USAID | NICARAGUA

FROM THE AMERICAN PEOPLE

COUNTRY DEVELOPMENT COOPERATION STRATEGY

FY 2013-FY 2017

JULY 2013

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DEVELOPMENT CONTEXT, CHALLENGES AND OPPORTUNITIES

Nicaragua faces significant development challenges as a result of democratic backsliding, persistent poverty, and growing insecurity. The international community viewed the 2008 municipal elections, the 2011 Presidential elections, and more recently the 2012 municipal elections as flawed, which in part led to half of all bilateral donors to depart or reduce the scope or scale of their programs. However, remaining donors will continue to try to improve the country's development. USAID will increase the ability of the Nicaraguan citizenry to engage in democratic governance. Citizens who have the necessary tools, information, and skills will be better able to engage in governance, demand accountability, and affect positive, democratic solutions.

EXPECTED RESULTS

Between fiscal years 2013 and 2017, USAID will prevent the erosion of national democratic governance and citizen insecurity along Nicaragua's southern Caribbean coast through concrete, measurable development results. These expected results are:

DEMOCRACY: Increased ability to engage in democratic governance
EDUCATION/CITIZEN SECURITY: Improved safety and competitiveness of at-risk children and youth on the southern Caribbean coast

Nicaragua's reputation as a relatively secure Central American country is at risk due to increased narcotics trafficking and other illicit activities, particularly in the far-removed Caribbean regions whose prospects for growth are dampened by a weak human capital base and poor education indicators. Crime statistics for the North Atlantic Autonomous Region (RAAN) and South Atlantic Autonomous Region (RAAS) are worse than the national average, with a rate of 13.9 homicides per 100,000 people nationwide and 15.9 per 100,000 in Managua, versus 29.1 homicides per 100,000 people in the RAAS and 21 per 100,000 in the RAAN for the period 2006-2009.[1] The average number of years of schooling in Nicaragua is 5.8, the second lowest in the sub-region, and averages in the RAAS and RAAN are even lower at 2.9 and 2.3 years, respectively.[2] In the RAAS, 45 percent of school age boys and 40 percent of girls are not in school, and 25.6 percent of girls and 25.2 % of boys are illiterate.[3] In addition, the national primary level dropout rate is 9.5 percent, while it is 17 percent in the RAAS and close to 15 percent in the RAAN.[4]

[1] UNDP 2011, "Seguridad Ciudadana 1998-2010: Nicaragua – Riesgos, Retos y Oportunidades",
[2] EDUQUEMOS, "Situacion y Perspectivas en Nicaragua para Universalizar Primaria de Calidad," Febrero 2011 and Ministero de Educacion, Plan Estrategico, 2011-2015
[3] USAID 2012 Nicaragua Gender Analysis
[4] Ibid.

Given limited resources, USAID/Nicaragua will not be addressing economic growth or vulnerability to climate change as part of this Country Development Strategy (CDCS). However, it is important to reference these issues when elaborating on the context of Nicaragua as they are significant to its development. With a per capita income of $1,239 in 2011,[5] Nicaragua is the second poorest country in the Western Hemisphere. Real GDP per capita has grown at only 2.8 percent annually since 2005, resulting in little impact on widespread poverty – currently 43 percent nationally and 63 percent in rural areas. Due to its geographical position, Nicaragua is highly vulnerable to climate change and its effects such as hurricanes, intense flooding, and droughts. Among the countries most affected by meteorological phenomena, Nicaragua ranks fourth in the Climate Risk Index (CRI) 1998-2011. In recent years, growing economic losses have been caused by intense rains followed by droughts. Coupled with the country's limited adaptation capabilities and its poorly prepared population, Nicaragua's vulnerability to climate change continues to grow.

GENDER ANALYSIS

USAID/Nicaragua concluded a Gender Analysis in November 2012. A deep-rooted culture of machismo is the foundation for gender inequality in the country. This culture of machismo is enforced from birth by parents, educators, and communities, and fuels violence and citizen insecurity, especially in areas with low educational performance, such as the Caribbean coast. Men and boys are more vulnerable to homicide and criminal and gang activity, while women, girls and lesbian, gay, bisexual, and transgender (LGBT) are more vulnerable to gender-based violence (GBV), rape and sexual abuse. As evidence, there were 1,095 reported cases of rape of women and girls ages six and above in 2011 in the RAAS[6] and teen pregnancy among girls ages 10-19 account for 30.6 percent of all pregnancies in the region. The culture of machismo also has significant implications for LGBT persons, who are especially vulnerable to GBV and are targets of abuse and discrimination, with almost half of the LGBT community reporting physical, psychological, or sexual violence.[7]

NATIONAL PRIORITIES

In 2009, Nicaragua released its National Human Development Plan (NHDP), which details the GON's plans to increase economic growth, improve environmental sustainability, decrease poverty, and reduce insecurity. The Plan provides a framework in which the economic, social, environmental and governance aspects of national development are integrated. The NHDP places priority on economic growth with increased employment and reduction of poverty and

[5] Central Bank *Nicaragua in Figures* report, 2011
[6] USAID 2012 Nicaragua Gender Analysis
[7] Grupo Estratégico por los Derechos Humanos de la Diversidad Sexual (GEDDS), "Una Mirada a la diversidad sexual en Nicaragua," 2010.

inequalities, and the restoration of the economic, social, environmental, and cultural rights of the people, particularly historically marginalized sectors, including: women, LGBT persons, persons with disabilities, ethnic and linguistic minorities, and people living in extreme poverty.

In 2011, the GON unveiled a new Education Sector Strategic Plan. The plan targets universal access to basic education, with a focus on increasing 6th and 9th grade enrollment rates, improving learning outcomes, and improving education management. The NHDP specifically addresses development along the Caribbean coast as a priority, focusing on the provision of economic opportunities, political engagement, and social services. Two key goals overlap with USAID/Nicaragua objectives in southern Caribbean coast programming: reducing illiteracy and improving security. The NHDP also addresses citizen security as a nationwide priority, directing various Ministries and agencies to address key gaps within tourism, economic growth, education, governance, and programs for youth.

