Cooperative Housing Foundation
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Communities In Transition

1997 Annual Report

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Table of Contents

Executive Summary 2

Introduction 4

Strengthening of Non-Governmental Organizations through the Promotion of Productive Activities 7

Agroforestry and Environmental Education 14

Infrastructure Rehabilitation and Municipal Strengthening (SDF Projects) 21

Community Associations, Municipal Strengthening and Conflict Resolution (Road Maintenance) 28

Tables

Productive Activities 1997-98 Table 12

Agroforestry and Environmental Education 1997-98 Table 19

SDF Project Status 1997 Table 24

Executive Summary

The Cooperative Housing Foundation (CHF) and the United States Agency for International Development (USAID) support the Guatemalan Peace Accords through rural development in the Ixcán region of Guatemala. The Communities in Transition (CIT) project goal is to improve the living conditions of rural populations most affected by decades of conflict by supporting the development of productive income-generating activities through ecologically sound farming, village banking & microenterprise, the strengthening of local non-governmental and local level municipal organizations and the establishment of region-wide road maintenance system.

The Communities in Transition project accomplishments increased in 1997 and have provided a solid base for the project's continued work in 1998 through a proposed project expansion. The Communities in Transition worked in four main areas during 1997 Strengthening of NGOs through the Promotion of Productive Activities; Agroforestry and Environmental Education, Infrastructure Rehabilitation and Municipal Strengthening, and, Community Associations, Municipal Strengthening and Conflict Resolution (Road Maintenance).

In 1997, in the Productive Activities area, five village banks with women members/clients were started providing credit access to these communities for the first time The process of strengthening a local non-governmental organization (NGO), CESIDE, to provide the banks with technical assistance is underway The project carried out twenty-five Participatory Rapid Rural Assessments in all the Ixcán Micro-Regions and nearby communities of the Alta Verapaz with the local NGO, ADEL. However, the planning of a productive activities strategy with ADEL or another local NGO still needs to be implemented due to ADEL's low organizational capacity and management changes. The CIT project is working to support the Rigoberta Menchu Tum Foundation (RMTF) by strengthening its management systems through a sub-contract The RMTF also received a grant from the project for income-generating activities

Activities in Agroforestry and Environmental Education greatly expanded in 1997 with the management of the ICTA (Instituto de Ciencia y Tecnología Agrícola) experimental farm, the implementation of forty-four satellite crop demonstration plots, sixteen tree nurseries and the fielding of nine agroforestry promoters throughout the region These efforts are beginning to show progress with farmers changing from slash/burn agriculture to a sustainable system that increases the fertility of their fields. In Environmental Education, farmers, community leaders and schools are being aggressively targeted with direct training and the preparation of teachers as trainers The Guatemala Ministry of Education is formally recognizing teachers who have completed environmental education training

In Infrastructure Rehabilitation, the CIT project has worked with communities in a participative way to prepare and approve forty-five projects financed by the communities and through USAID's Special Development Fund. In addition to the physical infrastructure, communities are gaining experience in project design and management that can be applied to other community needs. The infrastructure rehabilitation projects

include women's centers, training centers, pedestrian bridges, vehicle bridges, schools, health posts, community latrine projects, potable water systems, road drainage works, repair of landing strips and community buildings. Another benefit of the program is that conflictive groups within a community or from different communities (as in the case of a bridge) work together towards a common goal in this hands-on approach to conflict resolution. Of the forty-five projects, two have been completed with another nine under construction The remaining projects are waiting for counterpart funding to be identified or approved.

The Community Association/Road Maintenance component has brought the different communities of the Ixcán together in the formation of the Asociacíon de Mantenimiento Vial de Ixcán (AMVI) [Ixcán Road Maintenance Association] This provides the organizational base for a region-wide road maintenance effort and includes leaders from the entire area The process of forming the Association included visits to a similar successful project in Costa Rica and visits by leaders of the Costa Rican road maintenance association to the Ixcán. AMVI is ready in 1998 to began ordering road equipment in order to fulfill its mandate In 1997, this component began the process of ordering and installing pre-fabricated steel bridges important not only to the Ixcán road system, but also to the Guatemalan Peace Accords. The project has undertaken efforts to assure that road maintenance activities will not adversely affect the Ixcán environment.

Introduction[1]

The Cooperative Housing Foundation and the United States Agency for International Development support the Guatemalan Peace Accords through rural development in the Ixcán region of Guatemala. The Communities in Transition (CIT) project goal is to improve the living conditions of rural populations most affected by decades of conflict by supporting the development of productive income-generating activities through ecologically sound farming, village banking & microenterprise, the strengthening of local non-governmental and local level municipal organizations and the establishment of region-wide road maintenance system

The Communities in Transition project is complex due to the number and type of different activities being carried out in a geographical area that has serious communication problems both within the project area and with the rest of the country The Ixcán's unique mix of more than seven ethnic/language groups and their different experiences as victims of the thirty-five years of war further add to the project's complexity.

