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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
Washington, D. C. 20523

BOLIVIA

PROJECT PAPER

PVO MANAGEMENT SUPPORT  
AMENDMENT NUMBER 1

AID/LAC/P-718

PROJECT NUMBER: 511-0578

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT <b>PROJECT DATA SHEET</b>				TRANSACTION CODE <input type="checkbox"/> A = Add <input checked="" type="checkbox"/> C = Change <input type="checkbox"/> D = Delete		Amendment Number <u>1</u>		DOCUMENT CODE <u>3</u>	
2. COUNTRY/ENTITY USAID/BOLIVIA				3. PROJECT NUMBER <u>511-0578</u>					
4. BUREAU/OFFICE Latin America and the Caribbean <u>05</u>				5. PROJECT TITLE (maximum 40 characters) <u>PVO MANAGEMENT SUPPORT</u>					
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY <u>09 30 93</u>				7. ESTIMATED DATE OF OBLIGATION (Under 'B' below, enter 1, 2, 3, or 4) A. Initial FY <u>88</u> B. Quarter <u>3</u> C. Final FY <u>93</u>					
8. COSTS (\$000 OR EQUIVALENT \$1 = )									
A. FUNDING SOURCE			FIRST FY			LIFE OF PROJECT			
			B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL	
AID Appropriated Total			535		535	2,435	-	2,435	
(Grant)			( 535 )		( 535 )	( 2,435 )	( - )	( 2,435 )	
(Loan)					( - )	( - )	( - )	( - )	
Other 1.									
U.S. 2.									
Host Country				146			874	874	
Other Donor(s)									
TOTALS			535	146	681	2,435	874	3,309	
9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATION TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1 Grant	2 Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ARDY	260	230		720	-	700	-	1,420	-
(2) CS	320	320		700	-	-	-	700	-
(3) VIT	320	330		215	-	-	-	215	-
(4) PSEC	710	120		-	-	100	-	100	-
TOTALS				1,635	-	800	-	2,435	-
10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)								11. SECONDARY PURPOSE CODE	
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)									
A. Code		BR	BU	EQTY	LAB	PART	NUTR	PVOU	
B. Amount									
13. PROJECT PURPOSE (maximum 480 characters)  Increase citizen participation in municipal decision-making and create temporary employment opportunities in the development of town services and infrastructure.									
14. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY <u>09 90 09 93</u>						15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (specify)			
16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a ___ page PP Amendment.)  The USAID/Controller has reviewed the methods of implementation and financial procedures described herein and hereby indicates his concurrence.  <i>Thomas J. Johnstone, Jr.</i> Thomas J. Johnstone, Jr. Acting Controller									
17. APPROVED BY		Signature <i>Carl H. Leonard</i> Carl H. Leonard				18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS. DATE OF DISTRIBUTION MM DD YY <u>05 26 92</u>			
		Title Director USAID/Bolivia							



Source and Origin of Commodities, Nationality of Services

Commodities financed by A.I.D. under project shall have their source and origin in the Bolivia or the United States, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have Bolivia or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.



Carl H. Leonard  
Director  
USAID/Bolivia

Date: 5/26/92

*SK*  
RLA/SAllen:nec  
4/06/92

Clearances:

ARD:SPinzino (Draft) 2/28/92  
ARD:JSleeper (Draft) 2/28/92  
RCO:CBucher (Draft) 4/22/92  
PD&I:LLucke *4/22/92*  
DP:WTate (Draft) 4/24/92  
CONT:JDavison *5/22/92*  
DD:GDavidson *5/25/92*

**PROJECT PAPER  
AMENDMENT NO. 1**

**PVO MANAGEMENT SUPPORT PROJECT  
511-0578**

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## I. EXECUTIVE SUMMARY

### A. Recommendation

It is recommended that the Planning Assistance's PVO Management Support Project 511-0578, be amended through a new or extension of the current Grant Agreement to include activities which will continue to provide technical assistance to P.L. 480 Title II Cooperating Sponsors to improve PVO management of Title II resources; and, convert the P.L. 480 Title II municipal infrastructure program into a true democratic initiatives program. It is also recommended that the new PACD for the Amended Project be extended for an eighteen month period beginning on the date that the amendment or new Grant Agreement is signed. This amendment will also increase local participation in the efficiency of USAID/Bolivia's urban and rural town's infrastructure food-for-work program and support provision of basic services to poor residents of the cities, as well as provide short-term employment to unemployed persons.

### B. Summary

The amended project consists of technical assistance to private voluntary organizations (PVOs), municipal government officials and technicians in order to increase the efficiency of USAID/Bolivia's municipal Food for Work Program carried out under the PL-480 Title II Program. The training and technical assistance will help the PVOs better manage the Title II Food for Work Program in three cities (El Alto, Cochabamba and Santa Cruz) and surrounding nine rural towns. The amended project will increase citizen participation in municipal decision making in these 12 cities and rural towns in order to have greater access to sustainable services and municipality infrastructure and provide short-term employment in poor neighborhoods.

The use of the Title II urban Food for Work Program as a vehicle to empower poor neighborhoods has several advantages. First, it provides an incentive for poor communities to organize and present their infrastructure and service needs to the municipalities. The community groups themselves not only provide their labor to construct these small projects, but also contribute to the financing of the works and ensure that the infrastructure is maintained. The amended project will also strengthen the local municipalities' capacities to serve the poor, and augment their tax base by increasing the property values in the communities served.

The amended project in these 12 cities and rural towns will permit 175 community groups to directly participate in the selection and implementation of municipal projects in their neighborhoods under the Food for Work Program. Approximately 13,800 persons will be temporarily employed on a monthly basis in

the construction of these projects. The jobs create a buffer for those people who lose coca related employment. The food commodities will improve their diets and income, and the infrastructure projects will improve their living condition.