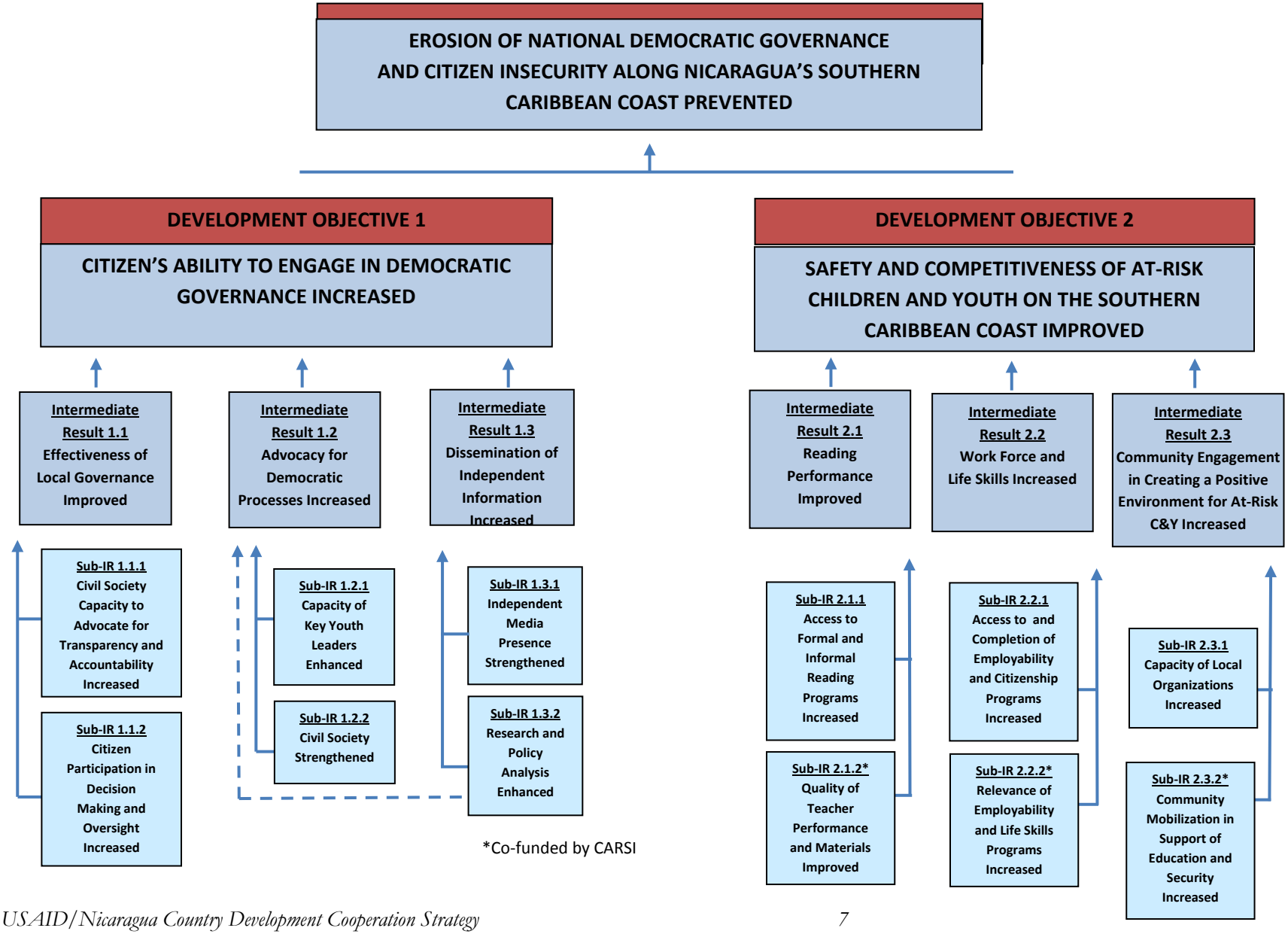
DEVELOPMENT HYPOTHESIS

Development Objective (DO) 1 will increase the ability of the Nicaraguan citizenry to engage in democratic governance. Citizens who have the necessary tools, information, and skills will be better able to engage in governance, demand accountability, and affect positive, democratic solutions. While scholars dispute the exact linkages between civil society and democratic governance, there is consensus that a strong civil society is a necessary condition for democratic governance. The UK's Department for International Development (DFID) argued that the traditional approach to democracy building of the previous decade, which focused on civil society building and state reform as separate undertakings, should be reconsidered and replaced with participatory processes that "engage with and change political power." Similarly, the World Bank has emphasized the need for civil society organizations (CSOs) to shift their focus from contesting government to collaborating with government to better promote accountability and transparency. (World Bank, "Civil Society's Role in Political and Social Transformation," September 2011; DFID – Triumph, Deficit, or Contestation? Deepening the 'Deepening Democracy' Debate, John Gaventa, 2006).

DO 2 will improve safety and competitiveness of at-risk children and youth on Nicaragua's southern Caribbean coast. Improving reading achievement for children, providing youth with basic skills to compete in the job market, and cementing the community's support for these goals will provide opportunity where none previously existed for children and youth to choose a life without violence, drugs, and crime. World Bank and DFID reports highlight that interventions planned under this program related to increasing school access, ensuring improved quality and curriculum relevance, providing life skills and job training, and increasing community cohesion are among the most effective for reducing levels of crime and violence (World Bank Crime and

Violence in Central America, 2011; DFID - Youth Exclusion, Violence, Conflict and Fragile States, Lyndsay McLean Hilker and Erika Fraser, 2009).

FIGURE 1 - RESULTS FRAMEWORK GRAPHIC



DEVELOPMENT OBJECTIVE 1: CITIZENS' ABILITY TO ENGAGE IN DEMOCRATIC GOVERNANCE INCREASED

In Nicaragua, political competition is restricted among both the ruling party and the opposition, undermining open debate and discussion about policy matters. Nonetheless, according to the USAID-funded Americas Barometer 2012 survey, support for the Sandinista National Liberation Front (FSLN) has nearly doubled since 2008. The Civil Society Index, a survey implemented by the Nicaraguan Network for Democracy and Development in 2011, revealed that approximately 26 percent of 141 CSOs surveyed reported to have experienced government restrictions.