In October 1995, USAID/Guatemala contracted the Cooperative Housing Foundation (CHF) to implement the Communities in Transition (CIT) project in the Ixcán and Huehuetenango regions of Guatemala The project's original goal was to improve the living conditions of rural populations most affected by decades of conflict by supporting the development of productive income-generating activities As approved by USAID/Guatemala, the CIT Project included three main components

1 On-Farm Activities, subject to the approval of a Programmatic Environmental Assessment (PEA), focused on the development and promotion of sustainable production techniques appropriate for the ecological and soil conditions of the Ixcán and Huehuetenango;

2. Off-Farm Activities focused on village banking and micro-enterprise programs;

3 Special Community-Level Activities designed to provide institutional support to local non-governmental organizations (NGOs) and to assist in the implementation of small-scale community development initiatives fostering income generation and increased employment.

The duration of the CIT project, as set in the original Cooperative Agreement between USAID and CHF, was projected to be thirty months The funding level was $1,088,399

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[1] This Annual Report makes full use of two earlier documents from CHF Portions of the Introduction and all of the Problem Statement and the Lessons Learned are extracted from, Cooperative Housing Foundation, Proposal for the Expansion of the Communities in Transition Project, November 1997 Portions of the Introduction and the Benchmarks are from the "Draft Monitoring and Evaluation Plan for the Communities in Transition (CIT) Project," in Cooperative Housing Foundation, Guatemala Communities In Transition - Updated Project Description January 1997

In the months following the signing of the Cooperative Agreement, the geographic area covered by the CIT project was altered at USAID's request to exclude Barillas in favor of the Ixcán. The On-Farm component of the project was put on hold due to a delayed approval of the PEA for the Ixcán. CHF received USAID's concurrence to field an agroforestry advisor and agroforestry promoters in the second half of 1996. In early 1997, CHF reached an agreement with ICTA (Instituto de Ciencia y Tecnología Agrícola) to develop and promote production models for appropriate crops in the Ixcán. In early 1996, CHF initiated a number of basic social infrastructure activities to support the productive activities anticipated in the original project design. The US Special Development Fund (SDF) and FONAPAZ provided the financing for these infrastructure projects. The CIT project worked with the Rigoberta Menchu Tum Foundation (RMTF) and with two local NGOs on developing productive income generating activities (including village banking). In August 1996, after almost one year of project implementation, USAID added $360,000 to the CIT Cooperative Agreement to provide more support for microenterprise activities and extended the project completion date to September 1998.

The USAID Mission gave approval of limited on-farm activities in February 1997 and a mitigation plan was submitted to USAID in November 1997. A Guatemalan environmental consulting firm was selected during the end of 1997 to carry out a Rapid Ecological Assessment (REA) of the Ixcán region

The Communities in Transition project grouped its activities in four main areas during 1997

1 Strengthening of NGOs through the Promotion of Productive Activities,

2 Agroforestry and Environmental Education;

3. Infrastructure Rehabilitation and Municipal Strengthening,

4 Community Associations, Municipal Strengthening and Conflict Resolution (Road Maintenance)

This Annual Report examines each area in terms of the problem being addressed (problem statement), lessons learned, 1997 activities narrative, quantitative information on activities and the project's achievements as measured against benchmarks formulated at the beginning of the year

Perhaps the most important thing in this type of project is the people in the field. Starting with CIT Director Steve Huffstutlar and going through his entire staff, one is deeply impressed with their level of dedication, the amount of energy they demonstrate on a daily basis and a can-do attitude backed by their work The people involved with this project have every right to be proud of what they have accomplished to date and the bases they have established for the project to continue to increase local capacity for sustainable development in the Ixcán The CIT project team members seem to be "practical idealists" in that they are both dedicated to their development work in support of the Guatemala

Peace Accords while at the same time searching for practical development strategies that work in the Ixcán environment.

The CHF CIT team has achieved legitimacy with the people of Ixcán and is working with them as partners in the area's development. In the context of the post-war Peace Accords when so much has been promised and relatively little delivered, the value is great for a project of this type which is up and running, with a development process underway that is embraced by a large number of communities and their inhabitants A number of activities have been undertaken addressing needs that other international, non-governmental or national organizations are either not addressing or do not have the capacity to address without CIT project support.

The peace is fragile in the Ixcán and there is the potential for people to use physical confrontation as a problem-solving methodology. While the project cannot single-handedly prevent violence in the Ixcán, it is actively working with Ixcán inhabitants to develop other problem-solving and resource distribution options. Although a cost-benefit analysis for this kind of social project is not practical, the return on investment for this project appears to be high given the challenges and other options.