The democratic processes and other components of this amended project, applied to the Title II municipal infrastructure food-for-work program, will convert the municipal infrastructure program into a true democratic initiatives program. It also supports the Mission's strategic object of Alternative Development through the creation of employment and by slowing temporal and permanent migration from provincial cities and departmental capitals to coca growing areas.

The cost to USAID/Bolivia of carrying out the additional TA for the amended project is \$ 800,000. An additional \$ 335,000 or more will be provided by the municipalities which will participate in the program and by Planning Assistance. Under the original grant, AID provided \$ 1,635,000 and Planning Assistance contributed \$ 539,500 in counterpart. Thus, the total life of project funding will reach \$ 3,309,500, of which \$ 2,435,000 are AID financed and \$ 874,500 will be provided through counterpart funding.

## II. AMENDED PROJECT BACKGROUND

### A. Current Project and Title II Program Changes

On June 29th, 1988, Planning Assistance received a three-year grant to increase both the developmental impact of the Title II program and the competence and self-sufficiency of the three cooperating sponsors who carry out the program.

The goals and purposes of the project, as listed in the grant agreement, were:

- the extension of basic child survival services and assistance in improving agricultural production and income to the poorest members of Bolivian society;
- the establishment of three strong, well-managed, self-sufficient private and voluntary organizations (PVOs), CARITAS, ADRA/OFASA, and Food for the Hungry (FHI); and
- the insurance of effective management and utilization of P.L. 480 resources, principally the Title II commodities.

There has been significant achievement of each of these three aims.

have effective child survival programs. ADRA was not able to develop effective child survival services in its maternal child health program and based upon an evaluation conducted by Deborah Caro, the maternal child health program was terminated on September 30, 1991. However, ADRA without using food resources is providing effective child survival services in its integrated development projects in La Paz, Trinidad, and Riberalta, where the target group is small and they have adequate technical personnel to run a health program. Together, the three organizations provide effective child survival services in 498 communities throughout the country. The child survival services in the 10 Caritas organizations with ineffective programs are in the process of being eliminated.

In 1988, the agricultural programs of the three cooperating sponsors consisted exclusively of rural food-for-work projects which were widely dispersed and limited to infrastructure projects, many of which bore no relation to agricultural development. Because of Planning Assistance's work, all three agencies now implement agricultural production projects with monetization. The projects have varying degrees of effectiveness and impact, but all are bona fide agricultural development projects.

An external evaluation of the project, by Jim Pines and Janet Lowenthal, concluded that "FHI is clearly a 'self-sufficient' organization as defined under the grant, 'able to manage its own affairs without recourse to external assistance'". The evaluators stated that ADRA had improved its management by "focusing its efforts and resources on fewer types of projects, in order to increase impact through fewer, but better designed, better supervised, and complementary interventions." Today, ADRA only works in urban infrastructure and rural integrated projects in selected micro-regions. The evaluators found that the major work of Planning Assistance, in its work with Caritas, "has been the decentralization of planning to the 16 diocesan offices." The evaluators also concluded that by selecting 6 dioceses and first focusing efforts on them, "Planning Assistance has been able to achieve measurable impact." Since the time of this evaluation, Planning Assistance has now worked with all 16 dioceses.

In 1988, none of the regional offices of the three cooperating sponsors could prepare annual program plans. The multi-year and annual planning done by the central office for the

organizations as a whole was severely deficient. Only FHI had established effective organizational units. None of the sponsors had job descriptions for their staff, nor periodic monitoring and evaluation of their programs.

Today, all 16 Caritas organizations and all 3 FHI regional offices produce reasonably well-thought-out annual plans without external assistance. All 16 Caritas organizations, 3 FHI regional offices, and 5 ADRA regional offices have well-organized program units and job descriptions for all staff. The 3 FHI offices, 11 of the 16 Caritas organizations, and ADRA have better monitoring and evaluation systems to track all programs at the output level. The ability to evaluate impact needs improvement in all these agencies.

In 1988, the rural food-for-work programs and the mothers' clubs of all three cooperating sponsors were staffed by people with little or no formal training in agriculture, rural construction, or health. The five Caritas urban food-for-work programs were staffed by trained civil engineers and construction foreman. The three ADRA urban food-for-work programs were staffed by generalists with no formal training in construction.

Today, the agricultural programs of all three organizations are staffed by agronomists, veterinarians, and trained agricultural extension agents. The child survival programs are staffed by nurses or nurse auxiliaries and are supervised by doctors or nutritionists. The 10 urban infrastructure programs of Caritas and ADRA are supervised by architects, civil engineers, or trained construction specialists.

FHI has become a complete, effective development organization. The 16 Caritas organizations and ADRA have also become development organizations, but they still need to make further improvements in order to become fully effective, self-sufficient agencies. Pines and Lowenthal concluded in their evaluation that "ADRA and Caritas will not reach high standards of development and management in the near future, but that USAID should accept their limitations and support the two agencies as long as they maintain a minimum level of proficiency necessary for an effective partnership with USAID."

USAID/Bolivia's P.L. 480, Title II program has changed dramatically in the past three years. Less successful programs such as the mothers' clubs and rural food-for-work are being phased out. Development programs for women and rural development will now be carried out with funding from monetization. Most of the Title II food has been reallocated to urban food-for-work for the construction of small-scale infrastructure and the provision of basic services.