USAID/Nicaragua's development objective to *increase citizens' ability to engage in democratic governance* will allow civil society and media to promote and participate in policy dialogue as well as engage in improving the governance of public resources. The DO will be met through a focus on three Intermediate Results (IR): improving effectiveness of local governance (IR 1.1), increasing advocacy for democratic reforms (IR 1.2), and increasing the dissemination of independent information (IR 1.3). As part of this objective, USAID will ensure that women and other vulnerable groups, including LGBT persons, persons with disabilities, indigenous persons, and other marginalized groups; are included in the public decision making process by training, supporting, and empowering them to become political and community leaders alongside their male peers. Furthermore, where possible, USAID will promote engagement, collaboration, and dialogue between CSOs and willing national and local government counterparts.

Within the five-year strategy period, USAID/Nicaragua expects to achieve certain key building blocks in support of a more participatory and competitive political system, including a critical mass of engaged citizens and a new generation of democratic leaders. This is part of a longer term strategy of putting Nicaragua on a sustainable path to democracy that is expected to go beyond the strategy period.

IR 1.1: Effectiveness of Local Governance Improved

Local, municipal-level activities represent a key component of USAID's long-term democracy strategy in Nicaragua. Effective local governance is the cornerstone of a healthy pact between the government and its citizenry. Municipalities serve as a space for up-and-coming leaders to emphasize community needs and practical solutions over partisan politics and for citizens to learn how to effectively engage their local leaders. USAID/Nicaragua municipal level activities help to improve local governance with a common goal of building a responsible and engaged citizenry at the local level.

Local governments remain a new concept in Nicaraguan society and most citizenry does not know how, why, and when to interact with local authorities. As a result, USAID/Nicaragua will

increase the capacity of local civic groups to play a more active and participatory role in the municipal activities. Targeted activities will improve citizens' understanding of their rights under established key laws such as the Citizen Participation Law and Access to Public Information Law. Citizens will learn how to engage local governments in order to influence decision making, provide effective oversight, and demand accountability of the municipal government. At the completion of this strategy it is expected that USAID, while also reinforcing the inclusion of young female community leaders, will leave behind a trained cadre of Nicaraguans in the municipal and non-governmental sectors, including local media and private sector actors, who will be able to provide high-quality technical assistance and training services to civil society, municipal governments and other partners and stakeholders.

Gender Indicators

- Local level capacity to implement national laws related to gender equality and gender-based violence improved
- Local level capacities to be leaders in positively changing perceptions of masculinity, femininity, and inclusiveness improved

Sub-IR 1.1.1: Civil Society Capacity to Advocate for Transparency and Accountability Increased

As mentioned, USAID/Nicaragua will support citizen engagement in grassroots democracy and further participatory local governance. Work under Sub-IR 1.1.1 will strengthen networks of key CSO partners and increase the capacity of the citizenry—including municipal development committees (CDMs) and community-sourced basic services organizations—to improve the governance of public resources and increase local government accountability to its own citizenry. To supplement these efforts, targeted training and the incorporation of journalists and local media in program activities will strengthen the media's role in promoting accountability and advocating for transparency in public resource management.

To mobilize innovative, high-impact projects in support of this Sub-IR, small grants will be provided to local CSOs and community-sourced basic services organizations (e.g. rural water and sanitation committees (CAPS), renewable energy associations, trash collection and recycling cooperatives, etc.) to ensure communities have the necessary tools and resources to hold local governments accountable for the provision of sustainable and reliable services.

Sub-IR 1.1.2: Citizen Participation in Decision-Making and Oversight Increased. In addition to increasing the ability of civil society to help improve local governance and public service delivery, it is important that CBOs and CSOs expand their capabilities to effectively engage local governments on planning and decision making processes. Work under Sub-IR 1.1.2, therefore, will support local-level citizen participation in decision making by sensitizing citizens to their rights and responsibilities in the development of their communities. USAID's support will focus on improving the capacity of citizen groups to engage in municipal administration decision

making, including budget planning, local procurement processes and budget implementation; to develop stronger citizen-government links; to foster constructive dialogue; and to demand access to local public information. The local media will also be trained to increase knowledge about local governance processes, to better engage local governments and the citizenry, and to improve reporting on local governance issues.

IR 1.2: Advocacy for Democratic Processes Increased

The impetus for strengthening democracy must come from citizens themselves and political parties using good analysis to make informed decisions and learning how to engage in and influence democratic institutions. Empowered and capable leaders working with a strong civil society together form the solid foundation for a culture of engagement and promotion of democratic and transparent governance. Under IR 1.2, USAID proposes supporting increased advocacy for democratic processes in Nicaragua through two main avenues: identification and capacity-building of key youth leaders in targeted areas committed to good governance and democratic processes (Sub-IR 1.2.1), and strengthening civil society in Nicaragua to enhance capacity of non-governmental citizen groups seeking access to the political processes (Sub-IR 1.2.2). Taken together, the combination of capable leaders and strong civil society will increase advocacy for democratic processes in Nicaragua.

Gender Indicators

- Capacity and leadership skills of women, girls, LGBT persons, persons with disabilities, ethnic and linguistic minorities, and other marginalized groups with support of male family and community members built
- Community leader and CSO capacity to implement actions to promote gender equality increased

Sub-IR 1.2.1: Capacity of Key Youth Leaders Enhanced. This Sub-IR focuses on building a critical mass of citizens and a new generation of democratic political and civic leaders to put into practice democratic skills and principles. Motivated and resourceful individuals are often the catalysts for innovation, bringing both new ideas and motivating others to take action. USAID/Nicaragua will work under Sub-IR1.2.1 to identify up-and-coming political and civil society leaders nationwide and provide support to enhance their effectiveness in furthering reform agendas, supporting an environment in which citizens and political parties can interact productively and across party lines to make democracy deliver. Distinct from the work under IR 1.1, efforts under this Sub-IR will focus on reinforcing pluralism in Nicaragua's political process and on building democratic linkages between political figures and the community. USAID/Nicaragua will include a special focus on training youth leaders in democratic concepts and practices through a certificate project.

