



Strategic Alliances for Social Investment USAID Nicaragua/ RTI Program Alliances for Education and Health

Final Report

March 16, 2006–December 15, 2009

March 12, 2010

This publication was produced for review by the United States Agency for International Development. It was prepared by RTI International.

Strategic Alliances for Social Investment USAID Nicaragua/ RTI Program Alliances for Education and Health

Final Report

Cooperative Agreement No. 520-A-00-04-00204-00, Modification 3

Contract 0209490.002

March 16, 2006–December 15, 2009

Prepared for
Mr. Christopher Barrett
United States Agency for International Development/Nicaragua
Ms. Isabel Stout
United States Agency for International Development/Guatemala

Prepared by
RTI International¹
3040 Cornwallis Road
Post Office Box 12194
Research Triangle Park, NC 27709-2194

RTI International is one of the world's leading research institutes, dedicated to improving the human condition by turning knowledge into practice. Our staff of more than 2,800 provides research and technical expertise to governments and businesses in more than 40 countries in the areas of health and pharmaceuticals, education and training, surveys and statistics, advanced technology, international development, economic and social policy, energy and the environment, and laboratory and chemistry services. For more information, visit www.rti.org.

RTI International is a trade name of Research Triangle Institute.

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

¹ RTI International is a trade name of Research Triangle Institute.

Table of Contents

List of Tables	iii
List of Annexes	iii
List of Acronyms	iv
1. Background	1
2. Key Results, Lessons Learned, Recommendations	4
2.1 Management Structure	4
2.2 Alliance Building	8
2.3 Role of GON in Alliance Project Development.....	12
2.4 Development, Review, and Approval of Alliance Projects	14
2.5 Management of Alliance Projects	16
2.6 Monitoring of Alliance Projects	18
2.7 Technical Activities and Projects Funded by <i>Alianzas/Nicaragua</i>	20
2.8 Benefits of <i>Alianzas/Nicaragua</i> -funded Projects.....	23
2.9 Sustaining Alliances	25
2.9.1 TA and Capacity Building	26
2.9.2 Creating long-term linkages among partners.....	26
3. Conclusions	28
3.1 Alliances	28
3.2 M&E.....	30
3.3 Alliance Project Sustainability.....	31

List of Tables

Table 1: Technical Areas Supported by <i>Alianzas/Nicaragua</i> Project Grants (by LLR).....	21
Table 2: Summary of Leveraging Performance	23

List of Annexes

Annex A: <i>Alianzas/Nicaragua</i> Leveraging Summary	
Annex B: <i>Alianzas/Nicaragua</i> Partners List	
Annex C: <i>Alianzas/Nicaragua</i> Grants Tracker	
Annex D: <i>Alianzas/Nicaragua</i> Indicators and Performance Monitoring Plan	
Annex E: Projects Funded by <i>Alianzas/Nicaragua</i>	

List of Acronyms

AMCHAM	American Chamber of Commerce of Nicaragua
ANF	American Nicaraguan Foundation
AOTR	Agreement Officer's Technical Representative
CA	Cooperative Agreement
CAM	Central America and Mexico
CEO	Chief Executive Officer
CHES	Children, Education, and Supporting Services for Villa Carmen
COP	Chief of Party
CSR	Corporate Social Responsibility
FCF	Fabretto Children's Foundation
FUPADE	Fundación para el Desarrollo
FY	Fiscal Year
GON	Government of Nicaragua
IR	Intermediate Result
LLR	Lower Level Result
M&E	Monitoring and evaluation
MCH	Maternal and Child Health
MED (formerly MINED)	Ministry of Education
MINSA	Ministry of Health
MOU	Memorandum of Understanding
NGO	Nongovernmental Organization
PCI	Project Concern International
PMP	Performance Monitoring Plan
PPPs	Public-Private Partnership
PSAG	Private Sector Advisory Group
RAAN	Región Autónoma Atlántica Norte
RAAS	Región Autónoma Atlántica Sur
RH	Reproductive Health
RTI	RTI International
TA	Technical Assistance
TRC	Technical Review Committee
USG	United States Government
USAID	U.S. Agency for International Development

1. Background

Since the historic elections of 1990, Nicaragua has seen tremendous progress in economic growth and stabilization, while also becoming one of the more peaceful countries in the Central America region. Despite periodic protests and political turmoil, Nicaragua managed to move toward more participatory, democratic governments that generally guarantee civil liberties. Over the last 19 years, much of the emphasis in public policy has been aimed at promoting economic growth by fomenting the conditions where businesses may prosper while keeping in line with International Monetary Fund program requirements. Thus, social policy and long-term objectives have been left largely to cooperating countries and international donors who infuse the annual budget with general budgeting support and focused funds aimed at public health, education, agriculture, democracy, and community development. As such, conditions for rural communities have not improved very much, and the public health and education systems are overstretched, depending on marginal budgets that require international actors to shore up shortfalls in even the most basic needs.

Similarly, and perhaps because of the early stage of development in which this young democracy found itself, there were obstacles inherent in the national budget, restricting distribution that may be more equitable and in line with long-term goals. For example, the current constitution mandates that 6% of the annual budget is spent on national universities that include approximately 100,000 college students. On the other hand, slightly less than 12% (+/- 3% of the gross domestic product [GDP]) is allocated to cover the needs of over 2,500,000 school-aged children.

With the assistance of the donor community, and in close collaboration with different ministries, great strides were made in human development indicators in health and education between 1990 and 2007. The population growth and childhood mortality rates were nearly halved and life expectancy increased by an average of nine years by 2008. However, in spite of this progress, by early 2006, it was clear that basic education and health needed to become a higher priority if the pace of progress and improvement were to be maintained. Nearly half of the population lived in poverty, while more than 17% lived in extreme poverty. The average student abandoned formal schooling after the third grade, while less than 30% of all children entering first grade made it through sixth grade, and only 1 in 10 graduated from high school. Malnutrition was rampant in remote communities and access to education and health services was marginal at best. Low levels of health and education had a negative impact on all communities and led to a poorly educated workforce.

By the mid-2000's, Nicaragua's demand for education and health resources faced an urgent need to attract additional resources to its education and health sectors by encouraging private sector investment through alliance building. The U.S. Agency for International Development's (USAID's) 2004–2009 Country Plan for Nicaragua, part of

USAID's Central America and Mexico (CAM) Regional Strategy, included addressing Nicaragua's development challenges through a social investment approach. USAID's plan sought to increase investment in the education and health sectors by engaging and encouraging new investments by the private corporate sector. Interestingly, despite the generally favorable business climate, in Nicaragua there were (and continue to be) no fiscal incentives for corporate social responsibility (CSR) investments.

When the USAID-funded Strategic Alliances for Social Investment (*Alianzas*) program in Nicaragua began implementing program activities in March 2006, the relatively conservative administration of President Bolaños was in its last year, while the electoral campaign was in full swing. The Bolaños' administration was characterized by being the most generous with its education budget over the last 40 years, increasing in absolute and relative amounts through its first 4 years, reaching over 4% of GDP in 2005. Although the relative proportion was small when compared to most countries in the region, this was a major accomplishment consistent with long-term objectives and business-friendly policies. In spite of mounting opposition within his own and other parties, Bolaños' administration was able to implement many key components in his overall plan. After nearly 15 years of decentralized, autonomous schools, in January 2007, the newly inaugurated government abolished school autonomy and centralized all decision-making authority and eliminated all fees to improve enrollment and retention among the poorest students. Nevertheless, though enrollment increased for the first semester of 2007, it reached similar levels a year later and decreased in numbers and coverage by the beginning of the 2009 school year.

The current government also instituted similar measures in health, centralizing all authority, applying more stringent controls on the pharmaceutical market and imports, offering Cuban and Venezuelan physician brigades, and prescribing medicines for free. However, this plan, aimed at increasing health-care coverage and instrumental utilization of community health centers within poor rural areas, was undermined by structural deficiencies and low pharmaceutical stocks relative to actual demand. This resulted in intermittent availability of the most basic prescriptions and care.

Funded under modification number 3 to RTI International's Cooperative Agreement (CA) No. 520-A-00-04-00204-00, *Alianzas/Nicaragua* was an initiative that began on March 15, 2006 through December 15, 2009.¹ Following a similar program launched by USAID/Guatemala in early 2005 that supported strategic investments in health and education, USAID/Nicaragua launched *Alianzas/Nicaragua* to establish private sector alliances to increase social investments in health and education. *Alianzas/Nicaragua's* strategy and activities complemented and built upon USAID's Country Plan under the CAM Regional Strategy. At the same time, the program fit easily within the Government of Nicaragua's (GON's) long-term objectives and the country's general business climate. New resources raised by *Alianzas/Nicaragua* were to finance new, innovative, and

¹ The project was originally scheduled to end September 30, 2009 but received a 2.5 month no-cost extension in September 2009 through Modification 26 of the CA.

expanded education and health activities targeted to the country's poorest communities in rural and marginal urban areas.

USAID funding for the program originally consisted of US\$2.0 million, including US\$1.3 million for investment funds to build strategic alliances, half for education alliances and half for health alliances.² Through a modification of the CA in late 2007,³ an additional US\$1.0 million was made available for additional basic education activities, bringing the total to US\$2,069,742 of investment funds provided by USAID. These investment funds were to be used to leverage at least an additional US\$4.5 million in cash and in-kind contributions from the private sector to invest in education and health alliances, to benefit the most vulnerable populations and communities. The objective was to mainly target local and international corporations and businesses for these contributions, and any alliance partner providing cash or in-kind support to the program was called a "funding partner." A no-cost extension signed in September 2009 made it possible for *Alianzas* to operate through December 15, 2009.

For every US\$1 invested by USAID in health and education, *Alianzas/Nicaragua* had to raise at least US\$2 from the private sector for investment, at least half of which had to be in cash, with the balance in in-kind resources (e.g., equipment, supplies, media, transportation, labor, etc.). The purpose of the program was to forge strategic public-private alliances to increase access to and improve the quality, equity, efficiency, and use of basic education, health, nutrition, and hygiene services in priority underserved areas of the country. Private sector alliances developed and managed by *Alianzas/Nicaragua* had to assist and complement other USAID alliance-building programs in the country and achieve the CAM Regional Strategic Objective 3, Investing in People: Healthier, Better Educated People. Activities under *Alianzas* in Nicaragua contributed to the following USAID Intermediate Results (IRs):

- IR 3.1 Increased and Improved Social Sector Investments and Transparency
- IR 3.2 Increased Access and Improved Quality of Basic Education
- IR 3.3 Increased Use of High-Quality Maternal, Child, and Reproductive Health Services

Funds leveraged by *Alianzas* from private sector funding partners were combined with investment funds provided by USAID and programmed into grants that were awarded through a competitive review process to local and international nongovernmental organizations (NGOs) and foundations working in Nicaragua in health and education. These grant recipients that managed health and education programs financed by *Alianzas* were called "implementing partners."

² CA, Modification number 3, dated March 16, 2006.

³ CA, Modification number 18, dated December 16, 2007.

2. Key Results, Lessons Learned, Recommendations

Below we summarize the major results, lessons learned, and recommendations under the *Alianzas/Nicaragua* program.

2.1 Management Structure

The intent of the *Alianzas/Nicaragua* program model was to limit the management costs of building and managing alliances to about 25% of the total program budget, reserving the remaining 75% of the budget for investment funds for health and education alliances. At program start-up, *Alianzas/Nicaragua* management staff consisted of one full-time Chief of Party (COP) who had experience working on a private sector-supported program in education in Nicaragua. Recognizing that only one person could not carry the multiple responsibilities entailed with managing this new program, the original program design was to provide the COP with technical assistance (TA) from the *Alianzas/Guatemala* program office, with accounting support from RTI's Regional Office in El Salvador. Important but limited (to keep management costs as low as possible) technical support was also budgeted for RTI's technical program manager at the RTI headquarters, who provided strategic planning, training, quality assurance, reporting, and other technical oversight functions in alliance building and health. Some headquarters-based budgeting, financial management, and administrative backstopping was also provided to the program, as well as grants processing and contracts support.

The COP's role was to manage the program, build strategic public-private partnerships (PPPs) and alliances, convene and manage the Technical Review Committee (TRC, see below in **Section 2.4**, where this is explained in more detail) and Private Sector Advisory Group (PSAG, see below in this section for more detail), and monitor and evaluate the program. By relying more on the TA and administrative support provided from RTI's experienced technical and program operations staff in Guatemala and El Salvador, the intention was to build local capacity and optimize regional synergies while lowering management costs. Thus, during the first year of the *Alianzas/Nicaragua* program, it was intended that the *Alianzas/Guatemala*'s COP provide part-time TA in alliance building until the new COP was "on her feet." Throughout the life of the program, part-time assistance was to be provided by *Alianzas/Guatemala*'s education manager to develop education projects funded under alliances; grants manager to manage grants in Nicaragua and serve as Nicaragua's conduit with RTI's grants manager in the United States; and the monitoring and evaluation (M&E) consultant to provide part-time M&E support.

After start-up, RTI transferred private sector contacts; alliance building methodologies and tools (including promotional materials); concept paper development and approval guidelines for grants; grants management tools; and M&E protocols and systems from Guatemala to Nicaragua. This was supported by onsite training from the *Alianzas/Guatemala* COP and RTI's technical program manager. RTI's technical

program manager also wrote, in collaboration with the COP, the Life-of-Program Strategic, First Annual Work, and M&E Plans. The *Alianzas/Nicaragua* COP also received grants management training in Guatemala. However, not long after start-up, the model of relying on Guatemala-based management and technical support had to be redesigned. The *Alianzas/Guatemala* program was undergoing a major scale up and USAID/Guatemala was concerned that *Alianzas/Guatemala* staff would be over-stretched by also supporting the *Alianzas/Nicaragua* program. As a result, while some grants management duties shifted to RTI's Grants and Contracts Office, the COP had to pick up more of these responsibilities, in addition to her other alliance-building duties.