The Title II urban infrastructure program had previously been limited to the 9 departmental capitals of the country. The program employed nearly 14,000 food-for-work workers each month and used approximately 8,500 metric tons of food per year. It was managed by 5 Caritas organizations and 3 of ADRA's regional offices. As of October, 1991, the program was extended to include provincial capitals and other major regional cities. The program is now being carried out in 20 cities throughout Bolivia and employs more than 27,000 food-for-work workers per month. The program now uses nearly 17,000 metric tons of food per year and is administered by 11 Caritas organizations and 5 ADRA regional offices. When the program was limited to the 9 departmental capitals, there was a Caritas organization or ADRA regional office to manage the work in each city. Now, each Caritas organization or ADRA regional office will manage the work in an average of 3 cities. The technical assistance that will be provided under this project amendment will ensure that these municipality projects are more responsive to local needs and capacities.

B. Title II Municipal Infrastructure and Democratic Initiatives

The majority of the cities which have had the Title II program have established community action departments to work with citizens' organizations to select and carry out projects. The food-for-work projects were always a means for increasing citizen participation in the construction and maintenance of works and services and, as a result, citizen participation in decision-making was increased as well.

USAID/Bolivia and Planning Assistance co-sponsored a workshop in September, 1991, to see if the Title II municipal infrastructure program could be converted into a democratic initiatives program, while still supporting the major objective of creating temporary jobs and services and infrastructure for the poor neighborhoods. Mayors and senior officials of the nine departmental capitals decided to adopt a democratic initiatives program for their cities and help extend the program to other cities within their departments. They defined six components for the new Title II democratic initiatives program: multi-year planning of public works and services; establishing alternatives sources of financing for public works and services; citizen participation in the planning, selection, and construction of public works and services; the training of citizen leaders, Caritas and ADRA staff, and municipal staff; the collaborative supervision and evaluation of projects; and interchange of experience among staff of the department capitals and the other cities within their departments.

The mayors and senior municipal officials and staff from Caritas and ADRA designed strategies for implementing each of the six components. They also defined indicators for measuring the achievement of the six components. Planning Assistance, Caritas, and ADRA are collecting baseline data for all six components in the 20 cities which are now participating in the program.

### III. AMENDED PROJECT RATIONALE

#### A. Justification

The Title II food-for-work projects have been an extremely useful vehicle for increasing citizen participation in decision-making. This citizen participation has been, however, a by-product of the construction of public works and provision of services. The furthering of democratic processes has not, until recently, been a stated goal and priority of the program. This amended project will convert the Title II food-for-work program into a true democratic initiatives program.

The Devres evaluation of November, 1988 and the Management Sciences International (MSI) study of March, 1991 of the urban municipal infrastructure food-for-work program both said that the program was having a significant impact on democratic decision-making. MSI specifically said that the addition of other components, such as the training of citizens to participate in decision-making and the training of city officials in using and supporting democratic processes, would be enough to convert the food-for-work program into a true democratic initiatives program.

The use of the Title II food-for-work projects as a vehicle to increase citizen participation in decision-making has several other benefits. Citizen participation in decision-making will help make the infrastructure that is constructed more sustainable. Emphasis will be given to increasing citizen participation in decisions as to how to maintain infrastructure and services and to increasing citizen responsibility for the maintenance of the infrastructure and services.

The project will provide assistance to cities in the Cochabamba Region. Thus, the project will help increase the sustainability of some of the infrastructure and public works already constructed under the Cochabamba Regional Development Project. With greater citizen participation the project will improve the maintenance of municipal public works and services under this project, the Cochabamba Regional Development Project, or other projects.

Approximately 13,800 short-term jobs will be provided each month in the 12 cities that will receive assistance under this project. All 12 cities lie within the El Alto - Santa Cruz migration corridor, and the majority of them are in the Cochabamba region itself. Therefore, this project will also contribute to the alternative development program by slowing temporal and permanent migration from provincial cities and departmental capitals to coca-growing areas.

B. Project Adjustment

Planning Assistance has been working with municipal staff as well as Caritas and ADRA staff to plan, implement, and supervise the municipal projects. Planning Assistance must make two changes in order to implement the amended project. Planning Assistance must now work with citizen leaders to increase their participation in decision-making. Planning Assistance must also focus on the process of making decisions-- that is, more citizen participation in decisions-- as well as on the outcome of these decisions such as the construction of infrastructure and provision of services.

C. Relationship to Mission Strategy and Objectives

The amended project supports A.I.D.'s strategic objectives of strengthening democracy by empowering citizens' groups, especially the disadvantaged, to influence municipal decision making and have greater access to sustainable services and infrastructure; and, of supporting Alternative Development by creating temporary employment which create a buffer for those people who lose coca related employment.

D. Relationship to Other Programs

This project will be complementary to and implemented in close coordination with activities which may be carried out as a result of the RHUDO/PACDO studies on municipal development. The project will also be coordinated with Alternative Development activities and other democratic initiatives of USAID/Bolivia.

IV. PROJECT DESCRIPTION

A. Original Project Goal, Purposes, and Outputs

Goal:

Extend basic child survival services and assistance in improving agricultural production and income to the poorest members of Bolivian society.

**Purposes:**

1. Establish three strong, well-managed, self-sufficient private and voluntary organizations (PVOs), CARITAS, ADRA/OFASA, and Food for the Hungry (FHI).

2. Insure effective management and utilization of P.L. 480 resources, principally the Title II commodities.

**Outputs:**

	Target	Cumulative
1. 537 persons trained in program management practices		
- long-term planning & budgeting	80	255
- organizing & staffing	174	754
- directing & controlling	66	206
- computerization of tracking & control of Title II food	13	39
- training in managerial attitudes, skills, and tools.	--	33
2. Production of 5 manuals on program management practices	5	4
3. 360 PVO staff trained in design & implementation of child survival and agricultural projects.	360	287
4. Production of 7 technical manuals on designing and carrying out child survival & agricultural projects.	7	4
5. Resolution of critical management problems of the three PVOs.	12	7
6. Technically satisfactory design & implementation of child survival and agricultural programs.	72	33

**B. Revised Project Goal, Purposes, and Outputs**

**Goal:**

Increase the participation in municipal decision-making and access to services and temporary employment of poor neighborhoods in the 12 cities and rural towns assisted by the project under the Title II Food for Work Program.