Sub-IR 1.2.2: Civil Society Strengthened. A strong civil society is essential to citizen empowerment, promoting a culture of advocacy for democratic reform, and opening the space for public debate and democratic behavior. Civil society leaders have expressed that the current environment for CSOs has made it increasingly difficult to accomplish their key functions and roles. Under Sub-IR 1.2.2, USAID/Nicaragua will strengthen the presence of CSOs by improving their ability to carry out their key responsibilities through improved fundraising and fund-leveraging strategies, more targeted, effective messaging, and by providing more direct assistance to targeted CSOs to achieve their key objectives. Support for civil society groups will ensure a greater competition of ideas, improved dialogue and engagement for policy reform, and increased transparency of public institutions.

IR 1.3: Dissemination of Independent Information Increased

The presence of an independent media is critical not only to provide citizens with credible and impartial news, but to provide a pathway for the public to engage in informed dialogue and debate with decision makers. IR 1.3 will support the development of an ecosystem of independent media so that citizens have the necessary tools and platforms to broadcast their voices and take action to better align social programs with citizen needs. USAID/Nicaragua proposes to increase the dissemination of independent information in two ways: 1) by strengthening the presence of independent media sources, both traditional and non-traditional, in Nicaragua (Sub-IR 1.3.1.); and 2) by supporting the provision of credible, quality research and policy analysis from established and non-partisan sources to decision makers and citizens with the expectation of improved advocacy based on relevant and timely information (Sub-IR 1.3.2.).

Gender Indicators

- Improved ability of journalists and media to cover issues of concern related to gender equality and social messaging on these issues
- Improved research capabilities to integrate gender analysis into all research and policy to grow the body of gender data and research in Nicaragua

Sub-IR 1.3.1: Independent Media Presence Strengthened. To preserve and widen spaces for independent media to operate effectively, under Sub-IR 1.3.1., USAID/Nicaragua will support independent media by building relationships between mainstream media, new media, private sector, academia, CSOs and citizens, and by ensuring that information which can enrich the public policy dialogue continues to reach the general population. USAID/Nicaragua will also continue training traditional journalists engaged in objective reporting and provide small grants to traditional media outlets. Further, to increase dialogue, collaboration and knowledge sharing between media, civil society, and government, USAID/Nicaragua will support the mainstreaming and integration of non-traditional media tools (i.e., web platforms, blogs, social media, mobile phones, etc.), focusing on how to take the online gains of digital media and transform them into community and citizen action. Rather than creating numerous platforms,

USAID/Nicaragua will ensure that existing platforms complement one another. The goal will be to foster innovation and creativity and to catalyze new interactive programming and financing models or revenue generating opportunities that help independent media maintain financial sustainability even after USAID's investment has ended. The State Department's Public Diplomacy section will support USAID media programming through journalist in-country and US-based training, hosting events for independent media collaboration and coordination, and through diplomatic efforts to improve independent media's operating environment.

Sub-IR 1.3.2: Research and Policy Analysis Enhanced. Credible and independent sources of economic and political research, data, and analysis – often lacking or altogether unavailable in Nicaragua – are crucial to citizen groups seeking reliable information to engage in informed dialogue with decision makers. USAID/Nicaragua will work under Sub-IR 1.3.2 to support NGOs that are known locally as a source of independent and credible policy research and analysis to continue to provide the information that is sought after both by policy makers and informed citizens.

DEVELOPMENT OBJECTIVE 2: SAFETY AND COMPETITIVENESS OF AT-RISK CHILDREN AND YOUTH ON THE SOUTHERN CARIBBEAN COAST IMPROVED

Nicaragua's unique geography, cultural dynamics, and political history have supported a population along the Caribbean coast that is marginalized, vulnerable, and increasingly insecure. Many coastal communities display poor school performance and high juvenile delinquency, largely resulting from the fact that youth lack the knowledge and skills needed to enable them to engage effectively in work, life and community.

According to the Nicaraguan Ministry of Education's (MINED) New Education Sector Strategy (2011-2015), students in the country's historically marginalized Northern and Southern Atlantic Coast regions (RAAN and RAAS) do not have adequate access to the educational system and, even when accessing educational opportunities, often are not completing primary school. A USAID-commissioned study on early grade reading provided educational data for the RAAN and RAAS that highlight serious education sector challenges. The report highlights poor reading ability by many students on the Caribbean coast, with only 12.5 percent of first graders in the RAAN and the RAAS scoring at or above international standards for Spanish on the Early Grade Reading Assessment (EGRA), as compared to 25 percent in other parts of the country.[8] Students who fail in school, particularly in the earliest grades, are more likely to drop out (RAAS primary dropout rate is 17 percent vs. national rate of 9.5 percent).[9] Out-of-school youth without jobs or structured activities and who do not feel involved in their communities in a meaningful way are at increased risk of becoming involved in criminal activities—particularly in regions of the Nicaraguan southern Caribbean coast where such activities are becoming endemic. A recent youth assessment commissioned by USAID/Nicaragua confirms that a growing number of out-of-school children and youth are increasingly becoming engaged in gangs and other groups (including narco-traffickers) that are committing crimes against their neighbors and in their neighborhoods. The youth assessment also states that there are 24 groups of at-risk youth in the RAAS that often commit armed robbery, carry home-made weapons, and are occasionally arrested for aggravated assault, while in the RAAN there are 20 similar groups.

Drug trafficking is a major catalyst of social problems in the region, incentivizing individuals and community complicity in order to engage people in illegal activity. Traffickers recruit community members to provide logistical support and security services, and support the transport of drugs. Also, drugs are readily available and there is a strong tendency for youth to combine the consumption of illegal drugs with alcohol -- thereby multiplying the negative effects

[8] David P. Evans, et. al. (2012) Assessment and Design Recommendations for Improving Reading Performance of Under-performing Children in Primary Schools on Nicaragua's Atlantic Coast.
[9] Plan Estrategico de Educacion 2011- 2015 – Ministerio de Education de Nicaragua 2011

for youth and their heath. Sexual assault and teen pregnancy are also significant problems and rates of sexually transmitted diseases are among the highest in the country.