There is a definite potential to build on the bases laid so far by the CHF/USAID Communities in Transition project If the project were to end when its current funding is finished in September 1998, much of this potential will be lost. Other options do not currently exist to fill the void that CIT's departure would signify to the Ixcán. The momentum, along with the signing of the Peace Accords on December 28, 1996, has spawned new challenges and the potential for impacts in the Ixcán far greater than those originally envisioned in the project design. USAID and CHF have an opportunity through the proposed project expansion to continue to play a significant role in the development of the Ixcán

Strengthening of Non-Governmental Organizations through the Promotion of Productive Activities

Problem

Due to the political, social and economic instability in the Ixcán and the surrounding areas, there are very few institutions that can serve as anchors for sustainable development in the area. The central government's presence is not felt except in emergency projects undertaken through FONAPAZ; the regional government is neither known nor felt and the local municipality and villages are overwhelmed by the enormity of their mission and the lack of resources to accomplish it.

The presence of international donor and technical assistance agencies has brought much in the way of donations and subsidized assistance, but very little in the way of institutional strengthening. NGOs active in the area are reliant on donors and are not institutionally strong

With the experience of the war fresh in everyone's mind, there is both reluctance and enthusiasm to participate in rebuilding the communities torn asunder. The reluctance in some villages derives from lingering memories of false promises made by outsiders or suspicion of former enemies who are now neighbors. There is rampant criticism and suspicion of the Municipality and all levels of government. In most communities, however, CHF's steady presence seems to have tapped a well of enthusiasm for self-determined projects on which disparate elements of the community work together.

Access to financial services is extremely limited, particularly for the rural, poor populations BANRURAL, formerly BANDESA, makes loans for commerce and industry to small firms, but does not meet the demand and, it is generally agreed, operates inefficiently Because it is the only banking facility in the Ixcán, there is no competition among lenders

Lessons Learned

Timing

A successful process of organizational development has to take place over the course of months and years, with carefully-timed inputs of training and technical assistance programs. In much the same way as donations provide a quick fix, technical assistance over a long period has a greater chance of lasting impact [2]

Limited experience of counterpart staff

Counterpart staff play a major role in the implementation of project activities With literacy and educational levels very low in the Ixcán, intensive training is necessary for

[2] "Anti-poverty Lending in Guatemala A Preliminary Assessment," a report prepared for USAID/Guatemala by USAID/Honduras Small Business Advisor Bernai Velarde, August 1994

key counterparts to reach levels of literacy and sophistication necessary to achieve sustainability The capacity to supervise and manage projects, particularly loans, is extremely limited

Poor legacy of credit programs in the Ixcán

Credit programs historically do not have a good legacy in the Ixcán. *The biggest obstacle to credit in the Ixcán is a grant disguised as a loan* Loans have been defaulted and easily forgiven in the past For instance, returnees are given sizable loans to buy land for resettlement, for which there is customarily no repayment. Forgiveness of loans has been part of the reparations for the war for both returned refugees and army-sponsored "displaced" groups. There is very little understanding of the importance of self-sufficiency and full cost recovery among existing organizations.

Operational efficiency, a prelude to self-sufficiency, can be achieved in settings [such as the Ixcán], if a commitment is made to include significant institutional competence-building at the outset.

Scarcity of business opportunities for women

Indigenous women in the Ixcán shoulder many responsibilities within their families and communities and have limited time left to devote to pursuing entrepreneurship. In some instances, to participate would require the approval of the husband or the mayor. The local market economy is so limited that any microenterprise activity will have to be carefully researched to ensure it is meeting a real need before it is launched Also, the remoteness of the villages where most of the women live, and the lack of roads and transportation seriously inhibit access to the few markets that exist in the area.

Community Empowerment

There is evidence that fostering the development of participatory local organizations improves a community's ability to gain access to resources and affects local decision making.[3] (As an illustration of this point, one of CIT's village bank is using the funds mobilized through its activities to purchase a plot of land for community activities)

Promotion of Democratic Values and Traditions

Healthy non-governmental organizations play a vital role in newly-democratic societies They provide an opportunity for participation and development that strengthens and promotes democratic tradition Non-governmental organizations provide the *experience* of democracy even as they fulfill a major role in civil society

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[3] The New World of Microenterprise Finance, Building Healthy Financial Institutions for the Poor María Otero and Elisabeth Rhyne, Editors, Kumarian Press, 1994

1997 Activities

The following is based on several discussions with Ing Delia Nuñez, Community Bank/Women's Group Manager, as well as a review of the quarterly reports This component of the CHF CIT project concentrates on the village banking efforts with partner organization CESIDE. Additionally, field visits included a meeting of the Nueva Jerusalem village bank and participation in the inauguration of the sixth village bank (1/22/98) in the community of Virginia.

