Tabla 9: Autonomía financiera por año según rango

Porcentaje de ingresos propios con relación a los ingresos totales	2004		2005		2006		2007	
	No. Municipios	%	No. Municipios	%	No. Municipios	%	No. Municipios	%
Menor o igual al 25%	4	14.8%	4	14.8%	4	14.8%	7	25.9%
Entre 25% y 50%	9	33.3%	9	33.3%	12	44.4%	11	40.7%
Más del 50%	14	51.9%	14	51.9%	11	40.7%	9	33.3%
Total	27	100.0%	27	100.0%	27	100.0%	27	100.0%

En los años 2006 y 2007, el mayor porcentaje de municipios (44.4% y 40.7%, respectivamente) muestra una autonomía financiera entre 25% y 50%.

[8] Ingresos propios/ingresos totales*100
[9] Ingresos por transferencias del 5% del gobierno central/ingresos totales*100
[10] Ingresos corrientes/gastos corrientes*100
[11] Bienes capitalizables/gasto total*100

Dependencia financiera del Gobierno Central
Este indicador disminuyó 6.7 puntos porcentuales, al pasar de 26.2% en el 2004 a aproximadamente 19.5% en el 2005. Esta variación se ve influenciada por la disminución en las transferencias del 5% del Gobierno Central, la cual inclusive fue más acentuada que la disminución en los ingresos totales de ese año[12]. Sin embargo para el 2006 y 2007, el escenario se revierte y la dependencia financiera del gobierno central muestra valores ligeramente más altos que el del 2005 (20.1% y 24.0%, respectivamente).

Capacidad financiera
En el consolidado, los municipios alcanzan a cubrir los gastos corrientes con los ingresos corrientes recaudados durante los años 2004 – 2007. No obstante, la capacidad financiera se va reduciendo hasta alcanzar un 108.8%, es decir, la brecha entre ingresos y gastos corrientes se va haciendo más pequeña. Los ingresos corrientes crecen en menor proporción que los gastos corrientes.

Porcentaje de inversión en el gasto total (magnitud de la inversión)
El porcentaje de inversión (bienes capitalizables) en el gasto total muestra un incremento al pasar de 22.9% en el 2004 a 40.6% en el 2007. Para el año 2007, el aumento de casi 10 puntos porcentuales podría deberse a la disponibilidad de los fondos de la Estrategia para la Reducción de la Pobreza (ERP) para ejecutar proyectos de inversión. El rubro de otras transferencias, el cual incluye los fondos antes mencionados, mostró una variación de 43% en términos nominales para el 2007 comparado con el año inmediato anterior.

Servicios personales/gasto de funcionamiento
El indicador que mide la importancia relativa de los servicios personales en relación al gasto de funcionamiento, no muestra una variación significativa para los años 2004 y 2005. No obstante, para el 2006 y 2007 muestra una tendencia a la baja hasta situarse en un 53.7% en términos nominales.

Servicio de la deuda como porcentaje de los ingresos corrientes.
El servicio de la deuda constituye el 26.8% de los ingresos corrientes percibidos durante el año 2004. Para los años 2005 y 2006, este porcentaje se incrementa hasta alcanzar un valor de 49.6% de los ingresos corrientes. Este incremento de aproximadamente 8 puntos porcentuales en relación al año 2005, está determinado principalmente por aumentos en el servicio de la deuda de más del 50%, en tanto que los ingresos corrientes crecieron aproximadamente un 24.8%. Este último incremento no alcanzó a cubrir el rápido crecimiento del servicio de la deuda.

Para el último año en estudio (2007), los ingresos corrientes mostraron un incremento de 16.3% y el servicio de la deuda tuvo una caída de 19.3% en términos nominales. Esto determinó el valor del indicador igual a 34.5%, cifra inferior a los años 2005 y 2006 pero superior a la del 2004.

Estudios sobre este indicador muestran que éste no debe alcanzar un monto superior al 10% debido al riesgo de volverse inmanejable por las autoridades y podría obligarles

[12] En el 2005, los ingresos totales y las transferencias del 5% del Gobierno Central disminuyeron en un 5.5 y 29.8%, respectivamente.

a estar continuamente renegociando y comprometiendo ingresos futuros. Se sugiere especial atención a este aspecto y evaluar los fines para los cuales se están obteniendo estos préstamos.

III.a) Indicadores de desempeño por categoría de municipios

La tabla 9, muestra los valores que toman los indicadores de desempeño por categoría de municipios.