**Purposes:**

1. Increase citizen participation in municipal decision-making and create temporary employment opportunities in these 12 cities in relation to the development of services and infrastructure.
2. Increase the responsiveness of municipal officials and ADRA and Caritas representatives in the 12 cities to the needs and desires of the residents of poor neighborhoods in providing services and infrastructure.
3. Strengthen Caritas' and ADRA's capability to support participatory processes and improve the effectiveness of the municipal Food for Work Program through the provision of technical and training assistance.

**Outputs:**

1. Train 1,040 citizen leaders in how to participate in municipal decision-making.
2. Use Title II Food for Work projects as a vehicle to increase temporary employment and citizen participation in the selection, planning, execution, supervision, evaluation, and maintenance of 175 public works and services.
3. Establish and employ other means for popular participation in municipal decision-making.
4. Develop and employ additional means of financing projects, with emphasis on those which directly link taxes and user charges to the provision of services which citizens desire.
5. Train 173 municipal, Caritas, and ADRA officials in the importance of participatory decision-making processes and how to support them.
6. Increase the efficiency of the urban municipal infrastructure Food for Work program implemented by USAID/Bolivia-- the collection of baseline data and program supervision, monitoring, evaluation, and reporting.

7. Support construction of more sustainable municipal infrastructure and provision of basic services to poor residents of the 12 cities.

8. Provide short-term employment to 13,800 unemployed persons each month and thereby contribute to the alternative development program by slowing temporal and permanent migration from provincial cities and departmental capitals to coca-growing regions.

C. Revised Project Activities

1. Provincial Municipalities

Planning Assistance will train citizens in demanding and exercising democratic participation in decision-making, train city officials and PVO personnel in including citizens in decision-making, and help citizens and city officials apply this training in making the following decisions.

1.1 Assessing the current level of citizen participation, of both men and women, in municipal decision-making and deciding how to increase that participation.

1.2 Developing and institutionalizing organizational structures and processes by which citizens and municipal officials will collaborate in decision-making.

1.3 Assessing the needs of the city for temporary jobs and sustainable infrastructure and services and deciding which services will be provided, in what order, and in which districts.

1.4 Increasing citizen participation in selecting, planning, constructing, supervising, evaluating, and maintaining public works and services.

1.5 Increasing public participation in municipal decisions on which city land will be zoned for commercial, industrial, residential, and recreational use, what the required lot size will be for residential properties, and how real property will be assessed and taxed.

1.6 Developing alternative means for funding public works and services, with emphasis on those in which the citizen pays directly for the infrastructure and services which he or she wants.

Santa Cruz

Santa Cruz is divided into 11 geographic districts. Planning Assistance will train citizens of the 11 districts to

participate in decision-making and train staff of the 10 municipal district offices and PVO staff in democratic processes and help apply this training to:

- preparing a diagnosis of the needs of each district;
- based on this diagnosis, preparing multi-year and annual plans for constructing infrastructure and providing services; and
- establishing collaborative procedures for selection, planning, construction, supervision, evaluation, and maintenance of public works.

### Cochabamba

Cochabamba has established district municipal offices in the five poor sections of the city-- Villa Mexico, Sebastian Pagador, Villa Venezuela, Santana de Calacala, and Villa Santa Barbara. Planning Assistance will train citizens of the 5 districts to participate in decision-making and train staff of the 5 district offices and PVO staff in democratic processes and then help apply this training to:

- preparing a diagnosis of the needs of each district;
- based on this diagnosis, preparing multi-year and annual plans for constructing infrastructure and providing services;
- establishing collaborative procedures for the selection, planning, construction, supervision, evaluation, and maintenance of public works; and
- establishing organizational structures and processes by which citizens of the 5 districts and staff of the district offices fully collaborate in decision-making.

### El Alto

Planning Assistance has been asked to help set up a municipal development fund in El Alto, similar to that now operating in Santa Cruz, which would:

- maximize citizen participation (labor, materials, money) in the construction of public works and services, and
- permit citizens to pay their taxes directly for the goods and services they want.

In addition, Planning Assistance has been asked to help establish two to three district municipal offices on an experimental basis and work with citizens and district staff to:

- establish organizational structures and processes by which citizens of the districts and staff of the district offices fully collaborate in decision-making.

- prepare a diagnosis of the needs of each district;
- based on this diagnosis, prepare multi-year and annual plans for constructing infrastructure and providing services; and
- establish collaborative procedures for selection, planning, construction, supervision, evaluation, and maintenance of public works.

Planning Assistance will hold workshops in July, 1991 and March, 1992 for representatives of all municipalities, Caritas, and ADRA to:

- Disseminate the experience, procedures, and formats on the participative processes for the selection, planning, execution, supervision, and evaluation of public works and services.
- Disseminate the experience and results on additional means of financing projects which emphasize those which directly link taxes and user charges to the provision of services which citizens desire.
- Establish and update the democratic initiatives baseline in all municipalities.

## V. PROJECT IMPLEMENTATION, MONITORING, AND EVALUATION

### A. USAID/Bolivia Management

USAID/Bolivia will approve each year's program plan and resource allocation by reviewing and approving the Multi-Year Operational Plans and/or Annual Program Updates of Caritas and ADRA. USAID/Bolivia will thereafter review the Semi-Annual Progress Reports of each cooperating sponsor and recommend or require program changes as desired. In addition, the Food for Development Staff receives quarterly progress reports from each cooperating sponsor and from Planning Assistance and these will be used to monitor progress in implementing the program as planned. Finally, the baseline data information and subsequent updates, collected at the close of each program year, will be used to track progress of the program as a whole.