CHF CIT has worked to strengthen its partner organization, CESIDE, in the implementation of a village banking program The program has so far established six village banks reaching approximately 90 women The women of these six communities now have access to credit for income-generating activities which was not available previous to the project These banks have formed, are up and running, and for 1998 CHF CIT intends to continue to strengthen CESIDE in order to facilitate the institutionalization of these village banks The strengthening process with CESIDE also seeks to make it a source of technical and financial services beyond its work with the village banks

When CHF and CESIDE began the village bank work, CESIDE did not have any experience in village banking and microenterprise. CHF CIT organized visits by CESIDE and ADEL coordinators to witness village banks in operation in Quetzaltenango and Totonicapan. Beginning in 1997 CESIDE personnel participated in a four-day training by FUNDAP in village banking methodology. CHF and CESIDES worked together in the identification of potential village bank sites and the promotion of the program in those villages

From the beginning of January to July CESIDE and CHF worked in the promotion of a village bank system although no funding was yet available An inter-organizational memorandum of understanding was signed between CHF and CESIDE July 21, 1997 which established the village bank program That same month the first village bank, El Esfuerzo in Zona Dos de Playa Grande, received its first loan By September, four banks had been inaugurated and by the end of year five were in operation with a sixth working by January 1998.

The principal activities that the village bank loans are used for include· aviculture (chicken-raising) 38%, vegetable commerce 12%, small animal husbandry (pigs) 10%, small stores 9%, traditional grain commerce (corn and beans) 8%, imported clothes commerce 7%, tortilla preparation and sales 3%, home bread production for sale 3%, and other activities including indigenous textile weaving 3%

Señora Laura López of the village bank El Esfuerzo (Zona Dos de Playa Grande) had a small store that sold soda pop and crackers where during the night she has a video tape theater She used the loan combined with her savings to purchase a small refrigerator Because she is able to sell cold soda pop, her sales have increased. (Cold soda pop is in higher demand than warm pop.) At the end of four months she had paid off the loan.

In Nueva Jerusalem, Señora Lydia López, President of the Village Bank Nueva Jerusalem, used her credit to buy about twenty-five chickens, fencing and concentrate feed She is raising chickens as broilers and has already completed a cycle and begun anew. The thin adult chickens cost Q15 and after fattening them she sells them for Q35 In the future, CHF/CESIDE technical assistance plans to help village bank members like Señora López do simple cost/benefit analysis of their productive activities. The proposal for expanding the project has a position for an animal husbandry specialist who will provide technical assistance for this most popular loan activity

The eleven women who received their first loan at the inauguration of the Virginia village bank have gone through a training process Their loans and savings are tracked in multiple transparent ways including newsprint account sheets on the wall which all members can examine at will While receiving their first credit, the village bank members displayed an impressive level of organization and seriousness about receiving credit. It may be that the experience of the women running their village bank will be as important as the income-generating projects of each individual member.

The standard urban microenterprise model calls for working only with established microentrepreneurs who have been in business at least a year and lending them small amounts with a quick repayment and slowly increasing the amount as the borrower demonstrates his/her capacity to use credit in a productive manner Although the above is a good orientation for many microcredit programs, it would have left out the rural Ixcán target groups. The beneficiary target group has not had the opportunity to establish businesses, access credit, receive technical assistance nor work in groups. CHF CIT & CESIDE realize the increased risk being taken and are doing a good job of adapting village bank methodology to the Ixcán reality Although the risk is higher than in an urban high growth microenterprise credit program, the benefits of reaching this population are also high In this initial period of the village banks a few members have left and other new members have joined

Relations with CESIDE are collegial and they are doing a good job with the first six village banks However, they do not yet have the institutional capacity for long-term sustainable support of the village banking program Additional activities by CHF with CESIDE in 1998 will seek to increase the latter's organization capacity to support village banking and for CESIDE to reach self-sustainability.

In addition to the village banking activities in 1997, CHF CIT worked with ADEL to carry out twenty-five Participatory Rapid Rural Assessments in every Micro-Region of the Ixcán and the neighboring communities of Alta Verapaz. ADEL is another local partner NGO with potential to provide financial and technical services in the future These assessments helped evaluate the communities' needs and priorities. A major factor in their differing needs and priorities is their degree of isolation from roads and markets. These Participatory Rapid Rural Assessments have laid the bases for continued work in 1998 in the area of productive activities that meet the needs of the Ixcán/Alta Verapaz communities.