Tabla 10: Indicadores de desempeño por categoría de municipio y año

Indicador	A/B				C/D			
	Año Fiscal							
	2004	2005	2006	2007	2004	2005	2006	2007
Autonomía Financiera	55.3%	63.6%	48.2%	49.4%	43.7%	38.8%	34.2%	23.9%
Dependencia financiera del Gobierno Central	25.3%	17.2%	18.3%	22.4%	42.8%	49.9%	50.9%	41.2%
Capacidad Financiera	129.3%	114.2%	111.7%	112.6%	81.1%	73.0%	70.9%	62.6%
Porcentaje de inversión en el gasto total	22.2%	28.5%	30.1%	39.3%	35.3%	46.2%	43.7%	54.8%
Servicios Personales/Gto de Funcionamiento	61.8%	62.7%	57.9%	54.8%	58.4%	51.2%	52.5%	41.3%
Servicio de la deuda como porcentaje de los ingresos ctes	27.4%	42.3%	51.1%	35.6%	11.5%	16.6%	15.9%	10.4%

Fuente: elaboración propia en base a los informes rentísticos municipales

Autonomía Financiera

Las municipalidades A/B, muestran una autonomía financiera más alta que la mostrada por las C/D; estas últimas tienen menor potencial para recaudar fondos propios, lo cual exacerba su dependencia de los fondos recibidos por el Gobierno Central.

El primer grupo de municipalidades muestra un incremento del porcentaje que representan los ingresos propios de los ingresos totales durante el 2005, mientras que en el 2006 y 2007 este porcentaje disminuye a valores inferiores a los mostrados en el 2004.

Para las municipalidades C/D, al igual que para las A/B, el 2004 constituye el año en el cual se observa la más alta tasa de autonomía financiera. Por otra parte, en los años 2005-2007 el crecimiento mostrado por los ingresos propios fue inferior al mostrado por los ingresos totales, razón por la cual el indicador muestra valores más bajos para esos años. Incluso para el 2007, el crecimiento de los ingresos totales es 2.5 veces más alto que el de los ingresos propios, mostrando un valor de 24%.

Dependencia financiera del Gobierno Central

Este indicador está correlacionado negativamente con el anterior, de tal forma que para municipalidades con una alta autonomía financiera se esperaría valores bajos para el indicador de dependencia financiera. Las municipalidades C/D son las que muestran los porcentajes más altos de la transferencia del Gobierno Central en relación al total de ingresos.

Las municipalidades A/B experimentaron mayor dependencia durante el 2004, para luego disminuirla en el 2007 hasta alcanzar un valor inferior al del primer año en estudio. Por otro lado, las C/D incrementaron su dependencia en todos los años evaluados, exceptuando el 2007 en el cual mostraron un valor igual a 41.2%.

Capacidad financiera
En los años evaluados, las municipalidades A/B alcanzan a cubrir sus gastos corrientes con los ingresos corrientes generados dentro de su jurisdicción. A pesar de esto la brecha entre ingresos y gastos corrientes se va disminuyendo comparada con el 2004, tal como sucede con el consolidado de los municipios.

En el caso de las C/D, no se alcanza a cubrir los gastos corrientes con los ingresos corrientes de la municipalidad por lo cual se supondría que requieren hacer uso de gastos de capital para solventar esta situación. Su capacidad financiera va disminuyendo hasta mostrar un valor de 62.6% en el 2007.

Porcentaje de inversión en el gasto total (magnitud de la inversión)
Para municipalidades A/B, este indicador muestra un incremento de 17 puntos porcentuales del 2004 al 2007. En este último año alcanza un valor de 39.3%. La inversión de los municipios C/D aportó más del 35% al consolidado de gastos para los años 2004-2007. Los valores mostrados por el indicador muestran que las municipalidades C/D destinan un mayor porcentaje de gastos a inversión que las A/B.

Servicios personales/gasto de funcionamiento
En las municipalidades A/B, los servicios personales representaron 61.8%, 62.7%, 57.9% y 54.8% de los gastos de funcionamiento para los años 2004, 2005, 2006 y 2007, respectivamente. Estos porcentajes son superiores a los mostrados por municipalidades C/D en los mismos años. Hay que resaltar que las municipalidades A/B tienen una estructura más grande que aquella mostrada por las C/D, lo cual se traduce en mayores gastos en servicios personales. Por otra parte, la mayoría de las municipalidades A/B tienen en su presupuesto, un programa de infraestructura municipal, con asignaciones para sueldos y salarios de los funcionarios que laboran en la oficina de obras públicas[13] (cuya función es supervisar y ejecutar proyectos).