Within the first few months of program implementation, it became clear that this very lean management structure limited the COP's time to build and foster new alliances while also developing and managing the grant projects and reporting on all activities. Relying on private sector contacts and corporate relationships already established by RTI in the region and favorable word-of-mouth from RTI's private sector partners in Guatemala (which opened the doors with local affiliates in Nicaragua), as well as the COP's network of contacts, the COP was able to negotiate 10 MOUs with 10 companies for 14 alliances. She submitted for review and approval to the TRC 10 concept papers for potential alliances during the first six months of program operations. Of these, nine were approved by the TRC, which resulted in the awarding and signing of six health and education grants by November 2006. To manage the high number of approved grants and related activities, the COP required more in-country support. At this time, the program launch planned shortly after start up, to broadly introduce the program to the private sector community, was postponed.

Since grant management and M&E TA from *Alianzas/Guatemala* was no longer possible, it was determined that a grants manager position should be added to the *Alianzas/Nicaragua* team. The grants manager position would also be responsible for M&E. The existing COP transitioned to the grants management role. In the interim, until a new COP could be identified, RTI's regional director, based in El Salvador, assumed overall management of the program, with support from RTI headquarters staff. The program launch was held in November 2006. To further ensure the program's success, an administrative assistant was also hired in November 2006 to support the program in the administration of the grants and written reports. A new COP with in-depth knowledge of the Nicaraguan business community, and who had excellent alliance-building skills, was identified and joined the program in December 2006. Thus, by the end of the first year of the program, the in-country *Alianzas/Nicaragua* team had grown from one to three staff.

Additional changes in staffing were still on the horizon: In May 2007, the grants manager left the program and was replaced by a highly qualified PhD researcher, who was a dual U.S.-Nicaraguan national. His dual citizenship was an advantage because the tight budget allowed for only local salary and benefits. This core team remained in place until the end of the program and was augmented by an education specialist who was hired during late 2008. Throughout, RTI headquarters staff continued to supply technical oversight and

support and grants, budget, and financial management backstopping, as the program budget allowed. Some savings were realized by renting transport as needed instead of the planned purchase of a program vehicle, but more funds than expected were still required for in-country travel costs to accommodate the increased demands of monitoring and providing TA to an ever-larger portfolio of implementing partners. Thus, during September 2008, RTI requested and received approval from USAID for a realignment of the management and investment budgets to cover the costs of the larger Nicaragua program team and their support costs, as well as a small approved change in RTI's NICRA rate. As a result, the management share of the budget correspondingly rose from 27 to 31%.⁴ Still, *Alianzas/Nicaragua* was able to more than make up for this by increasing the amount leveraged for the program from the required 2:1 to nearly 6:1, as shown in the leveraging summary found in *Annex A*.

In addition to *Alianzas/Nicaragua* and RTI program staff, a PSAG made up of key members of the corporate sector was also expected to be established and serve in an advisory, networking, and knowledge-transfer capacity to the program. This concept came from the *Alianzas/Guatemala*, where it proved to be useful. In Nicaragua, however, this role had to be adapted somewhat. As the business community was small in Nicaragua, and there were existing networks and forums where consultation and collaboration could take place, the original advisory role for the PSAG was reconsidered. By 2008, the PSAG was reconceptualized to not only serve in an advisory role for future directions but also help to increase the sustainability of *Alianzas/Nicaragua* projects beyond the life of the program.

Alianzas/Nicaragua wanted the PSAG to not only provide guidance but to also significantly raise private sector investment in education and health, especially where *Alianzas/Nicaragua*-funded projects had already made an impact. It turned out to be challenging to recruit and convene a PSAG composed of recognized, socially responsible Nicaraguans with extensive private or public sector experience and knowledgeable of the education and health sectors, but not involved in any of the *Alianzas/Nicaragua* alliances, as recommended by the PSAG guidelines. Given the scale and breadth of *Alianzas/Nicaragua*'s partners, this was a difficult task. It proved even more challenging to convene a PSAG composed of prominent, knowledgeable, experienced, and busy members in a calendar that could also accommodate the schedules of the busy USAID officials who were also invited.

Distinguished members were ultimately chosen from among a select group of business and professional leaders with experience in areas in which *Alianzas/Nicaragua* had either a strong presence or sought a strategic position. PSAG members had no involvement in any ongoing or previous *Alianzas/Nicaragua* project, in order to maintain neutrality and prevent any potential interpretation of bias or conflict of interest. The members included

⁴ CA, Modification number 22, dated September 23, 2008.

- *Dr. Jaime Incer Barquero*, an internationally recognized geographer, conservationist, and scientist.
- *Dr. Melba Castillo* an education specialist with a long trajectory in applied research and who was involved with the USAID *Excelencia* Model School Program.
- *Ms. María Nelly Rivas*, a former Minister of Tourism, who worked for the World Trade Organization.
- *Dr. Rodolfo B. Correa*, a physician who worked within the Ministry of Health (MINSa) system for most of the last 27 years, and was in charge of *Sistemas de Atención Integral de Salud* and the public hospital system (as well as having familiarity with USAID's health objectives, goals, and procedures).
- *Mr. Ricardo Terán*, a young, successful entrepreneur who managed a venture capital project for USAID, in addition to other business ventures.

During fiscal year (FY) 2009, the PSAG met twice to seek member's input for activities and strategies that could be adopted to support the viability and sustainability of *Alianzas/Nicaragua*-supported activities beyond the end of the CA. The meetings proved to be less useful than hoped due to the PSAG members' varied interests and the absence of a clear objective in terms of tangible projects or future alliances since *Alianzas/Nicaragua* was in its last few quarters. Moreover, because of the relative lack of familiarity with the nuances of *Alianzas/Nicaragua* subgrants, PSAG members tended to seek information about the alliances or offer advice that sometimes was not germane because of the activity focus and funding available.

Throughout the life of the program, the three country COPs for *Alianzas* programs in Guatemala, Nicaragua and, later, in El Salvador collaborated with each other by sharing information about potential alliance partners, reports and presentations, lessons learned, and marketing and promotional materials for alliance building. This same spirit permeated each project and created synergies and supported teamwork that would not otherwise have been possible. In *Alianzas/Nicaragua*'s particular case, with its small team, this collaboration resulted in professional growth, personal development, and local capacity building that ultimately contributed in no small measure to the program's success.

Recommendations

In addition to local administrative support, the management budget for a program such as *Alianzas/Nicaragua* should allow for at least two full-time technical staff: one to create and build alliances and another to manage the alliance projects and grants. These are distinct skill sets, and aside from a heavy workload, it would be almost impossible to find someone with the ability to do both jobs. Having one dedicated long-term M&E expert on staff to strengthen program-level systems and provide capacity building to partners would also be advantageous. Under the *Alianzas/Nicaragua* program, this additional

responsibility was handled by the grants manager who had a large number of duties, managing an ever-expanding grants portfolio.

Having the full-time education specialist on staff during the last third of the program greatly increased *Alianzas/Nicaragua's* ability to ensure the quality of projects funded under grants and provide TA. To that point, *Alianzas/Nicaragua* had to rely on TA from RTI's headquarters-based health and education experts (to a limited extent because of the program budget) and expertise from other USAID-funded programs in the country. While the interchange of expertise among the USAID-supported programs and alliance projects and their implementing partners should be encouraged, it is important for a program such as *Alianzas/Nicaragua* to also have a solid base of technical knowledge available on staff. More in-house technical expertise from both within and outside of Nicaragua would have helped better ensure the quality of health and education project design and implementation, including the incorporation of best practices and the creation of technical materials that could have even been used by other USAID-funded programs and implementing partners. With regards to short-term TA at the program level, provisions should be made for adequate PPP-building expertise and support (particularly networking with potential corporate partners outside of Nicaragua); ongoing technical oversight; and administrative and grants assistance and training, as needed, from local, regional, and/or headquarter offices.

Forming a PSAG turned out to be more time consuming than originally anticipated and under *Alianzas/Nicaragua*, the PSAG was formed too late and did not meet often enough to become a truly useful mechanism. Although the PSAG did not reach its full potential, with a proper investment of time and in capacity building, it can play both an important advisory role and serve as an advocacy group with the private sector, to become a good platform to sustain alliances beyond the life of a particular program.

2.2 Alliance Building

In Nicaragua, the process for building and funding alliances began with the identification of potential funding partners, either by using the COP's or RTI's network of corporate contacts or by approaching institutions recommended by USAID. Funding partners represented a wide range of industries and commercial activity. It was readily evident that education projects were the most attractive to Nicaragua's private sector since much attention had been devoted to the sector through CSR initiatives already in place. The health sector, however, was less frequently supported, and in less depth. One possible reason may be that public health, nutrition, and maternal and child health (MCH) are less obviously connected to the numerous short- and medium-term goals that CSR is aimed at addressing. Moreover, health initiatives imply additional responsibilities and liabilities, which may also mitigate enthusiasm on the part of Nicaragua's private sector.

Each funding partner that committed to alliances sought to implement programs that benefited the communities where they had installations, home bases, or substantial visibility. Thus, one of the major reasons why these actors were interested in partnering

with *Alianzas/Nicaragua* was that the projects benefited their consumers, their workforce, and their local communities. To attract new funding partners to support health investments, *Alianzas/Nicaragua* found two strategies particularly effective: health, nutrition, and clean water components were added as ancillary aspects of education programs, or as part of holistic, community development initiatives that complemented other existing programs, in particular microfinance and business development programs already in place.

In the Nicaraguan context, there seemed to be a general pattern where larger, multinational corporations with in-country presence (directly or through a local or regional subsidiary) tended to support alliances that focused on educational materials purchases, classroom refurbishing, and nutrition components. In other words, these required little follow-up monitoring, while providing nationwide exposure to their CSR investments. On the other hand, local donors, with limited regional presence tended to invest more enthusiastically in alliances that focused on local capacity building, longer-term objectives, and broader and more integrated suite of activities. *Annex B* contains a table with the list of *Alianzas/Nicaragua*'s principal funding partners, their respective industry, and geographic location.

Once an alliance was built by *Alianzas/Nicaragua*, most frequently funding partners preferred as implementing partners their own corporate foundations (which were part of the same organization) or an independent NGO with which it had a previous relationship or work experience. *Alianzas/Nicaragua* also forged alliances between new funding and implementing partners with no previous relationship by suggesting potential matches, facilitating discussions, and providing assistance in developing the alliance and activity to be funded. Open calls for proposals for grant funding were also advertized in local newspapers to facilitate new alliances with new partners. *Annex B* illustrates the relationships among *Alianzas/Nicaragua*'s funding and implementing partners.

The US\$1,000,000 in add-on funding for education projects provided by USAID in December 2007 was treated in a slightly different way. After technical consultations with RTI and USAID/Nicaragua, and in the spirit of the CA, the strategy used for committing the additional funding was to seek the largest possible individual partnerships, using the USAID *Excelencia* Model School Program approach as the implementation template for each project. In essence this required that each funding partner agree to the Model School goals, practices, and objectives, in addition to added value components unique to each partner's goals. The result was an effective expansion of USAID/Nicaragua's *Excelencia* Model School Program, its signature education program to promote the Model School APA (*Aprendo, Practico, Aplico*: "I learn, practice, apply") constructivist philosophy, to improve the quality and access to education in Nicaragua. The resulting alliance focused on expanding a successful educational model utilizing active teaching, community participation, and reformed curriculum with an emphasis on the educational needs of indigenous people and ethnic communities. This mode of alliance required that the funding and implementing partners concentrate resources and efforts to implement

USAID designs while complementing their own program components and aims. In all cases, the Model School objectives fit in perfect parallel with the private sector partners' own goals, resulting in very effective value-added components that were tailored to the local communities by optimizing the partners' knowledge and familiarity, thus furthering the effectiveness each program. Moreover, since USAID templates were fully integrated into projects funded by the alliance, Model School interventions and activities were more likely to be part of partners' future plans and therefore sustained.

The most solid and productive alliances were ones that from the very beginning of the process established a strong initial relationship, or had a longer-term familiarity, between the *Alianzas/Nicaragua's* COP and the funding partner's executive management (the general manager, chief executive officer [CEO], or president), thus avoiding many routine obstacles often found when it came to financing an alliance project.

Funding partners tended to partner with *Alianzas/Nicaragua* for the following three principal reasons:

- 1) The program provided investment funds in the form of seed capital for new or expanded projects and the prestige of partnering with reputable institutions such as USAID and RTI.
- 2) Funding partners appreciated that the program targeted the poorest municipalities and the wide range of project location choices encouraged the development of alliances in their zones of influence, thereby benefiting the communities surrounding their company's core activity areas and many of their workers. The underlying economic benefit to working in their zones of influence was that the funding partner could market itself as being socially responsible and thereby obtain or improve community support for its business activities and/or products. Another underlying benefit was that it allowed the funding partner to directly improve the quality, access, and equality of education and the well being of its workers and their families. Since the companies tended to hire workers from communities surrounding their installations, supporting the health of children led to a healthier future workforce.
- 3) Gaining technical expertise in the development and implementation of CSR projects was also an important motivating factor. Some of the funding partners wanted to learn how to move away from sporadic and unfocused philanthropic activities to focus on new programs that had more long-term and sustainable development impact. Technical expertise from *Alianzas/Nicaragua* provided them with the tools to achieve this and supported the implementation of new education and health projects with this focus. Other funding partners may have had their own CSR projects but wanted to create a more integrated CSR program that focused efforts for greater impact. *Alianzas/Nicaragua* worked with these partners to identify health and education priorities and network with other program partners in order to provide a broader range of support and higher-quality services to beneficiaries.

Recommendations

In terms of alliance-building strategies, Nicaragua is a fertile field because of the size of the country, the number of potential private sector actors that can be involved, and the presence of strong, experienced, technically savvy implementing organizations. Depending on USAID objectives, alliances can be built around broad themes (e.g., the *Excelencia* Model Schools Program) or be focused on a small, niche problem that targets less experienced partners (e.g. United Hearts for Health) and/or incorporates experimental designs to test new approaches (e.g., *Fundación para el Desarrollo* [FUPADE]). *Alianzas* had single partner alliances (where one partner served both as the funder and implementer) and alliances with multiple funding and implementing partners. In terms of positive impact on beneficiaries, larger alliances that involved multiple partners and that were more technically integrated (health and education) tended to have more benefits in coverage and services provided. The downside of larger alliances is that they tend to be biased toward larger and more experienced groups that have more available funding and experience implementing complex programs. This may exclude certain partners, such as smaller and less experienced local foundations, NGOs, and community-based organizations.