Therefore, a key objective of DO2 is to contribute to reducing insecurity along Nicaragua's southern Caribbean coast through the following Intermediary Results: IR 2.1 - Reading performance improved, IR 2.2 - Workforce and life skills increased, and IR 2.3 - Sustainable community engagement in creating a positive environment for at-risk children and youth[10] increased. The northern Caribbean coast will not be addressed in this strategy due to limited resources however, if circumstances change, this strategy will be adjusted. DO2 supports two goals within the USAID education strategy: Goal 1 (improved reading for 100 million children by 2015) and Goal 3 (increased equitable access to education in crisis and conflict environments for 15 million learners). The program will support a variety of high quality formal and non-formal education opportunities that reflect the types of educational priorities that are valued by students and their parents, and will mobilize families and communities around the themes of education and security to increase the perceived value of education, the benefit of safer communities, and reduce tolerance for violence.

USAID plans to reach 12,500 students of which 3,150 are out-of school youth across five municipalities where USAID will focus its programming. This total amount (12,500) represents 41.7 percent of all students ages 5-19 (29,968) in the five municipalities and 67.5 percent of out-of-school youth ages 6-14 (4,666). The anticipated education impact of DO2 is to improve early grade reading performance for children living in the southern Caribbean coast. This will be achieved by increasing access to reading programs and improving the quality of reading instruction and materials within the five designated municipalities who are either: (1) in privately-managed schools (grades K to three); (2) school-aged, but have never attended school; and/or (3) who are failing in public school or have dropped-out of school. This early childhood intervention is particularly important as many studies demonstrate a positive correlation between early childhood education and decreased criminal activity. Although USAID may not work in public schools at the current time, assessments from the Bureau for Economic Growth, Education, and Environment (E3) as well as the Latin America and Caribbean (LAC) Regional Bureau clearly show that early literacy improvement efforts outside of the public school system can have significant and measurable impacts on literacy outcomes over the short to medium term.

Some key examples of the reduction of criminal activity due to childhood participation in educational activity include Head Start programs and the Perry Preschool. A 2010 study called

[10] USAID Policy on Youth In Development 2012 : USAID recognizes youth to be between the ages of 10 to 29 years and children from 0 to 17 years.

Education Policy and Crime found participation in Head Start at ages 3-5 significantly reduces the probability (by 31 percentage points) that a 16-17 year-old male is sentenced for a crime. While the Perry Preschool, an early childhood program that specifically targeted low-income minority children in Michigan, "had significant effects on lifetime crime measured as of age 40." For this reason, early grade reading and education interventions are focus areas in the southern Caribbean coast Nicaragua.[11]

In addition to working with children, the youth interventions proposed in DO2, vocational training and life skills development, also prove to decrease crime, even if indirectly. Trained youth are more likely to engage in positive activities rather than negative criminal activity. Additionally, youth occupied in a constructive activity such as sports, school or job training, are less likely to be available to commit crimes. For the above mentioned reasons, it is expected that DO2 interventions will result in more children and youth staying in or returning to formal or informal educational settings to gain the skills needed to start a business or find employment, and in communities assuming greater responsibility towards children and youth.

IR 2.1 – Reading Performance Improved

Being able to read is a critical element to a child's potential academic and economic success, and to the shaping and consolidation of other psychological factors essential to building a grounded person. Failing to master reading skills has an overall negative impact on the life of a student from early childhood, through adolescence and adulthood, and failure to learn to read fluently by grade three is associated with grade repetition and early drop out; these in turn are key risk factors for joining the ranks of at-risk youth.

The education sector assessment commissioned by USAID/Nicaragua found that only 15.7 percent of Spanish-speaking first-graders in the RAAN and RAAS tested at or above international standards in oral reading fluency, compared to 25 percent in other departments. Performance was also significantly worse for second graders on the Caribbean coast versus other parts of the country. While the same assessment also highlighted that in grade three, Spanish-speaking children in the RAAN and RAAS performed better than those in the other departments; it is highly possible that this is due to the fact that those students who hadn't mastered reading had already left school by third grade.[12] Therefore, USAID/Nicaragua will improve reading performance by increasing access to high-quality learning opportunities.

<u>Gender Indicators</u>

[11] Lochner, L. (2010). *Education Policy and Crime.* Cambridge, MA: National Bureau of Economic Research.

[12] David P. Evans, et. al., 2012. "Assessment and Design Recommendations for Improving Reading Performance of Under-performing Children in Primary Schools on Nicaragua's Atlantic Coast."

- Reading specialist/teachers/mentors in gender awareness and gender-based violence trained
- Positive images, role models, and examples of equal ideas of masculinity and femininity promoted and reinforced
- Reading materials include gender-appropriate language and images and promote positive images of men and boys in caring positions

Sub-IR 2.1.1: Access to Formal and Informal Reading Programs Increased. Perhaps the most fundamental issue related to access to education on the Caribbean coast is that formal schools are few and far between and alternatives to formal education are even scarcer. Where there are schools, infrastructure is usually inadequate, and parents don't want to send young children to schools that are far from home because it is dangerous for them to travel long distances on their own. Another key obstacle to education is financial; while there are no school fees in Nicaragua and there are programs that provide some food to students in formal school settings, there are still other costs associated with sending a child to school, and parents may not have the minimum resources needed to buy uniforms or school supplies. Therefore, the combination of poverty and insecurity in accessing schools promotes a late educational debut that impacts learning outcomes, particularly the early development of good reading skills.

USAID/Nicaragua proposes increasing access to reading programs by providing sub-grants to NGOs (including faith-based organizations), by leveraging private sector interest and investment, and by supporting regular and after-school programs in privately-managed schools in order to expand the reach and coverage of formal and non-formal programs. Also, communities will be engaged in identifying and monitoring at-risk children and youth who meet established criteria for scholarships in order to reduce the economic constraints that often keep children from attending school.

Sub-IR 2.1.2: Quality of Teacher Performance and Materials Improved. Even when parents have sufficient resources to send their child to school, many do not see the intrinsic value in education and its relevance to their day-to-day lives, preferring that children work and contribute to household income rather than attend school. The poor quality of education (e.g., poor teacher training, lack of relevant and linguistically-appropriate curricula and materials, overcrowded schools, etc.) serves to reinforce these misconceptions.