Servicio de la deuda como porcentaje de los ingresos corrientes.
El valor de este indicador es considerablemente alto para municipalidades A/B en todos los años en estudio. El servicio de la deuda creció más del 50% para los períodos 2005/2004 y 2006/2005, aunque en el último período 2007/2006 se redujo 20.6 puntos porcentuales. Esto como consecuencia de la disminución en la adquisición de préstamos en el 2007, comparado con el año anterior.

Al igual que las municipalidades A/B, las C/D muestran incrementos en los valores de este indicador para los años 2005 y 2006. Sin embargo el servicio de la deuda creció un 61.2% para el período 2005/2004, en tanto que para los siguientes períodos (2006/2005 y 2007/2006) disminuyó hasta mostrar un valor de -19%. La adquisición de préstamos también se redujo en los últimos años, logrando cifras inferiores del servicio de la deuda.

Como se mencionó en otra parte de este documento, los valores de este indicador no deben ser superiores al 10%, de acuerdo a estudios realizados por expertos en el tema de endeudamiento municipal.

IV. Conclusiones

[13] Algunas municipalidades usan diferente nombre para referirse a esta misma oficina.

- Los ingresos generados por el consolidado de municipios mostraron una tendencia hacia la alza, exceptuando el año 2005 en el cual mostraron un valor inferior al resto de años.
- Los gastos globales no mostraron variación significativa en el período 2005/2004, en tanto que para el 2006, mostraron un incremento de 36.9% en términos nominales. No obstante, la brecha entre ingresos y gastos fue positiva para los años 2004 y 2006.
- Para el consolidado de los municipios, en los tres años fiscales, los gastos de capital y deuda pública tuvieron mayor importancia relativa que los gastos de funcionamiento.
- Por categoría de municipios, tanto las municipalidades A/B como las C/D, alcanzan a cubrir sus gastos con el recaudo de los ingresos durante los años 2004, 2006 y 2007. Para el 2005, hay un déficit que requiere ser evaluado cuidadosamente puesto que ningún municipio gasta más de lo que ingresa a las arcas municipales. Muchas veces no se tiene el cuidado de realizar la correspondiente ampliación o modificación presupuestaria al momento de recibir cualquier fuente externa durante el ciclo presupuestario.
- La brecha más alta entre ingresos y gastos se observa en el 2006.
- En general para todos los municipios, los impuestos más importantes lo constituyen el de bienes inmuebles y del de industria, comercio y servicio.
- Los ingresos de capital y deuda pública tienen mayor importancia relativa que los ingresos corrientes para las municipalidades C/D; en tanto que para las A/B esto se revierte en los años 2004 y 2005 para luego en los siguientes años mostrar un comportamiento similar al de las C/D. Para estas últimas municipalidades la transferencia tiene un considerable aporte a los ingresos totales, debido a la poca capacidad para generar ingresos propios.
- En relación a los gastos, los de capital representan un porcentaje más alto que los de funcionamiento para municipalidades A/B (en los cuatro años en estudio); mientras que las C/D muestran un comportamiento opuesto (exceptuando el año 2005 y 2007).
- El valor más alto del indicador de autonomía financiera, para el consolidado de los municipios, se observa en el año 2005 (61.9%), en tanto que en los siguientes años disminuye hasta alcanzar un valor inferior al mostrado en el 2004 (47.2%). El indicador de dependencia financiera sin embargo, mostró una disminución para el 2005 alcanzando hasta un 19.5% y finalmente toma un valor en el 2007 de 24.0%, inferior al mostrado en el 2004.
- La inversión como porcentaje del gasto total se mantuvo entre el 22.9% y el 40.6%, para todos los años en estudio.
- Es importante resaltar el alto valor que refleja el indicador de servicio de la deuda como porcentaje de los ingresos corrientes durante los años fiscales 2004-2007. El manejo de la deuda podría volverse muy difícil si el indicador continúa mostrando valores por encima del 10%.
- Por categoría de municipios, los A/B tienen mayor autonomía financiera que los C/D y por tanto la dependencia financiera de estos últimos es también más alta.

- La importancia relativa de la inversión en el gasto total es mayor en municipalidades C/D que en las A/B, durante los años 2004-2007.
- El indicador de servicio de la deuda como porcentaje de los ingresos corrientes, para municipalidades A/B, toma valores considerables por encima del 10% en los años 2004-2007, tanto para municipalidades A/B como para las C/D.