Successful alliance building must also recognize that each partner has its own mode of operations and the alliance, within reason, should be flexible and adapt as much as possible to each partner's operating needs. Partners should also make an effort to understand each other's internal processes. Understanding the budget cycles, annual planning and approval systems, and operating timeframes of other partners can reduce potential misunderstandings and lead to smoother alliance development and project planning. Trust and relationships in alliance building begins with individuals and is most effective when supported from the top down. In addition, when trying to engage a potential corporate partner, it is critical to go to the top and get the attention of the most senior person possible, preferably the CEO, president, or general manager, leading the board of directors. If the alliance captures the support of the board of directors and funding is approved, orders will filter down the company authority chain, and employees will work harder to get the partnership established and operational.

Another feature of the *Alianzas*/Nicaragua experience was that most large corporate funding partners lacked foundations and/or experienced program staff appropriate for the type of sustainable involvement necessary to effect permanent or (at least) long-lasting change and development. As part of alliance building, *Alianzas*/Nicaragua played a key role linking pre-screened, high-quality implementing partners with funding partners, as a way to help overcome such shortcomings.

TA and mentoring in the design and monitoring of alliances were an essential contribution from *Alianzas*/Nicaragua, even though until an education specialist came on board, it was only in the broadest terms and with low monitoring intensity. The goodwill, enthusiasm, and entrepreneurial spirit of most funding partners allowed for *Alianzas*/Nicaragua to rely on their ability to reach alliance objectives with only sparse

monitoring. The process through which such partners took guidance and advice concerning activities, personnel, and design demonstrated the strong support within the private sector for developing more sophisticated alliance strategies that required deeper and longer-term involvement. Nevertheless, this was a weakness in the original *Alianzas/Nicaragua* team, and technical specialists are essential for future alliance development and expansion.

More importantly, effective, well-designed alliances that support more than just health or education “hardware” (e.g., materials, supplies, and equipment) and involve capacity building and training by their nature require sequential development cycles, reflection, and application time, as well as debriefing and reporting time over extended periods. To be successful, alliances and the activities they support need to have sufficient time to grow and mature. Twelve-month timeframes are too short. The most successful education and health programs also provided regular self-assessment and adaptation, and sought to apply proven best practices in educational philosophy/approaches and health service protocols and standards. Even when significant funding is spent to start-up programs, proper monitoring, follow-through, and reporting are still essential. This can only happen when alliances exceed beyond one school year, making it possible to gather proper baseline and comparative data. Health activities should also include calendars that allow for similar monitoring, especially when they are integrated with school programs or where health services are delivered through school centers. **Section 2.7** further discusses technical activities and projects funded by *Alianzas/Nicaragua*.

2.3 Role of GON in Alliance Project Development

The implementing strategy utilized by *Alianzas/Nicaragua* depended on the very liberal, municipal autonomy model implemented as an organizing principle over nearly 16 years of consecutive national governments in the country, starting in late 1990. Thus, the implementation underpinnings and, indeed the success of each alliance, depended on the nature and history of the relationship implementing partners had with local authorities and the local and departmental delegates for the Ministry of Education (MED, formerly MINED) and MINSa. In addition, the very fruitful relationships USAID/Nicaragua had with MED and MINSa under each government created a solid platform upon which to build activities funded by the PPPs established under *Alianzas/Nicaragua*. Both public and private sector actors were key stakeholders in *Alianzas*-developed partnerships: Funding originating from USAID added to Nicaragua’s private sector’s contributions to benefit Nicaragua’s public sector activities in education, MCH, nutrition, hygiene, and clean water. All beneficiaries of *Alianzas/Nicaragua*-supported projects participated in—and benefited from—new and improved services from public or publically subsidized schools, as well as from public health centers and hospitals.

Thus, although *Alianzas/Nicaragua* was informed of GON priorities in health and education and followed government programmatic and technical protocols and guidelines, *Alianzas/Nicaragua* staff had little direct contact with the GON in terms of the

development and implementation of alliances and the projects funded by the program. Instead, *Alianzas/Nicaragua* relied on its implementing partners to ensure they were directly collaborating with local authorities as needed. This simplified the development and implementation of *Alianzas/Nicaragua*-supported projects, which was a necessity because of the small size of the local team, allowing the program to focus on leveraging and fundraising, grants management, and monitoring. In addition, the strategy of working with implementing partners who had a positive track record and the complete trust of local and departmental delegates in their area of operation facilitated a smooth transition during 2007 and 2008, when a new government was elected. As a result, even with the change of administrations—and despite a new government that had radically different policies and institutions from the previous one—almost all *Alianzas/Nicaragua*-supported alliances and projects continued implementation during the transition with little in the way of modifications or added activities that might otherwise have been required.

Even though for the most part the implementation of alliance projects were neither impacted in any meaningful way nor required a major departure from the original program design, there were two subgrants that were cancelled: *Galleta Nutritiva* (Nutritional Cookie) and *AulaNets de Excelencia*. Both were relatively small alliances (less than US\$30,000), and had *Fundación Uno* as a funding and implementing partner. The Nutritional Cookie project was designed to utilize the MED's supplementary food storage and distribution network, and because of cost-cutting changes mandated by the incoming government in 2007, the previous administration's offer of free warehouse space and transportation agreements were no longer recognized. For *AulaNets de Excelencia*, the previous government's Ministry of Education (MINED, 2002–2007) had committed to support the installation of computer laboratories and online services and to allow teachers and school officials to manage monies earned through cybercafé-type activities during after school hours for sustaining the laboratories, refurbishing equipment, and conducting maintenance. However, the new government's restructuring of MED abolished school autonomy and prohibited such funds to be managed by school personnel. Funding was readily redirected to other, ultimately successful education projects.

Recommendations

The change of policies, leanings, and governing styles that can come with a newly elected government indicates that although alliances and alliance projects need to address country needs and governmental priorities, it is also necessary to establish strong, reliable partnerships and advocacy links at the local level, while maintaining a fruitful and open relationship at the national level. *Alianzas/Nicaragua* remained relatively unaffected by the change of governments in 2007 by leveraging the solid relationships its partners had at ministerial, delegation, and municipal levels, and by allowing them to adapt their projects and activities to the new policies and challenges of the new administration. In other words, it is not detrimental to maintain a reasonable distance from government, while allowing USAID and alliance funding and implementing partners to act as

facilitators and agents for negotiating with local and national authorities. This contributes to clearer and more consistent lines of communication while maintaining the “neutrality” of the program.

In addition, changes in governmental policies and direction further support the recommendation for longer performance periods for alliance projects already mentioned under **Section 2.2**, to allow for adaptation and any needed changes in direction.

2.4 Development, Review, and Approval of Alliance Projects

In Nicaragua, the process for developing, reviewing, and approving alliance projects was dynamic and became more formal and participatory over time. The intent was to use the same development, review, and approval system that was established for *Alianzas/Guatemala*, which was organized around developing and submitting proposal concept papers for potential projects to a TRC. The purpose of the TRC was to select and approve projects for grant funding, using preestablished evaluation criteria developed by RTI for implementing education health, nutrition, and hygiene activities in Nicaragua. Under this system, proposal concept papers were developed by *Alianzas/Nicaragua* staff in close coordination with potential implementing partners for presentation to the TRC for review and approval. During most of the first year of the program, the TRC consisted only of the Agreement Officer's Technical Representative (AOTR) and the COP. This was later expanded to include education, health, and other technical and program staff at USAID.

At program start-up, RTI transferred TRC guidelines and protocols developed in Guatemala to the COP in Nicaragua. Training was provided with the understanding that these were to be adapted by the COP to local conditions and needs, as she and USAID saw fit. Although the AOTR and COP met frequently (at least monthly) to discuss alliance concepts for development into grants, until the change in COP was made during the second half of the first program year, these meetings were kept largely informal and decisions were not consistently documented in meeting minutes. Instead, the COP relied on emails between herself and the AOTR to capture decisions made and to keep each other apprised of what concepts were in specific stages of development with various partners. Since the program team was composed of only one person, this arrangement was the most efficient and streamlined from her perspective. However, the lack of formality also had some significant drawbacks, as an easily obtained record that reflected established procedures was not readily available. As the *Alianzas/Nicaragua* team changed its structure and grew, it was not always clear to new team members how certain decisions were made. The small size of the TRC membership also did not lend itself to a more rigorous vetting and cross-fertilization of ideas and may not have broadly reflected USAID’s technical and funding priorities (see below under **Section 2.7**). Thus, during the second half of the first program year, some needed changes were made: TRC membership was expanded (although the total number of votes that could be cast for or against a concept could never exceed three); TRC procedures were formalized; and TRC

meeting notes were consistently taken to keep a record of proceedings and decisions made.

Alianzas/Nicaragua played an important role in helping guide funding and implementing partners to develop alliances and alliance-supported projects that met the goals and objectives of the program. Technical ideas and project designs came from the partners but the team vetted them for their soundness and provided capacity building in how to write a proposal, develop a budget, and select indicators for M&E and reporting. In addition to concept proposals that were received by the team—both solicited and unsolicited—two open calls for proposals were published in local newspapers, one in October 2006 and a second in January 2008. The launch event held in November 2006 also broadly informed potential implementing partners that *Alianzas/Nicaragua* was seeking high-quality health and education concept proposals for possible funding. These yielded most of the alliances *Alianzas/Nicaragua* supported. The process followed a natural progression from initial applicant pitch, to formal discussions, to a Memorandum of Understanding (MOU) among the funding and implementing partners, as well as *Alianzas/Nicaragua*, formalizing funding commitments and the parts each partner was expected to play. The MOU was a non-legal, non-binding agreement that united the alliance partners while the legal grant documentation was drawn up; the legitimacy of the MOU continued until the original end date of the grant agreement.

What followed was a detailed budget for the proposed activities, and then a one-page summary (concept paper) that would be refined until it could be presented to the TRC. Depending on the suggestions and revisions necessary prior to TRC approval, additional drafts of the one-page concept paper would often be required to clarify important features and how the detailed budget would match the activities proposed. Once the TRC approved the concept paper, a full subgrant application would be completed, including implementation, administrative, management, and leveraging details. Grant agreement documentation was drawn up by the grants manager in close collaboration with the implementing partner and in accordance with USAID's Grant Management Manual. At that point, RTI's Contracts and Grants Office reviewed all documentation, with a special focus on reasonable costs, allowable activities in accordance with the CA, and USAID regulations and best practices. Once all details, roles, objectives, and expectations were clear, the RTI Contracts Office would sign the subgrant application and implementation could begin.

Recommendations

The corporate sector moves very quickly to allocate funding and in-kind and human resources toward activities it considers high priority, especially when compared to the processes and chains of approval by which the government—and even nonprofit partners—must abide. Thus, the corporate sector's expectations with regard to the turnaround time needed for each step of the alliance—concept paper development, application, approval, and reimbursement process—differs from the public sector's. Once the corporate sector is convinced to form or join an alliance, they are ready to invest and

grow impatient with any delay. This is especially true for private sector partners that have little previous experience working with governments, both in-country and U.S. Government (USG) partners, such as USAID.

Thus, an important role of *Alianzas/Nicaragua* was to maintain the flow of communication between partners (both public and private) and continuously update them on the status of project development and the approval process, keeping decision-making timeframes as short as reasonably possible and expectations realistic. When *Alianzas/Guatemala* was able to quickly provide feedback on the TRC's comments, suggestions and decisions to private sector partners, misunderstandings, and frustrations were reduced. This also helped to establish more trust and a sense of being involved in a true alliance partnership. However, assembling and scheduling TRCs and initiating the coordination of meetings that required the presence of USAID personnel beyond the *Alianzas/Nicaragua* AOTR could be challenging and resulted in some delays. The turnover in AOTRs (*Alianzas/Nicaragua* had four different AOTRs in less than four years) also somewhat hampered continuity in decision making and required partners to adapt to different work and communications styles, as well as different areas of expertise and priorities. That said, all four AOTRs were enthusiastic supporters of program goals and the *Alianzas/Nicaragua* team's effort to achieve them, which contributed to the success of the program.

2.5 Management of Alliance Projects

The process for developing and managing project grants was consistent during the life of the *Alianzas/Nicaragua* program, though as the local team increased and diversified responsibilities, monitoring, and TA improved. Financial management of alliance projects was consistent because of the continuous administrative support from the financial manager in RTI's Regional Office in El Salvador, with budget and grant administration support from the RTI headquarters. Financial management practices already established for *Alianzas/Guatemala* were successfully applied but technical management of funded grants in Nicaragua was tailored to the local context and implementing partner needs.

Alianzas/Nicaragua supported the following three types of subgrants:

- Fixed obligation grants required the most detailed pre-implementation planning, but were the simplest to manage since they required milestones and a fixed execution chronogram indicating deliverables and requirements, as well as a projected date of completion for milestone deliverables to be submitted. The funding disbursement and amounts depended on the agreed upon requisite deliverables. They broadly followed the arc of activities designed into the implementation, where the largest disbursements were generally made at the beginning of the implementation, with a relatively small last disbursement upon submission of all final narrative, indicator, leveraging and financial reports. This type of subgrant required the least administrative monitoring since all financial

information was due all at once at the end of the subgrant. *Alianzas/Nicaragua* generally recommended this type of subgrant for proposals that were expected to be executed in 18 months or less.

- Simplified cost reimbursement grants required less pre-planning than fixed grants, but were the most flexible in terms of implementation since *Alianzas/Nicaragua* required no chronological commitments or timetables for execution, other than completion/closing date, and fully reimbursed the partners monthly, in accordance with expense receipts presented. On the other hand, this required the most administrative monitoring and communication flow, often involving all of *Alianzas/Nicaragua*'s small team at every level to make sure that reimbursements were not impeded or delayed since this would mean that partners would then have shortages in operating funds should reimbursements take longer than commonly accepted reasonable time. This type of subgrant was recommended for projects that did not exceed US\$100,000 (US\$250,000 for U.S.-based grantees).
- Standard reimbursement grants were similar to simplified reimbursable grants, except that because their size exceeded the funding limits above, they had additional administrative and pre-planning requirements.