In response, USAID/Nicaragua will work to improve teacher training and enable teachers to monitor student outcomes and to better target their activities. The program will also ensure the availability of culturally adequate and gender sensitive learning and teaching materials in appropriate languages. This will facilitate the implementation of the standard school curricula (including content related to violence, gender, agriculture and other skills/knowledge valued by

families) in order to increase interest in educational content and demonstrate that what is learned in school is not only useful for a child's future, but also for the present.

IR 2.2 – Work Force and Life Skills Increased

Poor labor market prospects continue to plague many Nicaraguan youth, and youth unemployment contributes directly to increases in illicit activity and reductions in community safety. Further, the social and economic fabric of the coastal region has severely eroded, and youth need guidance to acquire the fundamental skills that will enable them to function as productive members of their communities. However, access to training programs that can provide youth with the knowledge and skills they need to secure lawful employment and reject drugs and violence are limited. And where such opportunities do exist, there are often financial obstacles to their participation. Furthermore, such programs rarely adopt a comprehensive approach to addressing the full range of skills and information youth need to earn a living and make informed decisions about their futures. Consequently, under IR 2.2, USAID/Nicaragua proposes to increase access to integrated, non-formal educational programs for youth to improve their odds of succeeding in the labor market and of becoming responsible adults.

Gender Indicators

- Integrated life skills psychosocial support referrals for boys and girls (focused on violence)
- Proven content on conflict resolution, GBV, positive parenting skills, etc. integrated into life skills and training of trainers programs (including against LGBT and between boys)

Sub-IR 2.2.1: Relevance of Employability and Life Skills Programs Increased. The USAID/Nicaragua Mission will work with local governments, the private sector and other stakeholders to define the types of skills currently needed for the local workforce, as well as to project likely requirements for the future, and then will develop courses in these specific areas. To ensure that youth receive a balanced education that prepares them for employability, the program will develop an integrated curricula that blends technical and vocational training with complementary coursework in themes such as teamwork, discipline, communication, leadership, valuing multicultural diversity, self-esteem, gender-based violence, drug abuse and reproductive health, among others. Since many youth do not recognize the inherent value in building life skills, this component will be delivered primarily through recreational activities (e.g., sports, art and music). The program will also ensure that staff and stakeholders are trained in gender sensitivity issues and build alliances with local social service providers so they can refer youth for services, as needed.

Sub-IR 2.2.2: Access to and Completion of Employability and Citizenship Programs Increased. There are not many technical/vocational training providers on the Caribbean coast, and youth

often cannot afford to participate in the courses that are available. Also, few programs include training in entrepreneurship for youth who would like to start their own businesses or in job search strategies for those who already have technical skills. It is equally important to ensure that youth understand and have the capacity to exhibit the types of qualities that employers seek in an employee (i.e., respectful, punctual, non-confrontational, self-confident, good communicator, etc.). To address these issues, a variety of technical and vocational courses will be offered that will be complemented with citizenship training and support activities to help youth design job-search strategies or start businesses. Criteria will be used to identify at-risk youth who will receive scholarship packages to facilitate their participation in such courses; USAID will also offer limited funding to incentivize youth to establish their own businesses. Finally, USAID will partner with local banks to mobilize credit for small and medium enterprises along the Caribbean coast to seed entrepreneurial ideas and create jobs that will employ trained youth.

IR 2.3 – Community Engagement in Creating a Positive Environment for At-Risk Children and Youth Increased

The increasing presence of and rising voluntary or coerced engagement of communities in illicit-drug related activities is taking its toll. This is demonstrated by increasing school drop-out rates, drug and alcohol abuse, gender-based violence and rates of sexually transmitted infections and adolescent pregnancy. These same issues are also negatively affecting education, but communities are not sufficiently aware of how improving educational opportunities for children and youth, while at the same time targeting gender disparities, could positively impact security. Therefore, to change prevailing attitudes and practices, activities under this IR will increase community engagement in addressing the local conditions that increase insecurity and put children and youth at risk. Stakeholders, including teachers, school officials, religious leaders, the private sector, police, local government officials, local NGOs, parents, youth and other community members, will be provided with the skills, tools, and gender sensitization needed to enable them to collaborate in creating a safer environment and increase opportunities for children and youth.

<u>Gender Indicators</u>

- Emphasized leadership of young girls and women in community advocacy and neighborhood strengthening initiatives
- Increased male engagement as change agents and in delivering non-violence messages

<u>Sub-IR 2.3.1 - Capacity of Local Organizations Increased.</u> In most places in the RAAN and RAAS, community members lack a cohesive vision of what a safe, healthy community should look like -- much less the knowledge and skills needed to actually cultivate such an environment. Mechanisms for developing municipal plans exist, as do national and regional policies and plans

related to youth, security and education. However, reliable data about security trends at the community level are hard to come by and stakeholders (i.e., local governments, community members, parents, local organizations) have limited knowledge of such policies and lack the capacity to plan, implement, monitor and evaluate activities that translate those plans and policies into action.

In response to these issues, activities under this Sub-IR will build the capacity of a wide range of community actors to contribute to identifying and solving local challenges related to education and security. This will be achieved through a variety of strategies, including, providing training to NGOs, local governments and other community members in planning, implementation and evaluation; supporting targeted research and the dissemination of data for decision making, including through work with universities; and organizing domestic and international exchanges among NGOs to promote networking.

Sub-IR 2.3.2 - Community Mobilization in Support of Education and Security Increased. Communities play a central role in cultivating an environment in which children can feel safe to play or to learn and in which youth can thrive. However community members are not always aware of laws, policies and decrees that are in place to address issues related to education, youth and security or the profound ways in which local safety issues affect the development of children and youth, and how this influences their ability to grow into responsible adults. Work under this Sub-IR will educate community members about why reading is critical to increasing a child's odds for success, about steps that can be taken to address the needs of at-risk youth, and about how supporting interventions in both of these areas contribute to increased security. Activities will support media campaigns, community fairs and local contests around the themes of reading, education, youth and security; the involvement of the private sector in strategic interventions to support youth workforce development; and the development and implementation of community action plans. Action plans will be used to advocate for funding from municipal governments, the private sector or other sources, as well as to promote community volunteerism and involvement in local activities such as the clean-up of parks, peer-to-peer counseling, or neighborhood watch committees.