### B. Planning Assistance

Planning Assistance will monitor and evaluate achievement of the first five outputs in two stages:

- immediately upon completion of the training of citizen leaders and city officials and assisting them to take decisions together; and
- several months thereafter, to see if citizen leaders and city officials continue to take decisions together--that is, continue to apply the training for greater participation in decision-making.

Increases in the efficiency of the urban municipal infrastructure program (Output # 6) will be evaluated by the USAID/Bolivia staff who supervise this program. The construction of more sustainable municipal infrastructure with greater public participation and support for provision of services (Output # 7) and the provision of short-term employment (Output # 8) will be evaluated using the quarterly reports submitted by the Caritas and ADRA regional offices which carry out the urban municipal infrastructure program.

The evaluation of the purposes of the project--increased citizen participation in decision-making and support of this increased participation by municipal officials--will take place each time training is provided and applied in making one of the six types of decisions that citizens and city officials will make together. The project sets its own baseline once the first type of training and decision-making takes place and automatically measures achievement of project purposes in the five remaining types of training and applications in decision-making.

Evaluation of the goal of the project will take place at the end of the first twelve months of the project and at the end of the eighteen-month project.

The project will be evaluated by independent, external evaluators at the end of the first twelve months of the project. The intent of the evaluation will be to assess the results of the project through the first twelve months, analyze them, and make recommendations on how to improve the work of the project during the final six months.

### C. Municipalities

The summaries of increases in citizen participation in decision-making in each municipality, described immediately above, will provide the raw data for evaluating the first part of the goal-- increases in participation in decision-making of poor neighborhoods. Increases in participation in decision-making for all six types of training and decisions will be recorded and tabulated by each district of the municipality. In addition, the assessment of the city's needs and setting of objectives for services and infrastructure-- the third type of training and decision-making-- will provide information on which of the districts of the city are the poorest. The combination of these two data will provide the information on whether or not the citizens of poor neighborhoods have gained greater participation in decision-making.

D. Caritas and ADRA

The quarterly and annual reports of Caritas and ADRA will provide information on the number of temporary jobs created, what municipal infrastructure activities were supported, and where and how citizen participation was increased. This, combined with the information on which districts are the poorest, will provide information on whether or not citizens of poor neighborhoods have gained greater access to basic services. Planning Assistance will provide extensive assistance to Caritas and ADRA in improving their monitoring, evaluation, and reporting.

VI. REVISED LIFE OF PROJECT COSTS ESTIMATES AND FINANCIAL PLAN

A. Life of Project Costs

Total expenditures through December 31, 1991 on the project are \$2,174,500; \$1,635,000 of this amount was USAID funding, and \$539,500 were counterpart expenditures.

The cost to USAID/Bolivia of carrying out the amendment is \$ 800,000. An additional \$ 335,000 or more will be provided by the municipalities which will participate in the project and Planning Assistance.

Total project costs will increase to \$3,309,500 Total costs to USAID/Bolivia will increase to \$2,435,000. Total counterpart costs will increase to \$874,500.

B. Procurement Plan

A grant extension will be negotiated with Planning Assistance for an additional 18 months for the implementation of the project. This grant amendment will provide funding for a municipal advisor, as well as short term specialists and other costs to carry out the project. An evaluation will be performed during the eighteen months extension. No commodities are to be purchased directly by A.I.D.

Annual audits are required to be performed under the project.

C. Financial Plan

The revised financial plan for the project and the detailed budget for this amendment are attached as Annex I.

#### D. Disbursement System

To assure a systematic and timely flow of project funds, the disbursements procedure under the project will provide funds of A.I.D. in a periodic advance basis in U.S. Dollars into a separate interest bearing bank account to be maintained by P.A.I.

The propose funding procedures for A.I.D. funds are as follows:

<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>Amount</u>
Operational Program Grant	Direct Payment	\$2,435,000

#### VII. PROJECT AMENDMENT ANALYSIS

##### A. Technical Analysis Summary

Planning Assistance has demonstrated its capacity to provide technical and managerial assistance to both cooperating sponsors and municipalities and thereby improve the planning, implementation, and impact of their programs. A review of Planning Assistance's operational plan for the amended project indicates that they have a satisfactory methodology for training citizens to increase their participation in municipal decision-making. A review of the experience of Planning Assistance's staff indicates that they have the capability to carry out this methodology.

##### B. Economic Analysis Summary

The amended project will produce a positive economic benefit. It will help provide temporary employment for more than 13,800 unemployed persons per month. The amendment will insure that these workers are employed as productively as possible, producing the public works and services that most benefit the populations of the cities. The amendment will help produce fixed assets which will greatly increase the value of individual properties and the city as a whole.

##### C. Social Analysis

The major social impacts--providing temporary employment for the unemployed, increasing citizen participation in decision-making, improving the infrastructure and services of the city are all positive. Many of the Food for Work workers are women and women will make up a large part of the increased participation in decision-making. The amendment poses no significant, negative social impacts.

D. Institutional Analysis

The municipalities, Caritas, ADRA, and Planning Assistance have the institutional capability to carry out the amended project. The municipalities are now making decisions and Caritas and ADRA are now supporting infrastructure and services. The additional institutional burden will be to make these decisions with greatly increased citizen participation. Municipal officials and staff of Caritas and ADRA have the resources to undertake this greater participation. Planning Assistance will provide them with the methodology and support for doing so.

E. Environmental Analysis

This amendment focuses explicitly on supporting private voluntary organizations' efforts to increase citizen participation in municipal decision-making. All funds provided are for technical assistance only, and the private voluntary organizations that will be reinforced to provide this assistance will not design or direct municipalities' social services and/or infrastructure projects or activities; rather, they will ensure that the targeted municipalities that now make these decisions do so in a more democratic, efficient and sustainable manner. In addition, AID itself "will not have knowledge or control over, and the objective of AID in furnishing assistance does not require either prior to approval of financing or prior to implementation of specific activities, knowledge or control over the details of the specific activities that (may) have an effect on the physical and natural environment;" as such, this activity qualifies for a Categorical Exclusion under 22 CFR 216 (section 216.2(c)(ii)).