Regardless of the grant type, all *Alianzas/Nicaragua* alliance projects were required to submit quarterly technical and financial expenditure reports to RTI. The technical reports contained information about the alliance project activities, achievements, and challenges over each quarter, photos, alliance project indicators, and beneficiary training information. The financial reports detailed the line-item leverage contributions made by each alliance partner (private and public sector) and the line-item expenses using USAID funds during each quarter. By the first quarter of FY 2008, the USAID AOTR requested monthly leverage reports of private sector and USAID funds expenditures. From that point onward, grantees presented their quarterly financial reports with corresponding leverage figures although some partners were not always timely with their submission of some of the indicators and, in particular, the supporting information. This resulted in reporting of rather conservative figures each quarter, sometimes lagging behind the actual implementation, because the *Alianzas/Nicaragua* team felt it best to only report on information that could be fully supported in accordance with RTI and USAID's good practices.

In addition, all grant modifications under the *Alianzas/Nicaragua* program were grantee-initiated, which required that grantees submit a formal letter detailing the nature of the modification and justification for it. The grants manager then worked closely with the grantee to make the appropriate changes to the grant attachments, whether technical or financial, and completed the Grant Modification Form. The affected attachments and form were then forwarded to RTI's Contracts and Grants Office for review and approval.

Grant closeouts required that the grantees submit their alliance project's final technical report and final financial expenditure report, covering the life of their respective alliance project. In addition to these reports, grantees submitted signed letters, certifying that all

milestones were completed and delivered (if a fixed obligation grant), all M&E products were completed and delivered (if a cost reimbursement grant), and that there was no pending financial obligation (regardless of the type of grant). The submission of this closeout documentation, the final audited financial expenditure report, and the completed Grant Closeout Checklist, which were submitted to RTI's Contracts and Grants Office officially, who closed out each grant.

Annex C contains the Grants Tracker tool that RTI developed to manage grant activities in Nicaragua. It contains the list of grants and grants partners, funded amount, and period of performance.

Recommendations

As previously noted, a team working on a program like *Alianzas/Nicaragua* needs to include a range of capabilities, including grants managers, technical specialists, and support personnel, to properly monitor, advise, and report on the progress of project implementation, account for all funds spent, and explain program achievements to participating alliance partners and the general public. Although fixed obligation grants have a place in alliances, the more adaptable cost reimbursement grants were the most effective type, since they fostered monitoring and systems development, as well as continued communication among all alliance partners. Thus, despite the increased administrative and operating requirements of cost reimbursement-type grants, these yielded the most information from project partners, while providing needed flexibility to adapt activities and timeframes to changing contexts and conditions.

2.6 Monitoring of Alliance Projects

The *Alianzas/Nicaragua* program started out with a different and smaller set of output indicators than the final indicator set, which in their entirety corresponded to USAID Operating Plan (OP) indicators, developed in close collaboration with USAID personnel and RTI's technical staff during the fall of 2007. However, leverage indicators were maintained as one of the primary measures of success for the program. The Performance Monitoring Plan (PMP) table reflecting all final indicators, in accordance to the revised M&E plan (approved February 21, 2008), is found in *Annex D*. All indicators were monitored via the submission of alliance project quarterly reports, in which each project was asked to report on those indicators and provide supporting documentation per Data Quality Assessments that were part of the updated OP indicator development process.

The grants manager worked with each grantee to develop M&E plans for each respective alliance project implementing partner to ensure that M&E systems were in place and that relevant indicators were included. In addition to the broader program indicators, each alliance IP worked closely with the grants manager to develop a set of project-specific indicators that reflected essential objectives related to priority components for each partner and alliance, since much of the richness and nuance of each project could not be demonstrated by the very basic quantitative OP indicators. All of the project-relevant and

significant achievements were reported on each quarter as part of the submitted technical reports. The alliance project-specific indicators tracked the impact of key alliance project activities in the beneficiary communities and were monitored by the implementing partners on a weekly, monthly, quarterly, or annual basis, depending on the indicator.

In addition to monitoring submissions of quarterly technical and financial reports and the TA provided during the development of the alliance project-specific M&E indicators, *Alianzas/Nicaragua* also performed M&E field visits to alliance project sites. The purpose of these visits was to accompany the implementing partners to one or more of the alliance project sites to verify that the activities were being executed in accordance to the signed grant agreements, and to discuss details of project activities with beneficiaries and field staff. The M&E visits also provided USAID representatives and the AOTR an opportunity to see how USAID funds were being used under the *Alianzas/Nicaragua* program. These visits verified that the implementing partners were very dedicated and involved in the project activities and genuinely concerned with achieving, and in some cases surpassing, the alliance project objectives.

Recommendations

The chief strategic objective of *Alianzas/Nicaragua* was to work with the private sector to leverage USAID funding to increase social investments in the country's health and education priorities, which the program achieved. Because of the nature of the *Alianzas/Nicaragua*, which was experimental in its approach to project development and implementation, the very small size of the team and the fact that PMP indicators measured only outputs (e.g., numbers of people trained, etc.) the impact of the program on beneficiaries could not be measured. More resources for M&E at the program level, including a dedicated staff person with M&E experience, might have helped expand and improve the range of data collected and the frequency of visits, and allowed for more analysis of the benefits of health activities on communities in quarterly and annual reports.

In addition, implementing partner grant reporting systems should be expanded in a way that would allow partners to more freely report on achievements and outcomes that may not have been specifically asked for or even fall outside the immediate scope of the project. The team discovered that implementing partners were not reporting potentially interesting information that could have been obtained because it was not specifically stipulated in reporting requirements. This mostly concerned project innovations, activities, and achievements that fell outside the USAID OP indicators. While all grantees were encouraged to report on all benefits, achievements, and outcomes, some of the accomplishments that partners felt were of importance to them did not always fit standard reporting requirements. Since innovation does not always fall neatly within technical areas and activities, additional reporting flexibility should be considered in the future to include all the aspects of funded activities on which partners may want to report data.

2.7 Technical Activities and Projects Funded by *Alianzas/Nicaragua*

Activities and projects funded varied in technical focus and scope, as USAID’s funding strategy and *Alianzas/Nicaragua*’s alliance project development process evolved during the life of the program. At start-up, investment funds from USAID were evenly split between health and education. The add-on approved in December 2007, however, was exclusively meant for education alliances. Thus, a much larger number of education projects ended up being funded by the *Alianzas/Nicaragua* program. **Annex F** contains the list and description of alliance projects funded under this program.

At start-up, USAID’s director of the Human Investment Office (later, the Education and Health Office) gave guidance on the types of alliances USAID was most interested in and on USAID’s expectations for the alliance building processes. Given the small size of the team (one person), the director wanted large alliances to be quickly approved and funded to reduce *Alianzas/Nicaragua* investment fund pipeline. The director also pointed out that the development and management of a small alliance project can pose the same management burden as a large one. However, the COP advocated for a different direction, believing that the first alliances and projects funded should be relatively small and include as many actors as possible to build interest and get a sense for the potential of the program with the private sector in Nicaragua. With the AOTR’s concurrence, during the first half of the program year the *Alianzas/Nicaragua* COP looked for opportunities to primarily provide “seed funding” for a larger number of small alliance projects that were entirely new and/or to fund innovative activities under existing CSR projects. The purpose of this strategy was to test different approaches and concepts and make sure that the alliance projects did not rely on USAID funding to be sustainable. However, this small-alliance approach proved not to be practical for a one-person team. As the number of alliances and projects grew, and the accompanying management demands increased, the pace of developing new alliances, projects, and grants significantly slowed. This approach also seemed to underestimate the Nicaraguan private sector’s enthusiasm and willingness to invest in and complement already existing health and education CSR programs and development activities that had a long-term focus for more sustainable results.

As the *Alianzas/Nicaragua* program team reorganized, expanded, and gained experience, funding priorities shifted toward supporting larger alliances with greater technical integration between education and health program areas. Once the program received additional funding for education, the focus was on developing a very broad alliance that was linked closely with a high-priority USAID program and had multiple alliance partners and projects (e.g., the Model Schools Program mentioned in **Section 2.2**). Throughout these changes, however, *Alianzas/Nicaragua*’s technical program areas, objectives, and priorities remained the same. Alliance concept papers approved by USAID had to demonstrate the ability to successfully and efficiently combine multiple program areas in order to provide greater benefits and range of services to beneficiaries.

Table 1 illustrates the technical areas each *Alianzas*/Nicaragua-funded projects supported.

Table 1: Technical Areas Supported by *Alianzas*/Nicaragua Project Grants (by LLR)

	Grant Name	LLR 3.1.2: Private sector service delivery and strategic alliances	LLR 3.2.1: Improved access, quality, and efficiency of education	LLR 3.2.2: Innovative approaches applied to increase and improve educational opportunities	LLR 3.3.1: Family planning and MCH services and information/ education	LLR 3.3.2: Better nutrition and dietary and hygiene practices
1	ALMORI Education	X	X	X		
2	American Chamber of Commerce of Nicaragua (AMCHAM 1) - English Learning	X	X	X		
3	AMCHAM 2 - School Adoption	X	X	X		
4	American Nicaraguan Foundation (ANF) Education	X	X	X		
5	CARE - Post Felix MCH Disease Mitigation	X			X	X
6	CARE - Rosita Well	X				X
7	CISA EXP – Comp Lab	X	X	X		
8	CISA EXP - Library	X	X	X		
9	Fabretto Children’s Foundation (FCF) Developing and Growing in Community	X	X	X		
10	FCF– SAT	X	X	X		
11	Fundación Uno 1 – Enfermería	X			X	X
12	Fundación Uno 2 – Soy Uno	X	X	X		
13	FUPADE	X			X	
14	Handicap International	X	X	X		
15	innerCHANGE – Children, Education, and Supporting Services for Villa Carmen (CHESS)	X	X	X	X	X

	Grant Name	LLR 3.1.2: Private sector service delivery and strategic alliances	LLR 3.2.1: Improved access, quality, and efficiency of education	LLR 3.2.2: Innovative approaches applied to increase and improve educational opportunities	LLR 3.3.1: Family planning and MCH services and information/ education	LLR 3.3.2: Better nutrition and dietary and hygiene practices
16	MITIALTO – Paraiso	X	X	X		
17	Project Concern International (PCI)	X	X	X	X	X
18	Plan International	X	X	X		
19	PROMujer	X			X	X
20	Rainbow Network	X	X	X	X	X
21	Vicariato de Bluefields	X	X	X		

Recommendations

Whether large or small, pilot testing an experimental new approach or supporting a proven best practice, the technical priorities of alliance projects funded by *Alianzas/Nicaragua* generally remained constant. Alliance projects had to fall within the health and education priorities of USAID and the GON and demonstrate some ability to successfully and efficiently integrate different technical areas, to provide greater benefits and a range of services to beneficiaries. Sustainability potential and the relative cost-effectiveness of benefits that could be achieved with USAID investment funds were also considered in technical designs and subsequent approval processes, although not measured in any formal, quantitative way. The process of developing a project with potential implementation partners always required some level of capacity building from *Alianzas/Nicaragua*, and the process proved to be fairly labor intensive, whether the alliance project was large or small. The relative experience of potential implementing partners and whether or not they had experienced technical and project management on staff already on board helped to reduce the burden on *Alianzas/Nicaragua*. Nonetheless, even multipartner projects with experienced implementing partners could pose challenges because of the need to synchronize efforts among partners and fully implement the project within a timeframe that all partners found acceptable, as well as allowing each enough time to fully “institutionalize” these new activities into their ongoing programs.

In education, there are some additional technical considerations in project designs. Projects need to span least one full academic year, and close at a time when year-end data from schools can be reported. Closing earlier than this disrupts processes essential to obtaining best project results, and does not allow for indicator data to be fully collected for the entire school year, which could obfuscate the project’s actual accomplishments. In addition, because much of the training for education personnel is sequential, and because in Nicaragua the assignments for teachers, school administrators, and technical staff

generally are made at the start of each school year, a project that supports training after school start-up would not allow the best opportunity to include all participating personnel in the full training sequence.

2.8 Benefits of *Alianzas/Nicaragua*-funded Projects

Alianzas/Nicaragua's M&E indicators were focused on measuring cash and in-kind leveraging performance and the number of people trained or benefited by education and health activities, not on determining impact. Instead, the overall objective of the *Alianzas/Nicaragua* program was to change the “culture” of CSR and to increase investment funds for high-priority public education and health services in underserved areas. *Annex A* presents detailed information on *Alianzas/Nicaragua*'s leveraging performance, which is summarized in **Table 2**.

Table 2: Summary of Leveraging Performance

	Private Sector Cash Funds	Private Sector In-Kind Funds	USAID Investment Funds Disbursed	Value of Alliance Projects
Alliance Targets	US \$3,322,646.23 (47%)	US\$1,801,484.40 (25%)	US\$1,996,483.00 (28%)	US\$7,120,613.63
Actual Totals	US\$4,008,076.68 (30%)	US\$7,325,139.36 (55%)	US\$1,996,483.00 (15%)	US\$13,329,699.04

In addition to impressive leveraging performance, the program observed education and health-related benefits associated with increased coverage and investments in local capacity building.