MONITORING, EVALUATION, AND LEARNING

Following the Managing for Results integrated approach and reinforcing USAID Forward mandate of strengthening monitoring and evaluation processes, USAID/Nicaragua will design an overall Mission Performance Management Plan (PMP) that will describe how the Mission intends to monitor progress toward proposed DOs by setting a list of high-end outcome and output indicators with annual targets. The Mission will work with each implementing partner on the design of Monitoring and Evaluation Plans that will set the guidance for both routine monitoring as well as mid-term and final evaluations.

The Mission will require M&E Plans to have established data collection and analysis, monitoring and verification procedures to not only track progress toward objectives but also support and facilitate a continuous process of learning and translating knowledge into better practices. The Mission will continue updating agreed standard and custom indicators with quarterly inputs from all implementing partners. The Mission plans to review its PMP indicators on a yearly basis in preparation for the Mission Performance Plan and Report (PPR), and more frequently if entertaining modifications to activities or if indicators require adjustments. The Mission will continue to promote annual sector meetings between implementing partners to facilitate the exchange of lessons learned, systematization of best practices and technical knowledge.

Studies, Assessments and Evaluations

This CDCS is informed by the following evaluations and studies: 1) Democracy and Governance (DG) Assessment (2010), impact evaluation of USAID's rule of law program, mid-term and final evaluations of USAID's civil society programs, evaluation of elections and political process activities, and evaluation of USAID's anti-corruption assistance; 2) Agricultural Sector Assessment and Agriculture Assessment of Nicaragua Studies, both used to inform the design of USAID's new food security program (informed decision on Mission priorities which did not include food security); 3) Study on Determinants of Nicaragua's long term growth to create awareness about Nicaragua's restrictions for long-term development; 4) Study on Institutions for Development: A Political Economy Perspective on Nicaragua which is meant to create awareness about the link between weak institutions and Nicaragua's periodic crises; and 5) The Inter-Agency Conflict Assessment Framework (ICAF), supported by the USG to identify potential for conflict, specifically in the Caribbean coastal region. Six additional assessments and studies were carried out in FY 2012 of which results are being incorporated into ongoing projects and new projects as they are designed. Mandatory Tropical Rain Forest and Biodiversity analyses were completed in January 2009. These analyses are valid for five years. The Gender Analysis was completed in November 2012. Results were incorporated at the DO and project level as needed.

For the CDCS period 2013- 2017, at least six evaluations of existing activities will be completed, including: 1) Health program impact evaluation; 2) Alliances II final evaluation; 3) Education for Success mid-term and final evaluations; 4) Democratic and Leadership Development Program mid-term evaluation; 5) Media Program mid-term evaluation; and 6) FUNIDES final evaluation. Two studies will also be completed, including: 1) Most At-Risk Population (MARP), and 2) Opportunities for Engagement with LGBT CSOs in Democracy and Governance Programming. Additional evaluations will be identified through the project design process and will be conducted throughout the life of the CDCS.

Indicators and Evaluation Questions

CDCS Level

- Can sustainable results be achieved by focusing efforts on public private partnerships only?
- Can sustainable results be achieved by focusing efforts on civil society only?

Goal: Erosion of National Democratic Governance and Citizen Insecurity Along Nicaragua's Southern Caribbean Coast Prevented:

Custom Indicator: Percent of community members that perceive their community is safer. The Knowledge, Attitude, Practices (KAP) survey will capture opinions from diverse populations segments (sex, ethnicity)
Custom Indicator: Percent of community members that agree that the level of freedom of expression has increased
Custom Indicator: Number of local and national democratic governance practices based on human rights and gender equality

DO 1: Citizen's Ability to Engage in Democratic Governance Increased
Custom Indicator: Percent of community members that perceive a change in their ability to participate in governance or government decision making
Standard Indicator 2.2-2: Government Effectiveness Index Score

IR 1.1: Effectiveness in Local Governance Improved
Custom Indicator: Number of Civil Society Organizations using USG assistance to promote political participation
Custom Indicator: Number of policies that have been influenced by CSOs
Custom Indicator: Number of positive modifications to enabling legislation/ regulation for CSOs accomplished with USG assistance

Sub 1.1.1: Civil Society Capacity to Advocate for Transparency and Accountability Increased
Standard Indicator 2.4.1-9: Number of civil society organizations (CSOs) receiving USG assistance engaged in advocacy interventions
Standard Indicator CBLD-1: Number of awards made directly to local organizations
Sub 1.1.2: Citizen Participation in Decision Making and Oversight Increased
Standard Indicator 2.4.1-11: Number of USG-funded organizations representing marginalized constituencies trying to affect government policy or conducting government oversight
Custom Indicator: Number of mechanisms supported with USG assistance for external oversight of public resource use

IR 1.2: Advocacy for Democratic Processes Increased
Custom Indicator: Number of proposed democratic reforms or processes supported by USG assistance
Sub 1.2.1: Capacity of Key Youth Leaders Enhanced

Custom Indicator: Number of trained citizens in political leadership with USG assistance

Sub 1.2.2: Civil Society Strengthened

Custom Indicator: Number of CSOs using USG assistance to improve their organizational capacity

IR 1.3: Dissemination of Independent Information Increased

Custom Indicator: Number of USAID-funded reports on democracy, education, security, economic growth and environment produced and disseminated in independent media outlets

Sub 1.3.1: Independent Media Presence Strengthened

Standard Indicator 2.4.2-11: Number of USG-assisted Media-Sector Civil Society Organizations (CSOs) and/or institutions that serve to strengthen the independent media or journalists

Standard Indicator 2.4.2-8: Number of training days provided to journalists with USG assistance, measured by person-days of training

Custom Indicator: Percent of community members that perceived importance of independent mass media increasing

Sub 1.3.2: Research and Policy Analysis Enhanced

Custom Indicator: Number of investigative stories/reports generated by journalists or citizens through USAID funded mechanisms

Evaluation Questions – DO1

- How effectively has USAID facilitated the increase in citizens' ability to engage in democratic processes?
- What is the current status of local governance versus initial status?
- What methods to build capacity of key leaders were the most effective?
- What affect did efforts to increase the dissemination of independent information have on citizens' ability to engage in democratic governance?