APPENDIX B:

SUCCESS STORIES

Historia de Éxito

POR PRIMERA VEZ SE HACE UNA AUDITORÍA SOCIAL A UNA ORGANIZACIÓN COMUNITARIA DE BASE, EL EJEMPLO DE POTRERILLOS

La gente reclama participación en las sesiones públicas de corporación municipal, de manera que el salón de reuniones de la municipalidad se está ampliando para dar cabida a más participantes.

Primera sesión pública de la Corporación Municipal de Potrerillos.

"Las sesiones públicas de corporación municipal ayudan a que la gente se integre al desarrollo del municipio. Las decisiones se toman en presencia de la población participante y esto sirve de aval para que los demás ciudadanos confíen en sus autoridades locales…" palabras del alcalde municipal de Potrerillos en relación a las sesiones públicas de corporación municipal.

Para más información sobre las acciones de Transparencia y Gobernabilidad en Potrerillos contactar a:

Lisandro Valentín Ramírez
Alcalde Municipal de Potrerillos

Tel (504) 673- 81 83 / 84

En Potrerillos se han implementado diversas medidas de transparencia, de las que sobresalen las siguientes tres:

- Sesiones públicas de Corporación Municipal
- Presentación del informe de gestión municipal
- Procesos de auditoría social

El fortalecimiento de las organizaciones de sociedad civil como ser: la Comisión de Transparencia Municipal y la Red de Mujeres, es un factor clave en el desarrollo de la auditoría social en Potrerillos. Sobresalen la realización de las siguientes auditorías sociales:

- Auditoría social a una de las Juntas de Agua del municipio, y
- Auditoría social a la Corporación Municipal

Cabe mencionar que ambos tipos de auditoría no son comunes en el medio. Por primera vez en Honduras una Junta de Agua es sometida a un proceso de auditoría social.

Los resultados de esta auditoría no solamente han sido interesantes, sino que también han servido para rectificar y mejorar la gestión financiera y administrativa de la Junta de Agua.

La auditoría social a la municipalidad se ha realizado con la finalidad de que la población conozca la conducta y el desempeño de los miembros de la Corporación Municipal y adicionalmente, para observar el grado de compromiso y el cumplimiento de las funciones de los regidores al interior de la Corporación Municipal.

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Historia de Éxito

LA VOLUNTAD POLÍTICA EN LAS VEGAS ES CLAVE PARA CONCRETIZAR PROCESOS DE TRANSPARENCIA Y PARTICIPACIÓN.

La municipalidad de Las Vegas en Santa Bárbara ha establecido siete acciones básicas para mejorar la transparencia y la gobernabilidad.

Participantes en sesión pública de la Corporación Municipal de Las Vegas.

En Las Vegas la población participa en la elaboración del presupuesto y adicionalmente está informada del trabajo, las acciones de desarrollo local, sobre la supervisión y avance financiero de los proyectos y obras, que actualmente están en ejecución en el municipio.

Para más información sobre las acciones de Transparencia y Gobernabilidad en Las Vegas contactar a: Carlos Fuentes, Alcalde Municipal de Las Vegas

Tel (504) 659 31 80

Las Vegas ha vivido un cambio en relación a la transparencia y la apertura a los procesos de gobierno municipal con la introducción de las siguientes acciones:

1. Realización de sesiones de corporación públicas:
   - Aprobación de Reglamento de presencia ciudadana en sesiones de corporación.
   - Sesiones de corporación televisadas.

2. Socialización de informes trimestrales de gestión municipal:
   - Alcalde rinde informe administrativo y financiero a la corporación municipal en sesión pública.

3. Información y participación en acciones de transparencia:
   - Procesos participativos de licitaciones públicas y privadas
   - Información constante sobre contratos de obras y servicios
   - Procesos de regulación para compras menores

4. Promoción e incentivos al personal municipal:
   - Manual de puestos y salarios consensuado con funcionarios y personal

5. Participación equilibrada y ecuánime de los regidores municipales en las diferentes comisiones de trabajo:
   - Comisiones de regidores(ras) presentan informes de trabajo.

6. Presupuesto participativo en el 2008:
   - Ciudadanía incide en decisiones sobre gasto público; programado de acuerdo a prioridades de la población
   - Se brinda información a la población sobre temas técnicos, los ingresos del municipio y la planilla municipal

7. Sistema de información en red para hacer más eficiente el procesamiento y la disponibilidad de información y datos financieros:
   - Se cuenta con cifras y datos consistentes para la toma de decisiones.