In health, *Alianzas/Nicaragua* supported innovative interventions that optimized leveraging from alliance partners (e.g., ProMujer, Rainbow Network, PCI, CARE, Post-Hurricane Felix, etc.), to increase the availability of and lower the price of essential medicines while one of the most innovative alliances (e.g., FUPADE) significantly lowered the maternal and newborn death rate in one municipality through a simple and well thought-out telemedicine program, for a relatively low cost (total alliance US\$246,070). *Annex D* contains the full PMP, which includes the six OP indicators that were tracked for health: four concerned MCH and two concerned better nutrition and dietary and hygiene practices. Three of the six indicators greatly exceeded their targets (number of people trained in child health and nutrition; number of children reached by USG supported nutrition programs; and liters of drinker water disinfected), mainly due to the fact that alliance projects with these indicators were more numerous, successful, and broader than what had originally been expected. Three indicators did not meet expected targets (number of postpartum/newborn visits within 3 days of birth; number of people trained in maternal/newborn health; and number of deliveries with a skilled birth attendant). The main reasons for not reaching expected targets are due to the fact that

Alianzas/Nicaragua had fewer alliances than expected contributing to one indicator (number of people trained in maternal/newborn health) and the birth rate decreased significantly in the geographic areas where alliance projects were being implemented, which affected two indicators (number of deliveries with a skilled birth attendant; and number of postpartum/newborn visits within 3 days of birth).

In education, *Alianzas/Nicaragua* made significant contributions to the USAID Country Plan for Nicaragua by increasing retention rates in all municipalities in which alliances implemented education initiatives. All OP education indicators were exceeded (please see *Annex D*). Moreover, despite the widely recognized fact that after a noticeable, nationwide increase in school enrollment for the first semester of 2007, it reached similar levels a year later and decreased in numbers and coverage by the beginning of the 2009 school year. For the most part, school enrollment trends at beneficiary schools followed national trends, but relatively less markedly, and in some schools there was a relative increase through 2009. To wit, programs such as FCF's SAT initiative not only maintained enrollment numbers, but also brought many students who were officially outside the formal school system back into school through their rural context-appropriate program.

Similarly, although the *Excelencia* Model School Program is a USAID-funded activity embedded within the MED, managed by different contractors (e.g., AIR, Academy for Educational Development and Save the Children), *Alianzas/Nicaragua* utilized add-on funding for education programs. This resulted in an increase of more than 100 schools fully implementing all phases of the Model School template, with the concomitant increases in related indicators, higher retention, achievement and graduation rates, and increased community participation, not to mention added value components specific to each alliance. The Plan Nicaragua alliance resulted in a civic education component that was effectively integrated in the Model School template. In addition, as part of a separate but parallel program, Plan Nicaragua has sustained Model School components well beyond the end of *Alianzas/Nicaragua* funding and added clean water, nutrition, and hygiene, as improvements in the infrastructure necessary to foment the activities and improve the health status all students in the schools in which they work.

While all grantees were expected to report on appropriate, corresponding indicators, *Alianzas/Nicaragua* also encouraged each implementing partner to collect pertinent data and qualitative information that might better capture added value objectives and impact and include it in technical reports—despite the fact that such information was neither required, nor an *Alianzas/Nicaragua* program indicator. For the three education alliances supported through add-on funding, ALMORI, FCF, and Plan International, *Alianzas/Nicaragua* was able to collect and analyze data beyond USAID requirements. This was partly because of the education specialist contracted with the newly available funds.

MED delegations have a compulsory need to collect varied and more nuanced information deemed relevant and necessary for optimal administration in every

municipality. Since MED was collecting the data routinely, some of our partners chose to also report on those indicators, even when USAID did not require or request it. Retention rates for five projects, two from FCF, innerCHANGE/CHESS, ALMORI, and Plan International were substantially improved and reported upon. The average retention rate increase for these projects benefiting more than 5,000 students was around 10%. For example, the FCF retention rate increased from 75% in 2008 to 87% (nearly 20% relative increase), as did attendance, performance, and graduation for more than 5,000 students. Similarly, the number of people trained (e.g., directors, teachers, technical personnel, etc.) in any number of facets of education surpassed all expectations.

Recommendations

Activities funded under *Alianzas/Nicaragua* yielded documented benefits and accomplishments. Neither the program nor the PMP, however, was designed to measure health or education impact as such (e.g., a decrease in maternal or infant/child mortality rates, improvement in children's ability to read, etc.). Such measures would have called for a much larger investment of program funds in M&E staff on the team, special studies, or survey research. Nonetheless, in the future, consideration should be given to dedicated M&E staff to provide more capacity building to implementing partners to improve their own M&E systems; to improve the quality of data collected by implementing partners; and to provide a better analysis of data, accomplishments, and results (including prospects for sustainability) in program quarterly and annual reports to USAID. Having one person acting as grants manager and also providing M&E TA (even with support provided by RTI headquarters staff) proved to be difficult and inefficient. Project grant reporting formats should also be flexible enough to encourage implementing partners to report on implementation information and accomplishments that might fall outside of specific result areas in order to capture interesting stories, innovations, and lessons learned. Finally, given the nature of an *Alianzas*-type program, setting indicator targets will often be somewhat of a guessing game since this is typically done before an alliance is developed or project funded. The flexibility to frequently amend PMP targets (and even the PMP indicators themselves if need be) to better reflect the actual alliance projects that are funded, or at least to very conservatively estimate the targets, are two options to consider.

2.9 Sustaining Alliances

At the outset, *Alianzas/Nicaragua*-supported projects did not develop explicit sustainability plans as part of their concept proposals because they were not a requirement for application or approval. USAID requested that *Alianzas/Nicaragua* place more emphasis on ensuring the financial sustainability of funded alliance projects starting in the last 18 months of implementation. As such, USAID wanted the program to demonstrate that it was working with alliance partners to help them develop their capacity to achieve financial sustainability during project implementation.

Alianzas/Nicaragua proceeded to assess and support sustainability planning, including

funding diversification alternatives among active alliance partners. To help achieve sustainability, the *Alianzas/Nicaragua* team also provided partners with capacity-building assistance, fostering new partnerships and alliances that might contribute to sustaining established projects beyond the availability of *Alianzas/Nicaragua* funds.

2.9.1 TA and Capacity Building

Technical and financial capacity building was a major activity under *Alianzas/Nicaragua* in order to strengthen the alliance partners' abilities to develop, implement, expand, and monitor their projects beyond USAID funding. Some implementing partners needed more assistance than more established partners that already had years of experience working in Nicaragua and/or previous experience working with USAID. For implementing partners who needed it, *Alianzas/Nicaragua* provided assistance in the development of alliance concepts and the design of projects, including how to structure a project, create key activities and indicators, and develop a full project budget. Most partners were also provided with financial management training on how to prepare invoices, keep financial documentation to support invoices, and produce financial expenditures reports, detailing approved budgets and expenditures.

Alianzas/Nicaragua developed technical reporting guidelines and provided TA on how to prepare high-quality quarterly and annual technical and financial reports for all implementing partners. The COP and grants manager also worked with implementing partners to develop and obtain USAID approval for marketing/promotional materials and technical materials (e.g., brochures, booklets, TV spots, posters, etc.) for their use. TA was also provided to some implementing partners to help them develop their marketing strategies to attract new funding.

Alianzas/Nicaragua provided little direct health-related TA to alliance partners since program staff in Nicaragua were more versed in education needs, context, and activities, but had only limited health expertise. This did not turn out to be a shortcoming as RTI's technical staff managing the *Alianzas/Nicaragua* program were health specialists, and health projects were generally run by knowledgeable, experienced implementing partners. Most, however, of *Alianzas/Nicaragua*'s funding turned out to be for education activities (a major reason why an education specialist was brought onto the staff of the program). *Alianzas* also received support from USAID personnel and other local USAID-supported projects, and particularly on the technical expertise of implementing partners. To ensure that prospective implementing partners had in-house health and/or education expertise, positive past performance references, and a solid reputation in their field, due diligence was conducted by *Alianzas/Nicaragua* staff during the alliance concept development stage.

2.9.2 Creating long-term linkages among partners

Another important role of *Alianzas/Nicaragua* in establishing sustainability and building partner capacity was the creation of long-term linkages between partnerships and sources

of TA expertise. This was accomplished through networking and helping to establish additional alliances beyond *Alianzas/Nicaragua*'s life of program; creating TA alliances between program partners and providing direct (*Alianzas*-provided) TA.

In terms of networking, creating TA alliances, and promoting technical knowledge transfers, these activities most frequently occurred when the COP or grants manager recommended that a specific alliance partner consider connecting with other alliance partners to share technical expertise or to solicit in-kind resource contributions from some of the larger implementing partners.

Alianzas/Nicaragua staff also provided direct TA in developing and strengthening partner linkages. For example, for *Nicasalud*, a health-focused umbrella organization of 21 NGOs, working in partnership with USAID, requested TA from the *Alianzas/Nicaragua* program team to learn how to best connect with the private sector and motivate them to contribute resources and supplies to priority activities.

Evidence of the sustainability of *Alianzas/Nicaragua*-supported programs may be best reflected by the fact that most alliances and projects remain active, and implementation continues in nearly every community that was originally benefited with an alliance project.

Recommendations

Sustainability planning—including activities related to ensuring financial sustainability such as fundraising and marketing—should be part of the concept paper and project design and not postponed until implementation. In addition, timeframes of less than 18 months of USAID support are too short to ensure that initiatives can become established and have a good chance for sustainability. Smaller alliances involving only a few partners or that are focused on hardware-supporting pilot programs are easier to plan for. In the future, longer timeframes, especially for large, technically complex, multipartner alliances that aim for long-term education and health impact should be requisite. Similarly, because government and implementation priorities, as well as funding needs, may change over time, new partners may emerge and new activities may be needed. Any sustainability plan—no matter how well-designed at the outset—will need to be flexible enough to adapt to changing conditions.

Building capacity to strengthen implementing partners' technical and financial capabilities and providing them with effective tools to manage their projects and develop comprehensive, transparent reports for their funding partners are integral parts of ensuring the success of alliance projects. *Alianzas/Nicaragua* staff focused on reporting and financial management capacity building, but more assistance could have been provided to conduct more in-depth monitoring. This, however, would have required additional staff and a larger budget for local transportation.

Creating long-term linkages among implementing and funding partners is also key to achieving knowledge transfer, accessing TA, improving or expanding alliance activities, and achieving sustainability. These linkages should be fostered from the very beginning,

even during project design and development, if possible. Because different alliance partners and projects frequently are not aware of their commonalities and the possibility of benefiting from each other's experiences, it is important to underscore the crucial role that a program such as *Alianzas/Nicaragua* can play in fostering interpartner technical and funding linkages. Implementing partners need help in understanding which other partners they can contact and from what activities or program areas they could benefit.

Organizing and facilitating periodic meetings for alliance partners, beyond recognition or awards ceremonies, would provide the platform for partner networking and sharing of information and lessons learned, all crucial to building long-term partnerships that could further foment sustainability. Such a forum would create time for discussion among partners about challenges faced during alliance development and project implementation. It is just as critical for partners to discuss problems encountered and how they were addressed as it is to share successes and achievements. Discussing successes allows partners to identify common interests and experiences or potential new work areas for future activities and collaboration, but may not provide them with a forum to learn about obstacles that can affect performance outcomes and help them develop useful problem-solving skills.

3. Conclusions

The current status of education and health in Nicaragua is in flux as an election year draws near (in 2011). During this transition, the current administration is working hard to demonstrate it is responsive and forward thinking. The GON is also eager to appear supportive of PPPs and engage private sector partners to work in close collaboration with local government entities. As evidenced by numerous government communications and projects, Nicaraguan families living in under-served communities are a high priority in the GON's future plans. Thus, it is an opportune time for USAID to evaluate the role of PPPs in improving the access and quality of health and education services for the Nicaraguan people and identify best practices and new opportunities for the future. This should include leveraging local partners' reputations and standing among beneficiary communities and within each key strategic sector. Nonetheless, any plans developed will require that some flexibility is built into any *Alianzas*-type program that may be implemented beyond 2011, as more transitions may be on the horizon. Considering the uncertainty and increasingly conservative attitudes that businesses (and potential funding partners) will assume as elections approach, a program is more likely to be successful if it strategically utilizes alliances that include long-standing, neutral, trustworthy, and efficient partners as integral and visible members.

3.1 Alliances

The *Alianzas/Nicaragua* program demonstrated that public-private alliances could be successfully built and leverage significant funding for education and health, which

averaged over US\$5.80 from the private sector for every US\$1.00 invested by USAID. By collaborating with corporate foundations and NGOs, and involving respected companies as funding and implementing partners, *Alianzas/Nicaragua* moved the private sector from focusing on periodic philanthropic activities mainly in education, to longer-term, social investments in integrated education and health projects. For many corporate funding and implementing partners, this was their first experience working with USAID, and *Alianzas/Nicaragua* served an important role in forming this working relationship and bringing the private and public sectors together.

Developing alliance projects that integrated different education and health activities provided beneficiaries with a more accessible and broader spectrum of services, and also promoted private sector investments in new or less traditional areas, including those that require longer involvement before improvement and change are noticeable. This also raised funding partners' awareness. Besides encouraging private sector partners to invest in new areas, integrated activities supported by *Alianzas/Nicaragua* stimulated knowledge transfer among implementing partners and cross-fertilized innovations in their projects.

While *Alianzas/Nicaragua* demonstrated that PPPs could work, bringing together diverse partners to tackle development goals by building alliances and leveraging significant levels of new resources, the program also demonstrated that there is no one-size-fits all alliance model. Each potential alliance partner had its own CSR agenda, set of objectives, and timeline. To build successful alliances, it is important to carefully identify what motivates each partner. Alliance builders must take a tailor-made approach to developing each alliance and take into account the specific motivations and interests of each potential partner. In terms of private sector partners, alliances should be established so that these partners can maintain or even build their commitment over the long term. Forcing collaboration where corporate commitment is weak, goes against their agenda, or is financially unsupported can be risky for alliance sustainability.

With regard to implementing partners, some are much more mature and experienced than others in CSR partnerships and project development and implementation. Those that lack experience can be challenging to work with and require much more capacity building and hands-on assistance during all stages of alliance building and project implementation. This factor has staffing implications for future alliance-development programs such as *Alianzas*, especially those that aim to involve a wider range of implementing partners, such as community-based or civil society organizations. In addition, from a program management perspective, a large number of small alliances is much more labor-intensive and time consuming to manage than a fewer number of large alliances but can target niches and particular circumstances in a way that large, standard programs can.