DO 2: Safety and Competitiveness of At-Risk Children and Youth on the Southern Caribbean Coast Improved

Custom Indicator: Number and percentage of workforce development (WFD) program participants who gain employment or better employment or start their own businesses after graduating from USG-funded workforce development (WFD) programs (disaggregated by sex)

Custom Indicator: Proportion of participants who by the end of their participation in the program can read and understand grade level text

Custom Indicator: Dropout rate (disaggregated by sex and grade)

IR 2.1: Reading Performance Improved

Standard Indicator 3.2.1-27: Proportion of students who, by the end of two grades of primary schooling, demonstrate that they can read and understand the meaning of grade level text (disaggregated by sex)

Sub IR 2.1.1: Access to Formal and Informal Reading Programs Increased

Standard Indicator 3.2.1-14: Number of learners enrolled in USG-supported primary schools or equivalent non-school-based settings

Standard Indicator 3.2.1-15: Number of learners enrolled in USG-supported secondary schools or equivalent non-school-based settings

Sub IR 2.1.2: Quality of Reading Instructions and Materials Improved

IR 2.2: Work Force and Life Skills Increased

Custom Indicator: Number of people certified through USAID-supported WFD programs (disaggregated by sex)

Custom Indicator: Number and percentage of youth reporting ability to set long-term goals for themselves

Sub IR 2.2.1: Relevance of Employability and Life Skills Programs Increased

Standard Indicator 4.6.3-9: Person hours of training completed in workforce development supported by USG assistance (disaggregate by sex)

Standard Indicator: 4.6.3-2 Number of persons receiving new employment or better employment (including better self-employment) as a result of participation in USG funded workforce development programs

Custom: Percent of participants that further their education or other training as a result of the program

Sub IR 2.2.2: Access to and Completion of Employability and Citizenship Programs Increased

Custom Indicator: Number of program participants being educated through an integrated curricula (workforce development, life skills, recreation)

IR 2.3: Community Engagement in Creating a Positive Environment for At-Risk Children and Youth Increased

Custom Indicator: Number of new/expanded youth-friendly services available in targeted communities.

Custom Indicator: Number of local community action plans developed and implemented

Sub IR 2.3.1: Capacity of Local Organizations Increased

Custom Indicator: Number and percentage of trained NGOs with improved administrative, financial, planning and implementation capacity

Custom Indicator: Number of NGOs with capacity to implement reading and youth-oriented programs (disaggregated by reading programs, youth programs, and reading programs involving youth)

Sub IR 2.3.2: Community mobilization in support of education and security increased

Custom Indicator: Number of participants in community workshops

Custom Indicator: Number of reading campaigns organized by communities (disaggregated by youth and other general public)

Evaluation Questions – DO2

- Are targeted communities perceived as safer?
- What work force skills improved the competitiveness of targeted youth?
- Which innovative reading interventions were most effective at improving reading performance?
- What type of outreach and awareness efforts to target populations were most successful in increasing community engagement and why?
- What methods to address gender disparities were most effective and why?

USAID FORWARD

Administrator Shah announced USAID Forward, a reform effort to change the way USAID does business with new partnerships and an emphasis on innovation and results. USAID/Nicaragua is

committed to advancing the reforms envisioned in the USAID Forward agenda through implementation of the CDCS.

- Local Solutions: In FY 2012, 39 percent of program funds were obligated through local systems. Between FY 2013 and FY 2015, the Mission expects that percentage to increase. All activity designs include analysis for using local organizations when and where possible, and/or include local capacity development components to facilitate the eventual transition to implementation by local organizations.
- Evaluations: In FY 2013, the Mission aims to procure several high-quality evaluations either locally, through U.S. small businesses, or using U.S. based research institutions.
- Mentoring: The Mission is identifying and formalizing staff development programs for all employees. A Mission Order on Mentoring is in place. Brown bags in which staff pre-determine topics of interest are being implemented once a month. Mission senior managers serve as both mentors and mentees. The Mission front office oversees the implementation of the Mission mentoring program.
- Public Private Partnerships: The Mission continues to seek opportunities to expand the use of Global Development Alliances.
- Science and Technology: USAID/Forward goals of assigning an American Association for the Advancement of Science Fellow to the Mission and spatially portraying Mission programs is being carried out..

<u>Potential Partners/Donors</u>

Civil Society

- Civil Society organizations, especially those headed by or representing the interests of marginalized groups (including women and, LGBT persons, persons with disabilities, and indigenous persons) and independent media.
- NGOs and other citizen groups to advocate for better social services and/or reform.
- Mission is carrying out a local capacity survey focusing on the Caribbean coast to identify a broader range of potential partners.

Private Sector

- The University of Central America (UCA), with USAID support, provides entrepreneurship training to youth, as well as consultants that serve the microenterprise and SME sector. USAID plays a key role in the establishment of the CISCO-Thomas More partnership to help train university students and entrepreneurs wishing to start or expand a business. USAID plans to build on and apply these successes to at-risk youth programming.
- The American University (UAM), the University of the Autonomous Regions of the Caribbean Coast (URACCAN), and George Washington University provide political leadership training as part of a civil society consortium under the elections and political processes program.

- USAID/Nicaragua supported think-tank devoted to promoting economic and social dialogue, FUNIDES, continues to provide technical analysis and policy advice on improving the education sector in Nicaragua. Another think-tank, Eduquemos specifically targets education issues.

USG Agencies

- USDA and Peace Corps: Coordination on education and at-risk youth activities on the Caribbean coast.
- Other USG agencies, including Department of Defense and State Department's Bureau of International Narcotics and Law Enforcement Affairs.
- The USAID/Regional Program based in El Salvador resources are focused on humanitarian assistance and crisis response.

Other Donors

- United Nations Children's Fund (UNICEF), United Nations Population Fund (UNFPA), the Inter-American Development Bank (IDB), the World Bank, and the European Union can help complement USAID's education and youth programs through coordination and co-location where applicable.
- USAID works closely with bilateral donors on elections, and in other DG efforts.
- USAID is actively engaged in the education donor group that seeks to create synergy among the programs and enhance programmatic and geographical impact.
- UN Agencies most active in Nicaragua include United Nations Development Programme (UNDP), UNFPA, World Food Programme (WFP), UNICEF, and Pan American Health Organization (PAHO).