ANNEX I

I. DETAILED BUDGET, USAID FUNDING  
(For Amendment Only)

	Totals	Local Currency Costs Expressed in Dollars	Direct Dollar Costs
1. Project Staff			
Project Director (\$5,000/mo x 18 mos.)	90,000		90,000
Municipal Specialist (\$3,000/mo x 18 mos.)	54,000	54,000	
2 Community Organiza- tion Specialists (\$800/mo x 18 mos x 2)	28,800	28,800	
Financial specialist/ Accountant (\$1,250 x 18 mos)	22,500	22,500	
Office Assistant (\$600/mo x 18 mos)	10,800	10,800	
Secretary/Receptionist (\$400/mo x 18 mos)	<u>7,200</u>	<u>7,200</u>	<u>          </u>
Total Salaries	213,000	123,300	90,000
Fringe Benefits 22% of Total Salaries	46,926	27,126	19,800
Consultants:			
Foreign (\$200/day x 15 days)	3,000		3,000
National (\$75/day x 90 days)	6,750	6,750	
Central Office Superv. Support & Fina. Oversight:			
PA Program Director (\$426/day x 60 days)	25,560		25,560
PA Admin/Finance Officer (\$110 x 90 days)	<u>9,900</u>		<u>9,900</u>
Sub Total Tech. Assist.	305,436	157,176	148,260

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	Totals	Local Currency Costs Expressed in Dollars	Direct Dollar Costs
2. Travel and Per Diem:			
International Travel:			
Relocation, Project Director			
Airfare (3 1/2 one-way tickets)	6,300		6,300
Temporary Lodging (60 days x 100)	6,000		6,000
Shipping (household Effects)	9,072		9,072
Shipping (POV)	4,410		4,410
Shipping (UAB)	3,481		3,481
Furniture Purchase Retail Vacation, Airfare only	10,000 6,300	10,000	6,300
Consultant Travel			
Airfare (1 RT Ticket)	1,500		1,500
Per Diem (\$100/day x 15 days)	1,500	1,500	
Supervision and Support Travel			
Airfare (4 RT Tickets x \$1,500/ticket)	6,000		6,000
Per Diem (\$100/day x 60 days)	6,000	6,000	
Local Travel:			
Local Consultants			
Airfares (4 RTs x \$100/ trip)	400	400	
Per Diem (45 days x \$61/day)	2,745	2,745	
Staff			
Airfares (18 RTs x \$100/trip)	1,800	1,800	
Per Diem, (10 days/mo x \$61/day x 18 mos)	10,980	10,980	
Vehicle Operation & Main- tenance (2 vehicles x \$500 x 18 mo/vehicle)	18,000	18,000	
Sub Total, Travel & Per Diem	94,488	51,425	43,063

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	Totals	Local Currency Costs Expressed in Dollars	Direct Dollar Costs
<b>Operational Costs:</b>			
Housing, Project Director (\$1,700/mo x 18 mos)	30,600		30,600
Office Rent & Utilities (\$1,000/mo x 18 mos)	18,000		18,000
Insurance, Office and Vehicle	4,500	4,500	
SOS Insurance, PD & Family	1,350		1,350
Int. Workers Compensation Insurance	2,700		2,700
Equipment Maintenance	2,700	2,700	
Telephone/Telex/Fax (Washington)	5,400		5,400
Telephone/Telex/Fax (Bolivia)	14,400	14,400	
Mail/Messenger (Wash.)	3,600		3,600
Mail/Messenger (Bolivia)	<u>4,500</u>	<u>4,500</u>	<u>3,600</u>
Sub Total, Operational Costs	87,750	26,100	61,650
<b>4. Equipment and Supplies:</b>			
Office Furniture	4,000	4,000	
Office Equipment, 2 computers	4,000	4,000	
Office Equipment, Photocopier	6,000	6,000	
Fax & Telephone Line	3,000	3,000	
1 4WD Vehicle	20,000	20,000	
Office Material & Supplies (\$708.56/mo x 18)	<u>12,754</u>	<u>12,754</u>	
Sub Total Equipment Supplies	49,754	49,754	
<b>5. Workshops and Seminars:</b>			
2 Workshops to Disseminate Results and Update Democratic Initia- tives Baseline	<u>6,000</u>	<u>6,000</u>	
Subtotal, Workshopa & Seminars	6,000	6,000	

	Totals	Local Currency Costs Expressed in Dollars	Direct Dollar Costs
6. Project Evaluation:			
Evaluation after First 12 months	<u>50,000</u>	<u>50,000</u>	
Sub Total, Project Eva- luation	<u>50,000</u>	<u>50,000</u>	
Total Direct Costs	593,428	290,455	302,973
7. Management & General Costs: (Provisional rate 34.81% of Direct Costs)*	206,572		206,572
Total AID Funding	<u>800,000</u>	<u>290,455</u>	<u>509,545</u>
Counterpart, Complementary Inputs	335,000 *****	335,000 *****	*****
Grand Total	\$1,135,000	625,000	509,545

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\* As audited by KMPG Real, Marwick & Co. for Calendar Year 1990

## II. LOP FUNDING

Technical Assistance	1,017,478
Travel	148,693
Training	31,136
Operating Expenses	288,488
Equipment, Materials and Supplies	102,301
Evaluations	67,702
Vitamin A Sub-Grants	215,282
Management & General Costs	<u>566,920</u>
Total AID Funding	2,435,000
Counterpart, Complementary Inputs	<u>874,500</u>
GRAND TOTAL	3,309,500 *****

Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
<p><b>GOAL</b></p> <p>Increase the participation in decision-making, access to services in poor neighborhoods, and temporary employment.</p>	<ul style="list-style-type: none"> <li>- increases in number of men and women in poor neighborhoods who participate in decision-making, have temporary employment and access to services.</li> </ul>	<ul style="list-style-type: none"> <li>- review of project documentation.</li> <li>- review of project documentation and municipal records.</li> </ul>	<ul style="list-style-type: none"> <li>- poor neighborhoods have equal or greater participation in decision-making.</li> <li>- poor neighborhoods are targeted for services.</li> </ul>
<p><b>PURPOSES</b></p> <ol style="list-style-type: none"> <li>1. Increase citizen participation, men and women, in municipal decision-making and create temporary employment.</li> <li>2. Increase the responsiveness of municipal officials and FVO representatives to the needs and desires of residents of poor neighborhoods.</li> <li>3. Strengthen Caritas' and ADRA's capability to support participatory processes and improve the effectiveness of of the municipal food-for-work program.</li> </ol>	<ul style="list-style-type: none"> <li>- increases in number of men and women participating in decision-making and having temporary employment.</li> <li>- increases in number of municipal officials and FVO representatives who support citizen participation in decision-making.</li> <li>- increased FVO responsibility for increasing democratic participation.</li> <li>- better FVO supervision, monitoring, evaluation, and reporting on projects.</li> </ul>	<ul style="list-style-type: none"> <li>- review of project documentation.</li> <li>- review of project documentation.</li> <li>- FVO quarterly progress reports.</li> </ul>	<ul style="list-style-type: none"> <li>- male and female citizens wish to increase their participation in decision-making.</li> <li>- municipal officials will permit and support citizen participation in decision-making.</li> <li>- FVO's wish to increase democratic processes and improve management of municipal infrastructure projects.</li> </ul>
<p><b>OUTPUTS</b></p> <ol style="list-style-type: none"> <li>1. Train 1,040 citizen leaders in how to participate in municipal decision-making.</li> <li>2. Use Title II food-for-work projects to increase citizen participation in the selection, planning, execution, supervision, evaluation and maintenance of 175 public works and services.</li> </ol>	<ul style="list-style-type: none"> <li>- number of citizen leaders trained.</li> <li>- increases in number of projects in which citizens participate in selection, planning, execution, supervision and evaluation.</li> </ul>	<ul style="list-style-type: none"> <li>- review of project documentation.</li> <li>- review of project documentation.</li> </ul>	<ul style="list-style-type: none"> <li>- training large numbers of citizen leaders is feasible.</li> <li>- citizen participation can be organized and it is administratively feasible to do so.</li> </ul>

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Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
3. Establish and employ other means for popular participation in municipal decision-making.	- number of other mechanisms employed and level of citizen participation.	- review of project documentation.	- possibility and feasibility of other mechanisms.
4. Develop and employ additional means for financing projects, with emphasis on those which directly link taxes to the provision of services that the citizens desire.	- increase in dollar volume of public works and services directly paid for by citizens who have chosen these public works and services.	- review of municipal financial records. - review of project documentation.	- municipalities have a water and sewer cooperative or business which will collect payments.
5. Train 175 municipal and FVO officials in the importance of participatory decision-making processes and how to support them.	- number of municipal personnel trained.	- review of project documentation.	- municipal personnel accept training.
6. Increase the efficiency of the urban food-for-work program implemented by USAID Bolivia.	- reduction in amount of USAID/Bolivia staff time required to manage program.	- review of USAID Bolivia staff time reports.	- funding for this project.
7. Construct sustainable infrastructure and provide basic services to poor residents of the 12 cities.	- increase in number of poor residents with access to basic services.	- review of project, Caritas, ADRA, and municipal records.	- Title II food is available and approved by the Government of Bolivia.
8. Provide short-term employment to 13,800 unemployed persons each month and slow migration from provincial cities and departmental capitals to coca-growing regions.	- number of workers employed per month on food-for-work projects.	- review of Caritas and ADRA quarterly reports.	- Title II food is available and approved by the Government of Bolivia.
<b>INPUTS</b>			
86 person-months of technical assistance	- documentation of assistance provided.	- review of documents.	- funding for this project.
1. Technical Ass. \$ 421,555.-	- Planning Assistance's true time reports.	- review of Planning Assistance's true time reports.	
2. Training 122,119.-			
3. Commodities 49,754.-			
4. Others (Overhead) 206,572.-			
Totals \$ 800,000.-			
Counterpart, Complementary Inputs \$ 335,000.-			

Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
<b>GOALS</b>			
1. To reduce infant and child death and disability through the integration of child survival interventions into the maternal and child health feeding programs of CARITAS, ADRA/OPASA, and Food for the Hungry.	- integration of 4 primary child survival interventions into MCH programs	For all indicators	- the three PVOs wish to achieve the two goals
2. To increase the agricultural productivity and income of poor farm families by using food for work to create rural infrastructure and improve natural resource management.	- inclusion of 3 secondary child survival interventions as needed and possible	- PVO reports	- the PVOs have material and financial support for their programs
3. To increase the development impact of P.L. 480 Title II food aid.	- provision of the variety of assistance required to increase crop or livestock production or both	- Planning Assistance reports	- the PVOs have managerial and technical help in improving their programs
	- conversion of rural food for work projects into true agricultural development efforts	- evaluation of PVO projects	
	- integration of reforestation and soil conservation efforts as part of crop and/or livestock development programs		
<b>PURPOSES</b>			
1. To increase the capacity of CARITAS, ADRA/OPASA, and Food for the Hungry to implement child survival interventions which reduce infant and child mortality.	- geographic coverage and program variety commensurate with institutional capacity and P.L. 480 resources	For all indicators	- PVOs wish to improve their work in child survival and agricultural development
2. To increase the capacity of these PVOs to implement sound agricultural development and natural resource management programs which improve rural incomes.	- targeting services and P.L. 480 resources	- review of annual evaluations of PVO programs performed by the PVOs	- they have the funds to do so
3. To insure effective use and management of P.L. 480 Title II food aid by the three PVOs.	- providing sufficient variety of interventions and volume of services to achieve the goal of development being addressed	- review of Planning Assistance evaluations	
	- presence of all components deemed critical for success of each type of intervention	- first party evaluations of PVO programs	
	- use of strategies deemed most effective for carrying out each type of intervention		
<b>OUTPUTS</b>			
1. 537 PVO staff trained an efficient managerial practices.	- presence of plans, tables of organization, job descriptions, and monitoring and evaluation systems	- review of documents	- PVOs wish to improve their managerial and technical capacity
2. Manuals of operation describing efficient performance of all major managerial practices.	- presence of manuals of operation	- review of manuals	
3. 360 PVO staff trained in designing and implementing child survival and agricultural development interventions.	- competent technical design and implementation of all child survival and agricultural development interventions	- review of projects	- volume of assistance is sufficient to make such improvements
4. PVO staff trained in best development uses of food aid and in designing programs for same.	- plans which show innovative use of food aid for development and program design for same	- evaluation of staff performance	
5. Technical manuals on designing and carrying out all child survival and agricultural development interventions.	- presence of technical manuals	- review of plans and designs	- assistance is competently provided
6. Resolutions of critical managerial problems.	- statements of PVO staff on resolution of all critical managerial problems	- review of manuals	
7. Provision of technical assistance in designing and implementing child survival and agricultural development programs.	- statements of PVO staff on satisfactory provision of technical assistance	- discussion with PVO staff	
		- discussion with PVO staff	
<b>INPUTS (in person-months)</b>			
96 mths of management assistance/training	- documentation of assistance provided		
6 mths for writing/producing managerial manuals	- statements from the staff of the 3 PVOs on all assistance provided	- review of documents	- funding for this project
4 mths of assistance in hiring managerial staff		- discussion with PVO staff	
15 mths for resolving critical managerial problems	- Planning Assistance's true time reports	- review of Planning Assistance's time reports	
42 mths of technical training			
8 mths for writing/producing technical manuals			
6 mths of assistance in hiring technical staff			
24 mths of technical assistance			
1. Technical Assis. \$ 799,945.-			
2. Training 147,381.-			
3. Commodities 50,246.-			
4. Other 637,428.-			
Total \$1,635,000.-			
Counterpart, Complementary Inputs 539,500.-			

ANNEX NO. 4

List of Outputs - Project Amendment

Project Outputs

Number of Cities or Districts	Prov- vin- cial	Santa Cruz (9)	Cocha- bamba (10)	El Alto (2)	Totals
1. Train 1,040 citizen leaders, in 7 training courses of 3 to 5 days per course, to make decisions regarding					
- increasing citizen parti- cipation in decision- making	360	400	200	80	1,040
- organizational structures & processes for decision- making	360	400	200	80	1,040
- choosing which infrastruc- ture & services to provide	360	400	200	80	1,040
- selection and planning of public works	360	400	200	80	1,040
- construction, supervision & evaluation of public works	360	400	200	80	1,040
- land use, lot size, and property assessment	360	400	200	80	1,040
- alternative means for financing public works & services	360	400	200	80	1,040
Number of civic groups which participate in making deci- sions for					
- increasing citizen parti- cipation in decision- making	180	400	200	80	760 *
- organizational structures & processes for decision- making	180	400	200	80	760
- choosing which infrastruc- ture & services to provide	180	400	200	80	760
- selection and planning of public works	180	400	200	80	760

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	Pro- vin- cial	Santa Cruz (9)	Cocha- bamba (10)	El Alto (2)	Totals
- construction, supervision & evaluation of public works	180	400	200	80	760
- land use, lot size, and property assessment	180	400	200	80	760
- alternative means for financing public works & services	180	00	200	80	760
2. 175 Title II projects in which citizens participate in project					
- selection	90	50	25	10	175
- planning	90	50	25	10	175
- execution	90	50	25	10	175
- supervision	90	50	25	10	175
- evaluation	90	50	25	10	175
- maintenance	90	50	25	10	175
3. Train 173 municipal and PVO officials, in 7 training courses of 3 to 5 days per course, to include citizens in decisions regarding					
- increasing citizen participation in decision-making	99	33	28	13	173
- organizational structures & processes for decision-making	99	33	28	13	173
- choosing which infrastructure & services to provide	99	33	28	13	173
- selection and planning of public work	99	33	28	13	173
- construction, supervision & evaluation of public works	99	33	28	13	173
- land use, lot size, and property assessment	99	33	28	13	173
- alternative means for financing public works & services	99	33	28	13	173

The great majority of the civic groups have memberships of at least 50 persons.

It is estimated, therefore, that at least 38,000 citizens will participate in making each of the seven different decisions.

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	Pro- vin- cial	Santa Cruz (9)	Cocha- bamba (10)	El Alto (2)	Totals
<b>4. infrastructure &amp; services con- structed in poor neighborhoods</b>					
- water (Kms.)	90	50	20		160
- sewer (Kms.)	90		50	20	160
- storm drainage (Kms.)		50			50
- street paving (Kms.)	90	50	50	20	210
- parks and playgrounds (No.)	27	30	15	6	78
- forestation (No. of trees)	90,000	100,000	50,000	20,000	260,000
- Other					
<b>5. 13,800 short-term jobs created each month for the unemployed</b>					
	1,800	5,400	2,000	4,600	13,800

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