Successful alliance building must also recognize that each partner has its own mode of operations and the alliance, within reason, should be flexible and adapt as much as possible to the operating needs of each partner. Partners should also make an effort to understand each other's internal processes. Understanding the budget cycles, annual planning and approval systems, and operating timeframes of other partners can reduce

potential misunderstandings and lead to smoother alliance development and project planning. Trust and relationships in alliance building begins with individuals and is most effective when supported from the top down. In addition, when trying to engage a potential corporate partner, one must go to the top and get the attention of the most senior person possible, preferably the CEO, president or general manager, leading the board of directors. If the alliance captures the support of the board of directors and funding is approved, orders will filter down the company authority chain, and employees will work harder to get the partnership established and operational.

3.2 M&E

The role of M&E under *Alianzas/Nicaragua* at the program level was to demonstrate the potential of leveraging funds for health alliances; ensure accountability of alliance funds and program output results; closely follow the implementation of activities to identify and correct problems early on; and learn lessons that could benefit others and improve program performance.

At the alliance project-level, the role of M&E was to demonstrate to funding partners the value of their investments, highlight the accomplishments of projects, and encourage the participation of new funding partners.

Since the primary purpose of this program was to demonstrate the potential of leveraging funds for USAID-determined country priorities in alliances, *Alianzas/Nicaragua* primarily tracked cash and in-kind leverage from the private sector. Quantitative output data in accordance with selected USAID OP indicators on the numbers of people benefiting from specific *Alianzas/Nicaragua*-supported projects were also reported, but outcome data with which to measure the effect on education and health status at the program level were not required or collected unless an implementing partner had the resources (and took the initiative) to do so. Each alliance project funded by *Alianzas/Nicaragua* had its own required, project-specific output and process indicators that were monitored by the implementing partners themselves. Should USAID seek outcome/impact data for a future iteration of this program, consideration must be given to having dedicated M&E program staff who work closely with program technical experts to develop and implement a full M&E strategy and plan that will address higher-level objectives and measure results. Having program-level M&E specialists on the team would also provide more technical assistance to implementing partners to build their own M&E capacity and ensure the quality of their internal data collection systems and reporting.

Similarly, each implementing partner should continue to be responsible for developing and carrying out a plan for monitoring progress during implementation and evaluating its success; these plans should continue to be a requirement in the grant application process. Proposed M&E plans should be closely linked with the program PMP, with each implementing partner selecting preapproved M&E indicators that are appropriate to its alliance project's objectives and activities and then documenting progress toward

achieving the overall project results. A key element in each partner's M&E plan should include a requirement that implementing partners provide baseline data against which progress can be tracked and results measured. To ensure collection of high-quality data and appropriate analysis of impact, it is also important that both experienced and less-experienced implementing partners receive ongoing M&E training and technical support.

3.3 Alliance Project Sustainability

In Nicaragua there are no government tax incentives for CSR investments. CSR is relatively less well-developed as a practice when compared to some other neighboring countries in Central America. Locally, it is also not necessarily a fully integrated activity in the private sector's quotidian operations. However, a significant number of actors in Nicaragua's corporate private sector are willing to experiment with CSR models that go beyond the more common, hardware-focused, less sustainable "giving" mode to a more deeply involved, longer-term development mode. The general expectation is that as their businesses transform, adapt, and optimize in the face of changing circumstances, a corresponding modernization of their CSR practices will also follow. This will allow them to invest and participate in Nicaragua's development as good corporate citizens with government, donors, NGOs, traditional authorities, and other stakeholders.

The *Alianzas/Nicaragua* experience demonstrated some of the key elements needed to ensure alliance sustainability. For example, sustainability is nearly guaranteed when funding and implementing partners have a long-term vision and a commitment that transcends the life of the intervention (or project) itself. In addition, funding partners are more likely to support long-term education and health investments when they are located within their same geographic area and when they generate publicity that encourages consumer loyalty and market growth and increases the capacity of the labor pool. If the vision and investment evident through the *Alianzas/Nicaragua* program is any indication, these objectives are seen by the corporate sector as benefiting "their bottom line," even in the absence of government incentives, and provide a strong impetus to existing and new partners to continue with social investing.

Implementing partners with a history of working in the geographic and technical area targeted by the alliance-supported intervention are also more likely to have higher levels of stakeholder engagement and to be committed to supporting the intervention long-term. Potential alliance projects should demonstrate community buy-in and support through the involvement of local authorities and community members. When community engagement is high and implementing partners are committed to project activities, potential impact and long-term sustainability is greater. Additionally, where feasible, active collaboration with other local education and health programs, activities, and actors can reinforce both impact and prospects for knowledge transfer, cross-fertilization, and networking, as well as enhance sustainability.

Sustainability planning for alliances is best conducted at the design stage, rather than after project activities have already commenced. Moreover, sustainability timeframes and

plans should be sensitive to the nature of the alliance, the partner, and the type of interventions being supported by the alliance. Plans should have enough flexibility to adapt as conditions change, but still lay out a general roadmap for partners to follow. For example, for some alliance partners, sustainability planning may only entail considering the first year or two beyond USAID funding and focusing on immediately finding new investment through fundraising and marketing. For other more established partners, for whom financial sustainability is less of an issue, the focus might be on how to expand into new technical areas or scale-up interventions, which would involve a longer time horizon.

Ultimately, prospects for alliance sustainability will depend on the capabilities of the alliance partners themselves. Providing resources to build funding partners' capacity to engage in broad partnerships and evaluate sound social investments is crucial for strengthening their ability to identify, develop, and/or support top-quality education and health activities that will have a positive impact on Nicaraguan communities. Building the capacity of alliance project implementing partners to diversify their funding base and incorporate best practices into their projects with technical assistance and training will strengthen their confidence, improve their performance, and enhance their ability to attract, manage, and report on new funding.

***Annex A: Alianzas/Nicaragua Leveraging
Summary***

Annex A: Alianzas/Nicaragua Leveraging Summary

Actual Cash and In-Kind Funds
Leveraged

\$11,333,216.04

Actual Leverage
Ratio

5.82

Project	Cash Committed	Cash Actual		In-Kind Committed	In-Kind Actual	Committed TOTAL	TOTAL Difference
ALMORI	\$121,888.00	\$77,523.01		\$24,181.00	\$20,831.00	\$146,069.00	-\$47,714.99
AMCHAM - English Program	\$10,000.00	\$5,315.60		\$10,000.00	\$7,841.00	\$20,000.00	-\$6,843.40
AMCHAM - School Adoption	\$117,442.45	\$487,528.83		\$101,894.13	\$300,144.93	\$219,336.58	\$568,337.18
ANF - Education Programs	\$34,872.67	\$42,500.00		\$37,645.98	\$5,429,506.86	\$72,518.65	\$5,399,488.21
CARE (Rosita Well)	\$10,000.00	\$10,000.00		\$3,510.00	\$3,570.00	\$13,510.00	\$60.00
CARE (Post Felix)	\$164,724.63	\$164,984.00		\$544,800.00	\$670,570.00	\$709,524.63	\$126,029.37
CISA (Computer Lab)	\$23,000.00	\$33,113.04		\$0.00	\$1,946.68	\$23,000.00	\$12,059.72
CISA (Library)	\$15,000.00	\$22,470.90		\$0.00	\$138.50	\$15,000.00	\$7,609.40
Fabretto - SAT/SRA	\$311,400.00	\$473,952.29		\$18,300.00	\$13,896.00	\$329,700.00	\$158,148.29
Fabretto - Formando en Comunidad	\$617,257.00	\$994,610.57		\$339,750.00	\$534,064.21	\$957,007.00	\$571,667.78
Fundación Uno (Enfermería)	\$119,088.01	\$92,398.14		\$26,239.20	\$46,276.00	\$145,327.21	-\$6,653.07
Fundación Uno (Soy Uno)	\$21,638.14	\$20,504.68		\$0.00	\$0.00	\$21,638.14	-\$1,133.46
FUPADE	\$81,000.00	\$50,999.58		\$85,000.00	\$46,957.35	\$166,000.00	-\$68,043.07
Handicap International	\$198,380.00	\$210,565.86		\$0.00	\$0.00	\$198,380.00	\$12,185.86
Hotel Paraiso	\$205,000.00	\$170,375.00		\$0.00	\$0.00	\$205,000.00	-\$34,625.00
innerCHANGE	\$107,634.27	\$106,237.93		\$75,000.00	\$19,828.23	\$182,634.27	-\$56,568.11
Plan International	\$201,949.00	\$82,800.00		\$30,000.00	\$0.00	\$231,949.00	-\$149,149.00
PCI	\$281,822.06	\$98,480.00		\$22,000.00	\$10,000.00	\$303,822.06	-\$195,342.06
Promujer	\$427,500.00	\$494,215.48		\$2,500.00	\$0.00	\$430,000.00	\$64,215.48

Project	Cash Committed	Cash Actual	In-Kind Committed	In-Kind Actual	Committed TOTAL	TOTAL Difference
Rainbow	\$145,750.00	\$83,612.69	\$10,500.00	\$22,746.25	\$156,250.00	-\$49,891.06
Vicariato - LAFISE	\$107,300.00	\$285,889.08	\$470,164.09	\$196,822.35	\$577,464.09	-\$94,752.66
	\$3,322,646.23	\$4,008,076.68	\$1,801,484.40	\$7,325,139.36	\$5,124,130.63	\$6,209,085.41
Partner Commitment CASH + IN-KIND TOTAL:		\$5,124,130.63	Committed Partner Leverage to USAID Obligated Funds Ratio:		2.63	
Partner Cash investment Exceeds Committed Amount By:		\$685,430.45	% of Originally Committed Partner Cash Total Already Invested:		120.63%	
Partner In-Kind Investment Exceeds Committed Amount By:		\$5,523,654.96	% of Originally Committed Partner In-Kind Total Already Invested:		406.62%	

Annex B: Alianzas/Nicaragua Partners List

Annex B: Alianzas/Nicaragua Partners List

Business Partners	Role in Alliance Partnership	Local / Regional / Multinational
Aquatec	Funding	Local
BAC-Credomatic	Funding	Regional
Bancentro	Funding	Regional
Banco Uno	Funding	Regional
British American Tobacco Central America (BATCA)	Funding	Multinational
Café Don Paco	Funding	Local
Cafetalera NicaFrance	Funding	Local
Coca Cola	Funding	Multinational
Deloitte & Touche	Funding	Multinational
DISA	Funding	Regional
Enitel/Claro	Funding	Multinational
EPPA SA	Funding	Local
Esso Standard Oil	Funding	Multinational
Gavina Gourmet Coffee	Funding	Local
Generifar	Funding	Local
Gran Pacifica	Funding	Regional
Grupo LaFise	Funding	Regional
Kola Shaler	Funding	Local
Laboratorios Ceguel	Funding	Local
Norwood Resources	Funding	Multinational
Seguros America	Funding	Regional
Target	Funding	Multinational
CISA Exportadora	Funding + Implementing	Regional
Hotel Paraiso	Funding + Implementing	Local
Corporate Foundation Partners	Role in Alliance Partnership	Local / Regional / International
American Chamber of Commerce, Nicaragua (AMCHAM)	Implementing	Local
American Nicaraguan Foundation (ANF)	Implementing	Local
Fundación ALMORI	Funding + Implementing	Local
Fundación Atkinson	Funding	International
Fundación Coen	Funding	Regional
Fundación Pantaleon	Funding	International
Fundación Stambach	Funding	International
Fundación Uno	Funding + Implementing	Regional
NGO Partners	Role in Alliance Partnership	Local / International
American Jewish World Services	Funding	International
Fundación MITIALTO	Funding	International
Gems of Hope	Funding	International
IICA	Funding	International
Manos Unidas	Funding	International
Project HOPE	Funding	International
Rotary International	Funding	International
Wisconsin Partners	Funding	International
CARE International	Funding + Implementing	International
Handicap International	Funding + Implementing	International
innerCHANGE	Funding + Implementing	International
Plan International	Funding + Implementing	International
Project Concern International (PCI)	Funding + Implementing	International
Promujer	Funding + Implementing	International
Fabretto Children's Foundation	Funding + Implementing	Local
FUPADE (Fundación para el Desarrollo)	Funding + Implementing	Local
Rainbow Network	Funding + Implementing	Local

Faith-based Organization Partners	Role in Alliance Partnership	Local / Foreign
Vicariato Apostolico de Bluefields	Funding + Implementing	Local
United Hearts for Health	Funding	Foreign
University Partners	Role in Alliance Partnership	Local / Foreign
Region Lombarda/Politécnico de Milan	Funding	Foreign
UPOLI (Universidad Politécnica de Nicaragua)	Implementing	Local

Annex C: Alianzas/Nicaragua Grants Tracker

Annex C: Alianzas/Nicaragua Grants Tracker

Project Name	Description	Location	Beneficiaries	Implementing Partners	Funding Partners	Cash	Cash %	In Kind	In Kind %	USAID			USAID %	TOTAL	Ratio: USAID = 1 to	Concept Paper Approval Date	Grant Status	Type of Grant	% Disbursed
BASIC EDUCATION																			
<i>Soy Uno</i>	Prizes for best teachers and students in each municipality. Computers and other material help to five adopted schools.	Pacific: Departments of Managua and Rivas Central: Departments of Jinotega, Madriz, Matagalpa, Nueva Segovia Atlantic: Department of Rio San Juan, autonomous region of RAAN	1,500 students and 50 teachers in five model schools	<i>Fundación Uno</i>	Banco Uno	\$21,638.14	64%	\$0	0%	\$12,369.74			36%	\$34,007.88	1.75	Approved TRC Jun 30, 06	Grant signed Sept 13, 06	Fixed	95%
<i>Library and Computer Lab for Quilali</i>	One Computer laboratory for Quilali elementary schools and high school	Central: Quilali, Nueva Segovia	1,267 students and more than 22 teachers in Ena Sanchez school and nine rural model schools	<i>CISA Exportadora</i>	CISA Exportadora and Gaviña Gourmet Coffee	\$33,113.04	71%	\$1,947	4%	\$11,500.00			25%	\$46,559.72	3.05	Approved TRC Jul 06, 06	Grant signed Sept 27, 06	Fixed	
																			95%
<i>Library and Computer Lab for Quilali</i>	Library for one model school	Central: Quilali, Nueva Segovia	1,267 students and more than 22 teachers in Ena Sanchez school an 9 rural model schools.	<i>CISA Exportadora</i>	CISA Exportadora and Gaviña Gourmet Coffee	\$22,470.90	75%	\$138.50	0%	\$7,400.00			25%	\$30,009.40	3.06	Approved TRC Jul 06, 06	Grant signed Sept 26, 06	Fixed	
																			97%
<i>Alternative Rural Secondary Schools</i>	Increasing access to first years of secondary education in remote communities of Madriz	Pacific: Department of Managua	900 students, 600 families	<i>Fabretto Foundation</i>	Fabretto Children's Foundation	\$473,952.29	80%	\$18,300.00	3%	\$99,426.00			17%	\$591,678.29	4.95	Approved TRC Oct 26, 06	Grant signed Dec 4, 06	Reim	
																			100%