The twenty-five Participative Rapid Rural Assessments have facilitated CIT project work in environmental education and agroforestry as well as in microenterprise and village banking. Along with the Special Development Fund (SDF) projects, the Rapid Rural Assessment process has given the CHF CIT project broad recognition and contacts with important leaders in isolated areas In 1997, it was planned to develop a productive activities strategy with a second partner NGO to support individual productive projects by the NGO's clients. This work has not reached the degree of completion desired due to several factors including the final selection of a NGO with sufficient capacity to carry out the work. ADEL has not recovered from a management change in mid-1997 and shows signs of another change soon. It is planned that increased resources and effort in 1998 will get this part of the project to the take-off point

CHF is supporting the Rigoberta Menchu Tum Foundation (RMTF) through capacity-building, community development and training grants and through a sub-contract to increase its managerial capacity.[4] Funds made available to the Foundation by CHF have been used in returnee villages where RMTF is currently focused. For instance, a grant of $6,000 was made to RMTF to support a women's roofing tile manufacturing project that is currently producing more than 600 tiles a day These tiles are sold to a housing project also implemented by RMTF Funds were also made available for the purchase of a pair of oxen and a cart to move agricultural supplies and building materials in the area, where the roads are impassable

RMTF is currently being assisted through a sub-contract with Corporación de Inversiones y Desarrollo, IDC in developing the management systems necessary for long-term self-sufficiency and the strategies for managing rapid organizational growth. In 1998,CHF CIT will continue expand its original partnership with the Rigoberta Menchu Tum Foundation (RMTF), providing assistance in field projects as well as institutional strengthening to the Foundation's central administration, so that RMTF can increase its activities and funding levels This includes the installation of a state-of-the-art financial accounting and computer system as a grant to RMTF

[4] Cooperative Housing Foundation, "Communities in Transition Expansion Proposal," November 1997

CHF/USAID - Ixcán Communities in Transition
Productive Activities 1997-98 Table

This table, as well as the one for Agroforestry & Environmental Education and the one for Special Development Fund projects, is based on whiteboard versions in the CIT Ixcán offices that are used as on-going planing and monitoring tools Some of the activities in the tables go beyond the scope of originally planned activities

Please note that planned items for 1997 that are not completed in that year are carried over to 1998 Planned items listed under 1998 are in addition to those planned in 1997 (The table is not cumulative)

Promotion of Productive Activities	Unit	Plan 97	Done 97	Plan 98
Non-governmental organization (NGO) promotion	NGOs	2	2	0
Design for Community Banks project	Design	1	1	0
Prepare Manuals (Financial Management, Community Bank Operations Manual)	Manual	1	1	1
NGO Audit	Audit Report	2	1	0
Inter-organizational agreement (CHF/NGO)	Agreements (Memo of Understanding)	2	1	0
Identify Community Banks	Community Banks	6	6	4
Inaugurate Community Banks	Community Banks	6	5	5
Capital financing of community banks	US Dollars	$19,678	$6,679	$0
Financial management training (NGO)	Courses	6	2	0
Financial management training (Beneficiary)	Workshops	16	4	0
Design of productive activities strategy (ADEL)	Design	1	0	0
Technical Assistance in Project Design (NGO)	Courses	6	2	0
Technical Assistance in Project Design (beneficiary)	Visits	12	0	0
Repayment of community bank credit	US Dollars	$19,678	$3 698	$0
Community bank audit	Audit Report	6	0	0
Finalize institutional policies for community banks	Document	1	0	0
Expansion of community bank program	Community Banks	0	0	4
Operational financing for CESDIE to support community banking	US Dollars	$0	$0	$16,720
Participatory Rapid Rural Assessments	Assessments	25	25	7

Support for NGOs Engaged in Productive Activities
Monitoring & Evaluation Plan - January 1997
Results - January 1998

The fact that an activity has not yet taken place as noted in the benchmarks below and in other sections does not necessarily mean that the project has fallen behind schedule. However, the Support for NGOs Engaged in Productive Activities project component was slow in getting going due to delays in the provision of loan capital, a shortage of qualified personnel and issues involving trying an urban model in a rural setting

Result: Increased NGO Ability to be responsive to constituents needs.

Benchmarks

Ability to assess client needs and to design new programs
CHF's process of twenty-five participatory rapid rural assessments helped both local NGOs and communities increase their ability to examine and review their needs. CESIDE achieved the start-up of five village banks in 1997 and one in early 1998 which are meeting client needs in the represented communities The ability to design new programs has not yet been demonstrated and should be considered a goal to be achieved closer to the end of the project.

Technical workshops and trainings implemented for collaborating agencies
CHF has implemented technical workshops and trainings for collaborating agencies with additional ones planned.

Improved ability to monitor and evaluate activities
CESIDE has improved and is continuing to work on improving its monitoring of the village banks.

Leadership training provided to Board of Directors and senior staff
Senior staff has received training Board of Directors has not yet received training. Any new NGOs will need both types of training

Sustainability plans prepared and implemented
Not yet Another benchmark to be attained closer to the end of the project.

Result: Improved ability to deliver credit services.

Benchmarks

Community credit mechanisms established
Yes, six (five in '97) village banks are in operation with additional banks planned.

Improved access to capital funds
CESIDE is still dependent on its CHF/USAID loan as the source of capital for the village bank program

Improved ability to monitor and document credit programs
Yes, more work needs to be done, but CESIDE has improved in its ability to monitor its village bank credit and in training village banks to monitor and document their own activities.