Historia de Éxito

LA AUDITORÍA SOCIAL A LA LICITACIÓN PÚBLICA DEL ALCANTARILLADO DE LA ESPERANZA ES UN MODELO EJEMPLAR

Las sesiones públicas de corporación municipal, el presupuesto participativo y la auditoría social constituyen los tres pilares fundamentales de la transparencia y la participación en La Esperanza, Intibucá.

Juramentación de la Comisión Ciudadana de Transparencia de La Esperanza.

"El tiempo de respuesta a las solicitudes planteadas por la población se ha disminuido, gracias a que en las sesiones públicas de corporación municipal la ciudadanía puede exponer sus problemas directamente. Esto nos compromete a resolverlos inmediatamente, ya que la discusión es pública…" manifestó el alcalde municipal en relación a las sesiones de corporación municipal.

Para más información sobre las acciones de Transparencia y Gobernabilidad en La Esperanza contactar a:

Miguel Antonio Fajardo
Alcalde Municipal de La Esperanza

Tel (504) 783 00 12

El municipio de La Esperanza en el Departamento de Intibucá muestra prácticas de acercamiento entre las autoridades locales y la ciudadanía mediante la implementación de diversos mecanismos de transparencia y gestión municipal participativa.

En el municipio se han implementado diversas medidas de transparencia, de las que sobresalen las siguientes tres:

Sesiones públicas de Corporación Municipal

Las sesiones públicas de corporación municipal fortalecen el diálogo entre la sociedad civil y las autoridades locales, ya que mediante este mecanismo la población se informa del avance en la gestión municipal, tiene la oportunidad de exponer asuntos de interés público, buscar soluciones conjuntas y además incidir en la toma de decisiones.

Auditoría social

La Esperanza sobresale por sus diversos procesos de auditoría social, siendo la auditoría a la licitación pública del alcantarillado la experiencia más sobresaliente si se toma en cuenta que se trata de una obra millonaria esencial para el desarrollo urbano de las ciudades gemelas, Intibucá y La Esperanza.

Elaboración y ejecución de presupuestos participativos

Por dos años consecutivos se elaboran y ejecutan presupuestos participativos en La Esperanza. Esto ha permitido que la mala práctica de que el presupuesto lo elabora el alcalde con el tesorero se haya borrado, eliminando con ello la posibilidad de sectarismo en la asignación de fondos.

Historia de Éxito

EN SAN AGUSTÍN LAS SESIONES DE CORPORACIÓN SIEMPRE HAN SIDO PÚBLICAS, CON LAS PUERTAS ABIERTAS A LA POBLACIÓN

San Agustín, este pequeño municipio rural en Copán, es un ejemplo de que el tamaño no importa para realizar acciones que fortalecen la relación entre la sociedad civil del municipio y sus autoridades locales.

Reunión comisión de ingresos, San Agustín.

"En las sesiones públicas de corporación municipal se da la oportunidad para aclarar la relación entre el costo de un proyecto y la recaudación. La gente toma mayor conciencia con relación a los aportes comunitarios y al pago de impuestos" expresa el alcalde municipal al ser consultado sobre los beneficios de que la corporación municipal sesione públicamente con las puertas abiertas.

Para más información sobre las acciones de Transparencia y Gobernabilidad en San Agustín contactar a:

Melvin Roberto Paredes
Alcalde Municipal de San Agustín

Tel (504) 651 02 31

Las medidas de gestión transparente y participativa en San Agustín están contribuyendo a que la población tenga una mayor conciencia de los escasos recursos disponibles para el municipio contra las muchas necesidades de la población.

La municipalidad de San Agustín tiene una agenda variada de gobernabilidad y transparencia, aplicando las siguientes acciones:

Mejoramiento del área administrativa financiera
Herramientas automatizadas en el manejo de finanzas públicas locales

Ejecución de procedimientos para mejorar el proceso presupuestario municipal

Consenso de medidas para la mejora en la recaudación de los impuestos con la participación de organizaciones de sociedad civil, autoridades y técnicos municipales

Mayor acceso a la información pública

- Informes a los ciudadanos(as) y organizaciones comunitarias sobre la gestión municipal y el avance en la ejecución presupuestaria

- Las sesiones de corporación municipal son públicas con amplia participación de la ciudadanía

Planificación participativa del desarrollo comunitario

- Mediante la elaboración de planes de desarrollo comunitario la población define y determina las áreas de acción de mayor prioridad y potencial de desarrollo.

- Los beneficios de estas acciones se pueden constatar en una mejora en los ingresos propios del municipio, así como en la disposición de la población de contribuir con mayores aportes a la solución de los problemas más urgentes.