Project Name	Description	Location	Beneficiaries	Implementing Partners	Funding Partners	Cash	Cash %	In Kind	In Kind %	USAID			USAID %	TOTAL	Ratio: USAID = 1 to	Concept Paper Approval Date	Grant Status	Type of Grant	% Disbursed
<i>English for Primary Schools</i>	Teach English on a daily basis as an after-school program in AMCHAM-sponsored schools	Pacific: Department of Managua	340 model schools students	<i>AMCHAM, Centro Cultural Managua, NLI, ASC</i>	Member companies of AMCHAM	\$10,000.00	33%	\$10,000.00	33%	\$10,000.00			33%	\$30,000.00	2.00	Approved TRC Oct 26, 06	Grant signed (Nov 21, 06)	Fixed	
																			74%
<i>Improving Educational Quality in the Autonomous Regions</i>	Provide educational material to 21,000 students in rural communities; train teachers in USAID model school approach	Atlantic: Autonomous regions of RAAN and RASS	21,000 students and 614 teachers in 484 model schools	<i>Vicariato de Bluefields</i>	Grupo LaFise, Manos Unidas	\$285,889.08	33%	\$470,164.09	54%	\$112,859.33			13%	\$868,912.50	6.70	Approved TRC Dec 07, 06	Grant signed Jan 30, 07	Fixed	
																			97%
<i>A School for All</i>	Provide inclusive education training to teachers, give support to children with learning disabilities and their parents	Central: Departments of Estelí, Madiz, Nueva Segovia and Matagalpa	1,500 children with disabilities and 923 teachers in 50 primary schools; 50 school advisors and parents	<i>Handicap International</i>	Fundación Stemmelin	\$210,565.86	68%	\$0	0%	\$97,700.00			32%	\$308,265.86	2.16	Approved TRC Dec 07, 06	Grant signed March 23, 07	Fixed	
																			100%
<i>Education Programs</i>	Basic education material, equipment, libraries, and computers	Pacific: Departments of Chinandega, Leon, Managua, Masaya, Granada, Carazo, Rivas Central: Department of Nueva Segovia, Madriz, Jinotega, Estelí, Matagalpa, Boaco and Chontales	150,000 students provided with education materials, 14,000 students provided desks, and 400 students provided with access to libraries	<i>American Nicaragua Foundation</i>	Esso, Target, Coca Cola, Seguros America	\$42,500.00	1%	\$5,429,506.86	99%	\$34,174.23			1%	\$5,506,181.09	160.12	Approved TRC Feb 8, 07	Grant signed April 14, 08	Reim	

Project Name	Description	Location	Beneficiaries	Implementing Partners	Funding Partners	Cash	Cash %	In Kind	In Kind %	USAID			USAID %	TOTAL	Ratio: USAID = 1 to	Concept Paper Approval Date	Grant Status	Type of Grant	% Disbursed	
		Atlantic: Departments of Rio San Juan and Autonomous regions of RAAN and RAAS																		95%
<i>Sponsorship of School Centers</i>	To strengthen the quality of the educational system offering direct support from the private sector	Pacific: Departments of Chinandega, Leon, Managua, Masaya, Granada, Carazo and Rivas	48,050 students and 800 adults	<i>AMCHAM 2</i>	Esso, Deloitte & Touche, KPMG, LAFISE/Bancentro, Fundacion Coen, Fundacion Pantaleon, Café NicaFrance, Kola Shaler	\$147,561.58	46%	\$71,775.00	22%	\$99,899.81			31%	\$319,236.39	2.20	Approved TRC Apr 3, 07	Grant Signed May 14, 2008	Reim		
		Central: Departments of Matagalpa and Jinotega																		93%
<i>Hotel Paraiso</i>	Teacher training	Atlantic: Corn Island and autonomous region of RAAS		<i>Hotel Paraiso</i>	MITIALTO Foundation	\$205,000.00	82%	0.00	0%	\$45,000.00			18%	\$250,000.00	4.56	Approved TRC	Grant Signed May 29, 2008	Reim	78%	
<i>Fabretto's Developing and Growing in Community</i>	Promote and establish the Model School program approach; teacher training; and computer labs	Pacific: Department of Managua Central: Departments of Madriz and Esteli	10,000 Students	<i>Fabretto Children's Fund</i>	Fabretto	\$617,257.00	43%	\$339,750.00	24%	\$470,170.00			33%	\$1,427,177.00	2.04	Approved TRC May 16, 08	Grant Signed Sept 17, 2008	Reim		
																				100%
<i>Improving the Quality of Education in El Crucero Municipality</i>	Basic education material, equipment, libraries, and computers	Pacific: Department of Managua	1,000 students, 18 teachers	<i>ALMORI</i>	Fundacion ALMORI, EPPA S.A. (Café Don Bosco)	\$121,888.00	55%	\$24,181.00	11%	\$74,900.00			34%	\$220,969.00	1.95	Approved TRC July 29, 08		Reim		
																				99%
<i>Healthy Schools Project</i>	Promote and establish the Model School	Central: Department of Chontales	10,000 students, 2,500 parents, 342	<i>Plan International</i>	Plan International	\$201,949.00	60%	\$30,000.00	9%	\$107,324.00			32%	\$339,273.00	2.16	Approved TRC July 22,		Reim		

Project Name	Description	Location	Beneficiaries	Implementing Partners	Funding Partners	Cash	Cash %	In Kind	In Kind %	USAID		USAID %	TOTAL	Ratio: USAID = 1 to	Concept Paper Approval Date	Grant Status	Type of Grant	% Disbursed	
	program approach; promote healthier nutrition standards, hygiene, and civic education		teachers												08				
BASIC EDUCATION TOTALS						\$2,393,784.89	24%	\$6,395,762.13	64%	\$1,182,723.11		12%	\$9,972,270.13						98%
									Total in grants signed (Education only)	\$1,182,723.11	Fixed	\$251,829.07							
											Reim	\$930,894.04							
HEALTH AND NUTRITION																			
<i>Aulanets de Enfermeria</i>	Computer labs and equipment in nursing schools	Pacific: Departments of Leon, Managua, Carazo and Rivas Central: Departments of Nueva Segovia, Esteli and Chontrales Atlantic: Autonomous region of RASS	2,666 active registered nurses and 4,500 active nurses aids	<i>Fundación Uno</i>	Banco Uno and Enitel	\$119,088.01	51%	\$46,276.00	20%	\$68,078.30		29%	\$233,442.31	2.43	Approved TRC Jul 6, 06	Grant signed Sept. 21, 06	Fixed		
																			93%
<i>Mejorando la Salud Materna en Siuna, RAAAN, Nicaragua</i>	MCH for 16,000+ women	Pacific: Departments Chinandega, León, Managua, Masaya, Carazo; Central: Deparmtnets of Estelí	17,093 direct and 68,372 indirect beneficiaries	Promujer	American Jewish World Services, Gems of Hope, Fundacion Atkinson, Promujer	\$427,500.00	68%	\$2,500.00	0.40%	\$200,000.00		32%	\$630,000.00	2.15	Approved TRC Dec 07, 06	Grant signed April 27, 07	Cost Reim		
																			100%

Project Name	Description	Location	Beneficiaries	Implementing Partners	Funding Partners	Cash	Cash %	In Kind	In Kind %	USAID			USAID %	TOTAL	Ratio: USAID = 1 to	Concept Paper Approval Date	Grant Status	Type of Grant	% Disbursed
<i>Improvement Maternal Health in Siuna</i>	Improve MCH through telemedicine; strengthen the ability of the medical personnel of the center with a form of mixed education.	Atlantic: Autonomous region of RAAN	64,000 women	FUPADE	The Region of Lombardy	\$81,000.00	33%	\$85,000.00	34%	\$80,970.00			33%	\$246,970.00	2.05	Approved TRC Apr 3, 07	Grant signed June 15, 07	Fixed	
																			96%
<i>Well for the Rosario Pravia Hospital in Rosita, RAAN</i>	Constructed well to provide hospital with access to a clean, high-volume, reliable water supply	Atlantic: Autonomous region of RAAN	Over 1,000 visiting patients per year, as well as physicians and nurses	CARE	United Hearts for Health, Aquatec	\$10,000.00	30%	\$3,570.00	11%	\$20,043.43			60%	\$33,613.43	0.68	Approved TRC Jan 08	Grant signed March 28, 08	Cost Reim	
																			100%
<i>Post Hurricane Felix MCH Vector Disease Mitigation</i>	Provided complementary nutrition, made essential drugs more readily available and supported water cleaning methods to promote healthier environments in addition to corresponding training to make the best use of all materials and foodstuffs.	Central: Department of Jinotega, Autonomous region of RAAN	Over 26,000 Women and Children in the areas and communities hardest hit by Hurricane Felix.	CARE	CARE, Project Hope, Wisconsin Partners, AgriCorp	\$164,724.63	19%	\$544,800.00	64%	\$140,497.22			17%	\$850,021.85	5.05	Approved TRC Feb 8, 07	Grant signed Sept 12, 08	Cost Reim	
																			100%
HEALTH AND NUTRITION TOTALS						\$802,312.64	40%	\$682,146.00	34%	\$509,588.95			26%	\$1,994,048					
									Total in grants signed (Health & Nutrition)	\$509,588.95	Fixed	\$149,048.30							
											Reim	\$360,540.65							

Project Name	Description	Location	Beneficiaries	Implementing Partners	Funding Partners	Cash	Cash %	In Kind	In Kind %	USAID			USAID %	TOTAL	Ratio: USAID = 1 to	Concept Paper Approval Date	Grant Status	Type of Grant	% Disbursed	
HEALTH AND EDUCATION (COMBINED)																				
																				Health
<i>Strengthening Rural Communities in Nagarote, León</i>	Improve schools and hygiene conditions, hands-on English, science, and social studies	Pacific: Department of León	910 students and teachers; nearly 1,600 indirect beneficiaries	<i>Project Concern International</i>	Norwood Resources	\$281,822.06	62%	\$22,000.00	5%	\$150,474.16	\$52,789.51	\$75,178.50	33%	\$454,296.22	2.02	Approved TRC Dec 15, 06	Grant signed March 27, 07	Cost Reim	100%	
											35.08%	49.96%								
					Education	\$98,869.12		\$7,718.06												
					Health	\$140,801.32		\$10,991.44												
																				Health
<i>Education and Water for Villa Carmen</i>	Varied health campaigns, school materials	Pacific: Department of Managua	1,150 students, 10 public model schools, and 2,300 parents, 100 volunteers.	<i>Inner Change</i>	Gran Pacifica, Inner Change, Rotary International	\$107,634.27	40%	\$75,000.00	28%	\$84,515.00	\$65,414.61	\$19,100.39	32%	\$267,149.27	2.16	Approved TRC Oct 26, 06	Grant signed March 5, 07	Cost Reim	100%	
											77.40%	22.60%								
					Education	\$83,308.92		\$58,050.00			\$65,414.61									
					Health	\$24,325.35		\$16,950.00			\$19,100.39									
																				Health
<i>Education and Health in Rural Areas</i>	Non-formal education to improve reading and math in children and communities located in rural areas. Improve health and nutrition in rural communities.	Pacific: Department of Managua	31 rural communities with aprox 2,250 students, and 12,500 population.	<i>Rainbow Network</i>	DISA, Lab. Ceguel Generifar, Rainbow	\$145,750.00	59%	\$22,746.25	9%	\$78,125.00	\$38,775.00	\$39,350.00	32%	\$246,621.25	2.16	Approved TRC Feb 8, 07	Grant signed June 14, 07	Fixed	100%	
		Central: Department of Matagalpa									49.63%	50.37%								
HEALTH AND EDUCATION (COMBINED) TOTALS						\$535,206.33	55%	\$119,746.25	12%	\$313,114.16	\$156,979.12	\$133,628.89	32%	\$968,066.74						

Annex D: Alianzas/Nicaragua Indicators and Performance Monitoring Plan

Annex D: Alianzas/Nicaragua Indicators and Performance Monitoring Plan

Indicator	Life of Project Target	Life of Project Actual
Number of private sector alliances established	20	21
Amount of non-federal funds leveraged from the private sector	US\$3,200,000	US\$4,008,076.68
Amount of in-kind resources leveraged from the private sector	US\$1,300,000	US\$7,325,139.36

Indicator	Life of Project Target	Life of Project Actual	Women	Men
Education				
Number of administrators and officials trained	100	205	112	79
Number of learners enrolled in USAID-supported primary schools or equivalent nonschool-based settings	36,000	89,779	42,847	43,218
Number of teachers/educators trained with USG support	1,050	2,055	1,198	453
Number of parent-teacher association or similar school governance structures supported	20	615	-	-
Number of textbooks and other teaching and learning materials provided with USG assistance	15,000	118,124	-	-
Number of Alianzas-supported schools incorporating innovative and active teaching methodologies	535	608	-	-
Health				
Number of postpartum/newborn visits within 3 days of birth in USG-assisted programs	2,600	1,165	-	-
Number of people trained in maternal/newborn health through USG-supported programs	168,000	111,527	111,387	140
Number of deliveries with a skilled birth attendant in USG-assisted programs	2,000	1,765	-	-

Indicator	Life of Project Target	Life of Project Actual	Women	Men
Number of people trained in child health and nutrition through USG-supported health area programs	500	11,719	11,621	98
Number of children reached by USG-supported nutrition programs	1,500	4,524	-	-
Liters of drinking water disinfected with USG- supported point-of-used treatment products	200,000	1,827,745	-	-

Annex E: Projects Funded by Alianzas/Nicaragua

Annex E: Projects Funded by *Alianzas/Nicaragua*

Education

Fundación Uno

Soy Uno

The purpose of the project was to expand and increase the coverage of the *Soy Uno* project, an important education initiative of *Fundación Uno*, the corporate foundation of *Banco Uno*, which rewards high-performing students, teachers, and schools in poor, rural municipalities, including community schools along the San Juan River, with needed equipment and supplies. The program adopted five high-performing schools and provided donated computers, white boards, and other classroom supplies. The project recruited a facilitator who worked as the coordinator for USAID's *Excelencia* Model School Program to ensure that donations were used to maximize student performance and make long-term improvements by incorporating them into USAID's large national academic excellence program. Donations from the project benefitted 1,973 students and 66 teachers.