Good repayment performance relative to local indicators
N/A. Repayment to CESIDE by the village banks has not yet reached its due date. However, delinquency in the village banks appears to be low which is excellent given the past history in the Ixcán region of non-payment on loans.

Agroforestry and Environmental Education

Agroforestry

Problem Statement

The Ixcán was settled and became prosperous in the 70s based on the high price in the world market of cardamon, which at times sold for up to $800 a sack. The same sack is only worth $100 or less today With the intervening war and little agricultural leadership, no alternative crops were introduced to provide the farmers with alternatives. Pervasive poverty and lack of access to diverse crops combine to create the potential for renewal of violence and continued environmental degradation.

Agriculture represents the major avenue to food and economic security in the Ixcán However, much of the agriculture being practiced in the Ixcán is neither sustainable, economically productive nor environmentally sound Common current practices include.

Slash and burn corn monoculture
Cattle raising
Deforestation for firewood and illegal lumbering

The influx of returnees, who are guaranteed the right to live where they choose, and the natural population increase, will further threaten the environment and livelihoods. Many returnees are currently dependent on food rations provided by the UN, which will be terminated in the second year after returning, making the introduction of appropriate, sustainable agriculture a compelling challenge for every community

Presently only 33% of the land area has forest cover due to steady population pressure by subsistence farmers using inappropriate slash and burn methods 85% of the soils in the Ixcán are suitable only for forestry and are part of very fragile eco-systems. Results have been the rapid destruction of thin topsoils by erosion, the lowering of water tables, and the gradual disappearance of forest wildlife

There was no environmental education in the schools prior to the arrival of CHF, and there is almost no consciousness among adults as to conservation of natural resources

A CHF market survey in Cantabal in February, 1996, identified many agricultural products which can be grown in the Ixcán but which are still imported from Mexico, Cobán or Guatemala City at an enormous transportation cost and loss of quality.

Lessons Learned

Environmental Impact

Slash and burn monoculture and deforestation for firewood threaten the environmental viability of the Ixcán area, which is further jeopardized by the current influx of up to 20,000 refugees, increasing the population to near 70,000 Previous environmental

assessments have indicated that the available land can be used profitably for fruits, vegetables, dairy and poultry products as well as rubber, cacao, palms, medicinal plants and spices. Watershed management through agroforestry is needed to preserve groundwater, the main source of drinking water in the region

Income Producing Crops

There are many crops --- short term and long term --- that have been identified as viable and environmentally sound for planting in the Ixcán and could be a source of income for farmers. They include:

Potential Income-Producing Crops in the Ixcán	
Short-term	*Long-Term*
Medicinal plans e g ipecacuanha	Palm heart (medium-term)
Chilies for drying and export	Rubber
Ginger	Household spices e.g allspice, cinnamon, cloves, black pepper, vanilla
Essential oil sources e g patchouli	Fruits e g. soursop, passion fruit, custard pears

Prior Agricultural Projects in Guatemala

Previous successful projects have organized farmers around protected areas to plant agroforestry crops, thus protecting their soil, increasing their incomes, and creating a buffer to protect a park or reserve These efforts require extension, training, planting materials, promoters, and work with local leaders and teachers. Yet most such projects have not made farmer income the principal goal

Of the projects which have done this, the CARE-CRNM (Mi Cuenca) project comes closest to having the kind of balance between production and conservation called for in the Ixcán. In that case the goals, in order of priority, were 1) increased farmer income, 2) sustainability, and 3) soil improvement These were accomplished in agroforestry-livestock demonstrations combining firewood production, basic grains grown in soil enriched by tree clippings, and livestock feeding on tree leaves

The CRNM cost-benefit studies have shown rates of return in excess of 30%, and there is now cost-benefit software available from the project which will be used by CHF in the Ixcán Credit for farmers adopting the CRNM production model was eventually obtained, indirectly, through BANDESA, since re-named BANRURAL.

1997 Activities

Agroforestry

The CHF/USAID Communities in Transition project is currently coordinating agreements with five or six NGOs, government organizations and cooperatives most of which never considered working in agroforestry as a sustainable development approach in the Ixcán. Ing Wilson Castañeda, Coordinator of the Agroforestry/Environmental Education component of the project, and Lourdes Santos, CHF CIT Agroforestry Technician, believe that one of the important achievements of the CIT project is that it works in communities where no one else has worked in spite of the common belief that you cannot work in these communities because of their conflictive nature. In many instances, the project has served to help bring people together in a common goal and has opened formerly closed communities to the region at large Ing. Castañeda cites this example as a change of attitude by the community members which is demonstrated by their actions in working together in tree nurseries and reforestation. CIT Director Steve Huffstutlar added that there is actually a series of attitude changes, in the more extreme cases, "both closed 'army' and refugee communities tend to say, 1) outsiders are liars; 2) to prove that they are not, they must give us cash and go away " The CHF CIT project is a non-paternalistic development strategy that requires hands-on participation and material inputs from the participating communities It is not a give-away project

The Agroforestry/Environmental Education component currently operates in 6 of the 7 Micro-Regions of the Ixcán The same Participatory Rapid Rural Assessment process noted in the Productive Activities section was also used as one tool in identifying communities for this component Although motivation by a community was an important factor, it could not be the only one used in community selection Other factors included the distance of a community from a surviving natural forest, what type of agriculture was used in the community, the accessibility of the community to the nearest promoter, the community's history (i e whether or not it had a history of non-payment of loans, conflictive community, etc) and the community's degree of organization.

The CHF extensionists/promoters are the principal contact point with the community for the agroforestry/environmental education component Promoter recruitment began in November 1996 with an effort to cover most of the geographical area, the language groups, and the different groups who were in conflict during past decades This includes returned refugees, the internally displaced, militarized groups, and ex-combatants

Nine promoters were given initial training that took into account the fact that although all had farming backgrounds, none had agroforestry experience. The workshop topics included working with groups, extensionist skills, agroforestry systems, implementation and management of agroforestry demonstration plots, tree nurseries, working with both men and women in project activities, soil management and conservation Each training workshop built on the skills learned in the previous one and was immediately put into practice. This means that before the promoters received a second training workshop, they were already carrying out extensionist duties in the various communities. This was possible due to a system of formal training mixed with on-site training and supervision

monitored by CHF CIT staff As promoters became more experienced, direct supervision on-site was lessened In August 1997, an evaluation was made of the promoters and two promoters were let go and new ones hired. The total initial training period lasted six months, promoters continue to receive in-service training

Through a formal agreement with ICTA (Instituto de Ciencia y Tecnología Agrícola), CHF CIT has been able to recuperate an experimental farm of about 200 acres that had been abandoned and abused for several years In addition to saving the experimental crop demonstrations, CHF CIT works with ICTA in preparing new agroforestry demonstration plots and tree nurseries on the farm with crops that have the potential to be economically viable in the Ixcán. Although research on pejibaye (palm heart), vanilla and other crops for production is still taking place, the emphasis at the ICTA farm is now on organic agroforestry production techniques which are sustainable in the Ixcán environment.

The ICTA farm currently serves a training and demonstration function for the entire Ixcán area This demonstration function, while important, does not obviate the need for tree nurseries and satellite demonstration plots closer to the farmer's land and managed by persons the farmer recognizes as his/her peers. The project has successfully implemented forty-four satellite demonstration plots and sixteen tree nurseries throughout the project zone with an additional thirty-eight satellite demonstration plots and thirty-two tree nurseries planned for 1998

In Buen Samaritano, an "army" town previously closed to outside agencies, when CHF CIT first arrived the community was clearly not interested in working on the project. Finally, after two hours of discussion, the leader who brought up the greatest number of points as to why the community should not work on the project was convinced. In fact, with his agreement, he insisted that a community committee be formed at that moment to implement a tree nursery as the first step in the community's participation Over the next six months, this community became fully integrated into the agroforestry project This leader, who was the hardest to convince, now promotes the end of slash/burn agriculture and participates in the agroforestry training workshops He still accepts little at face value but supports activities when their value is demonstrated Buen Samaritano is now working on a CIT SDF self-help school project

The Cooperativa Resurección R.L in Pueblo Nuevo decided in a general assembly meeting to produce 8,000 trees in a nursery for members and to establish a forest park in the community center This cooperative is a member of Ixcán Grande, a large confederation of cooperatives in the region In this September 1997 assembly of the Cooperativa Resurección, it was also decided by the 560 members that the CIT project would be requested to provide the technical assistance for the nursery. This is significant because it is one of the cooperatives that continually suffers from internal conflict and violence, including a political assassination as recently as January 2, 1998

Don Pablo in Montealegre, a town of "those who stayed" which was settled in the 1980s as part of the original USAID-520 project, had a track record as an innovative farmer, but had little experience nor technical assistance in agroforestry The CHF CIT promoter helped Don Pablo to establish part of his land (1/2 manzana) in production using the

Taungya agroforestry system This allows him to have forest cover and produce pine, gourds and chili all at the same time on the same plot of land He is convinced that this is the best way to produce since the work he does to maintain his crops also supports the health and growth of the trees. The trees provide nutrients, moisture and organic material to the annual crops. He has stated in uncertain terms that he will not return to slash burn agriculture because of the practical results he has seen on his own land. Montealegre is known as having the worst soil in the Ixcán.