CISA Exportadora and Pedro Gavina

Library and Computer Lab for Quilalí

Two project grants were given to *CISA Exportadora*, which provided funds with co-funding partner *Pedro Gavina*, to support a library and computer lab in the remote town of Quilalí. The library was established for one model school, while the computer lab benefitted all the local primary schools and the high school in the area. Materials such as books and computers were purchased with *Alianzas/Nicaragua* funds. The project worked with the Nicaragua Training Institute, which conducted training workshops for teachers on best practices for incorporating the library and computer lab in their teaching. The two projects benefitted a total of 725 high school students, 1,276 primary school students, and over 41 teachers.

Fabretto Children's Fund (FCF)

Alternative Rural Secondary Schools

The Alternative Rural Secondary School project was implemented by FCF and received significant support from the new Ministry of Education (MED). This project provided 240 students with access to secondary school education in difficult-to-serve rural areas, including San José de Cusmapa and Madriz, as well as the semirural settlement of San Isidro de Bolas in the outskirts of Managua. The project purchased books that allowed students to conduct hands-on science lessons and gain important agricultural knowledge

that they could share with their families and use to find employment in their communities. Moreover, many of the direct beneficiary youth became afterschool tutors for neighboring elementary school schools, thus, the program supported an additional 600 students. *Alianzas/Nicaragua* staff participated in tutor training workshops.

FCF

Fabretto's Developing and Growing in Community

FCF implemented a large and innovative initiative that significantly expanded coverage of its CSR program to focus on primary schools, utilizing the *Excelencia* Model School Program approach. This activity included the value-added components characteristic of all Fabretto programs in 39 schools in the remote northern regions neighboring Cusmapa, and extended these components to include children who live within Nicaragua's largest garbage dump in Managua, La Chureca. In addition, the program created 10 computer labs, using solar power and satellite or microwave Internet connectivity, in remote areas where traditional infrastructure was not available. This project received donations from and the participation of partners such as Alphanumeric, Price Charities, and National Geographic, and derived most of its cash contributions from FCF's fundraising efforts in Nicaragua, Spain, and the United States and benefited over 10,000 students, reaching school year end retention rates of 94% overall.

American Chamber of Commerce (AMCHAM)

English for Elementary Schools

Through this small pilot project, students from five AMCHAM-sponsored schools completed English classes (levels 1-4) and learned greetings, songs, numbers, family vocabulary, animals, and colors.

AMCHAM

School Adoption Program

This grant supported an initiative in which AMCHAM members adopted schools in their geographic focus areas, investing in equipment and materials (e.g., computers, desks, textbooks), uniforms, and infrastructure improvements. *Alianzas/Nicaragua* funded teacher training, school and educational equipment and materials, educational specialists and facilitators, administrative and logistical support, and English classes (as in the "English for Elementary Schools" grant).

Vicariato Apostólico de Bluefields

Improving Educational Quality in the Autonomous Regions

Vicariato Apostólico de Bluefields began this large-scale project with funds from USAID and a variety of private sources, including LAFISE, an important financial group in Central America. Working hand-in-hand with small communities inaccessible by vehicle in the RAAN (North Atlantic Autonomous Region) and RAAS (South Atlantic Autonomous Region), *Vicariato* provided essential text books and other materials in places where one generation ago, formal education was unknown. In addition, the project established formal coordination with the USAID *Excelencia* Model School Program with great success. The MINED (as the MED was called under the previous government administration) showed strong support for this program by promoting free education for Nicaraguan children. Teachers were trained using MINED guidelines, which allowed them to be certified and receive benefits (e.g., salary, training, etc.) given to certified MINED teachers. This project benefitted 21,000 students in the RAAN and RAAS. All implementation activities concluded in December 2007 but *Vicariato* continued its work with USAID through the *Excelencia* Program within days of closing its *Alianzas/Nicaragua* subgrant, and is receiving support from a local NGO.

Handicap International

A School for All

Handicap International's innovative inclusive education project aimed to increase the numbers of disabled Nicaraguan children enrolled in schools. Handicap International worked with teachers and parents to boost their confidence and facilitate enrollment of moderately disabled children into the regular education system. Teachers were instructed in sign language, Braille, and motivational activities so that students with disabilities could learn the same lessons as other students. The model Handicap International used was so successful that in many schools in which the intervention was introduced, disabled students were proudly in the top tenth percentile in their grades. Using *Alianzas/Nicaragua* funds, Handicap International worked in 50 schools in Estelí, Matagalpa, Madriz, and Nueva Segovia, to include 1,500 disabled students living in regions with a high incidence of physical disabilities, due to the proximity of land mines and pollution that caused congenital malformations.

MITIALTO Foundation

Hotel Paraiso

Alianzas/Nicaragua supported the first USAID-funded project in Corn Island, a remote archipelago 70km from the Atlantic coast of Nicaragua, in the RAAS. The grant funded an innovative activity, consisting primarily of teacher training conducted by an American education specialist residing in Big Corn Island. The project was carried out under the

auspices of Hotel Paraiso, a local beach resort owned and managed by Dutch nationals, who are part of the MITIALTO Foundation. *Alianzas/Nicaragua* was to fund the school materials, while MITIALTO committed to finance more than US\$200,000 in school building renovations and refurbishing for the 12 elementary schools in Big and Little Corn Island. However, as a result of problems concerning communication, reporting procedures, and performance, the Hotel Paraiso grant was closed early, with nearly one quarter of the originally committed funds being rescinded.

American Nicaraguan Foundation (ANF)

Education Programs

Partnering with ANF partners, such as Target Corporation, ESSO, and *Seguros América* Insurance Company, the project supported an integrated school program that directly involved 89 public schools but also benefitted more than 1,000 others throughout the country through media and school hand-washing campaigns. Activities also included the provision of much needed education supplies and support for computer labs and libraries.

ALMORI Foundation

Improving the Quality of Education in El Crucero Municipality

The ALMORI Foundation project grant benefited 14 public schools with training to establish *Excelencia* Model School Program components. The grant provided school materials and refurbished the physical plant of 19 schools in *El Crucero* Municipality, benefitting over 500 direct beneficiaries. Through the use of solar power and energy storage technology, schools could also be used for night classes and community events and meetings, as well as having the potential to support computer labs in the future, even in communities that were not connected to the national electrical grid. Participating funding partners in the alliance were Grupo MURO, ALMORI, Café Don Paco, and EPPA, thus representing a diverse conglomerate of businesses ranging from exporting to specialized call centers, trading and coffee.

Health

ProMujer

Women's and Children's Health Program

The project involved supporting and expanding maternal and child health (MCH) and reproductive health services in *ProMujer* clinics located in densely populated rural and urban areas in Nicaragua (León, Managua, Masaya, Carazo and Estelí Departments), which reached over 17,000 women. In addition to providing medical supplies and essential medicines, activities supported by *Alianzas/Nicaragua* also helped expand

domestic violence prevention and training and care services, and was also linked to microfinance activities that give poor women financial independence. Funding partners included Gems of Hope and others.

Fundación para el Desarrollo (FUPADE)

Mejorando la Salud Materna en Siuna, RAAN, Nicaragua

FUPADE implemented the *Mejorando la Salud Materna en Siuna* program to improve prenatal and perinatal care in one of the poorest and most remote municipalities in Nicaragua by providing MCH services through telemedicine. This project was innovative in the Nicaraguan context because it capitalized on technology to overcome many of the inconveniences and challenges of providing services in remote areas. The program worked in close partnership with the Bertha Calderón Hospital, the designated Ministry of Health (MINS) specialized maternal care institution in the country, and collaborated with the Technological Institute of Milán, Italy, which was linked to the hospital through satellite communications, telemedicine, and the installation and use of an echograph. This alliance also included the local maternal home, which hosted women from remote communities for up to two weeks prior to due date and two days after birth.

Fundación Uno

Aulanets de Enfermería

Fundación Uno's *Aulanets de Enfermería* project installed computer labs and software in nursing schools in León, Nueva Segovia, Estelí, Chontales, Carazo, Rivas, and Managua. Through step-by-step videos and interactive text sections, the software gave nursing students examples of the most important check-up, prenatal, birthing, early-childhood care, and emergency nursing procedures. A modification to the grant allowed for the purchase of laptop computers and portable projectors to make teaching modules more adaptable to available spaces within the hospitals, instead of depending on the desktop computers and the fixed settings in which they were installed.

CARE - United Hearts for Health - AQUATEC

Well for the Rosario Pravia Hospital in Rosita, RAAN

The Rosario Pravia Hospital in Rosita was without access to clean water since it was established 29 years ago. With determined advocacy and support on the part of United Hearts for Health, a faith-based NGO from Fond-du-Lac, WI, and support from *Alianzas/Nicaragua* and AQUATEC (a Nicaragua pumping equipment company), the project involved construction of a well for the hospital (RTI's CA was modified to allow ground breaking construction in order to support this project). As a result of this activity, the hospital has access to a clean, high-volume, reliable water supply for the first time in its history.

CARE

Post Hurricane Felix Vector Disease Mitigation

The Post Hurricane Felix Vector Disease Mitigation project was an integrated program that involved a number of interrelated activities in an area of Nicaragua devastated by the hurricane. In addition to insecticide and mosquito nets (which ultimately were not made available because of problems with obtaining needed waivers), the project provided basic foods (e.g., *incaparina*, rice, sugar, oil, and protein supplements) and associated transport (both by truck and boat); training for mothers in nutrition, hygiene, and child health; a media campaign; water purification tablets; and equipment to improve and protect water supplies. Both cash and in-kind contributions were leveraged from multiple partners, including CARE, Project Hope, AgriCorp, and others.

Education and Health

innerCHANGE Associates International

Children, Education, and Supporting Services for Villa Carmen (CHESS)

The CHESS grant sponsored combined education and health activities in rural areas that were identified by the U.S. Embassy and Nicaraguan Government as priority locations for potential rapid economic growth through tourism and related activities. The implementing partner, innerCHANGE Associates International, based in Pittsburgh, PA, led the grant application process and served as the coordinating conduit for funding from Gran Pacifica, a major resort-residential development in Villa El Carmen, the Rotary Club of Pittsburgh, and many other Rotary Clubs throughout the United States (under the Rotary International umbrella). The project focused on implementing education activities to improve teacher qualifications through workshops, strengthening the English language program as a useful tool for personal growth, and encouraging local populations to take advantage of the potential for tourism and related opportunities. Nearly 1,000 students and teachers were directly benefited. In addition, clean water was made more accessible through appropriate training and monitoring on the use of colloidal silver ceramic filters in every beneficiary school classroom, in three health centers in remote areas, as well as for families in beneficiary communities that had undergone corresponding training on the benefits of clean water and basic maintenance of the filters. Each one of the health centers in Villa El Carmen was used for workshops on health-related topics from nutrition to hygiene and oral care, as well as vector disease prevention.

Project Concern International (PCI)

Strengthening Rural Communities in Nagarote, León

PCI's Strengthening Rural Communities in Nagarote, León, involved the municipality of Nagarote as the focus of the PCI-Norwood partnership grant and combined education and

health components. The education component focused on elementary schools throughout the least well-served communities within the municipal borders and consisted of teacher training and providing school materials that supported *Excelencia* Model School Program objectives. The health component was aimed at improving hygiene, nutrition, and access to essential medicines and clean water, in addition to carrying out significant training workshops on numerous related subjects. The alliance that resulted in this project included a significant funding partner, Norwood Resources, a Canadian resource extraction company that was drilling for oil in Nagarote and Villa El Carmen municipalities.

Rainbow Network

Integrated Education and Health in Poor Municipalities

Rainbow Network implemented a combined education and health project in some of the poorest municipalities in the country. This innovative, integrated community development initiative included a number of components: the establishment of a community board of directors that was organized to oversee program implementation goals, canvas for community volunteers, and support of local volunteer and health brigades; the preparation of nutritious meals for school children, infants, and elders; the provision of afterschool programs; and the development of youth leadership. Rainbow Network provided a medical doctor that visited each community in the “cluster” once per week. Services included prescribing and distributing essential drugs, diagnosing and treating ill patients, recording weight and height measurement for all children at the community feeding centers, and maintaining community patient files. A clean water and water-quality monitoring program was added to the other integrated activities. The project faced an unexpected delay of six months after startup but excelled in every area of implementation, performance, and reporting.

Plan International

Healthy Schools Project

The Plan International grant was signed during the last year of the program. Despite the short timeframe for implementation, the project was able to meet its goals and objectives. Implemented in 56 schools in the department of Chontales over 10 months, the project promoted and established the *Excelencia* Model School Program approach in all participating schools, in addition to promoting healthier nutrition standards, hygiene, and civic education. Participating in school progress toward *Excelencia* Model School Program standards and the resulting improvements in retention, graduation, and performance of Plan International’s students and teachers was laudable, especially because Plan International committed to maintaining continuous support beyond *Alianzas/Nicaragua*.