Environmental Education

Environmental Education was originally seen in the project as a small part of the work of disseminating sustainable farming practices in the Ixcán. Over 1997 the number and type of activities have been expanded and their integration with the agroforestry component has deepened The Participatory Rapid Rural Assessment process showed a community desire for environmental education with a concentration on forest preservation Community leaders generally still believe that environmental education is just for children and in a formal school setting However, farmers and community leaders are receiving environmental education in a non-formal extensionist methodology through agroforestry training, but they still do not think of it as environmental education

CHF CIT project personnel felt it was important to have an environmental education system and not just a series of isolated workshops This is based on a belief in the educational process as gradual and continual whether in the formal school setting or in non-formal education such as the agroforestry training of Ixcán farmers In environmental education, the CHF CIT project personnel were able to form a formal alliance with the Guatemalan Ministry of Education as a partner organization This provides the framework for formal and non-formal training with teachers and students in workshops given by the CHF CIT project team The goal is that the teachers will eventually become fully qualified to teach environmental education in their schools. Currently, they receive "training of trainer" type courses and teaching assistance from CHF CIT personnel.

The Ministry of Education has fully recognized the educational value of these courses and teachers receive diplomas which carry the Vice-Minister's signature. Thirty teachers from the same number of schools have learned to formulate small ecological projects and ten schools have had their projects approved for implementation during the school year starting January 1998. The small ecological projects are directed at activities such as garbage recycling, school vegetable gardens, botanical gardens, etc.

Environmental interpretation, consisting of lectures accompanied by hikes through forested areas, has been carried out to show a practical side of environmental education to farmers, teachers and students and to engender a greater appreciation for the natural forest The area leading into the Lachua National Park area has provided an appropriate area for this activity. In 1998, it is planned to set up part of the ICTA farm which is forest to serve the same purpose Additionally, the project made a sub-grant to assure that the Lachua National Park had park rangers during a period that the Government of Guatemala was unable to cover this expense The CHF CIT Director took a stand against

a government official who was cutting down trees in the park This led to an investigation which resulted in the removal of the official

CHF/USAID - Ixcán Communities in Transition
Agroforestry and Environmental Education 1997-98 Table

Please note that planned items for 1997 that are not completed in that year are carried over to 1998
Planned items listed under 1998 are in addition to those planned in 1997 (The table is not cumulative)

Agroforestry Activity	**Unit**	**Plan 97**	**Done 97**	**Plan 98**
Identify areas & crops via visits	Visits	16	21	20
Contacts with NGOs, Gov't Orgs & cooperatives	Agreements	12	12	6
Identify crops & appropriate systems	Systems	6	6	4
Contract promoters	Promoters	8	9	9
Agreements for agroforestry demonstration plots	Agreements	24	44	38
Implementation of agroforestry demonstration plots	Plots	24	44	38
Establish production models	Models	4	6	2
Database of traditional crops	Crops	2	2	2
Forestry nurseries	Nurseries	12	16	32
Tree production (nurseries)	Trees	20,000	42,269	241,000
Reforestation (for production)	Reforestations	3	17	28
Agroforestry product marketing study	Studies	1	0	3
Technical assistance to associations & cooperatives for their independent projects	Visits	12	24	48
Agroforestry training for promoters	Workshops	6	8	10
Agroforestry training for farmers	Workshops	8	12	36
Farmer to farmer group visits to demonstration plots	Visits	3	8	36
Agroindustrial models	Models	0	0	1
Association & cooperative market promotion	Activities	0	0	1
Association & cooperative agroindustrial promotion	Activities	0	0	1
Technical Assistance & administration with associations & cooperatives	Visits/trainings	0	0	1
Funding for associations & cooperatives	Loans	0	0	1
Management training for agroforestry demonstration plots	Plots	0	0	44
Environmental Education Activity	**Unit**	**Plan 97**	**Done 97**	**Plan 98**
Identification of environmental problems	Problems	8	6	8
Rapid environmental impact studies	Studies	3	2	2
Small ecological projects in schools	Projects	8	10	10
Environmental education training of trainers (agroforestry promoters)	Workshops	3	4	5
Environmental education training of trainers (school teachers)	Workshops	3	4	5
Environmental education training of trainers (community leaders / decision-makers)	Workshops	2	3	7
Environmental interpretation group training visits	Visits	0	7	12
Agroforestry & Environmental Ed. Activity	**Unit**	**Plan 97**	**Done 97**	**Plan 98**
Participatory Rapid Rural Assessments	Assessments	25	25	7

Agroforestry Monitoring and Evaluation Plan - January 1997
Results - January 1998

Note. Since the Monitoring & Evaluation Plan was formulated in January 1997, CHF has greatly expanded its work in this area and combined it with concrete Environmental Education goals. Please see the narrative and the table

Result: Diversification of local crops

Benchmarks

Demonstration plots for ecologically appropriate crops developed.
This has been implemented to a great degree although CHF is still looking at the potential for other agroforestry crops, i.e. vanilla, cinnamon.

Production models established
Six production models have been established and an additional four are planned for 1998

Marketing strategy developed and implemented
It is still too early to have reached this benchmark, in part, because studies are still underway as to the appropriate crops.

Production models disseminated and adopted
Partially achieved with the six production systems in 24 communities

Result: Sustainable practices disseminated

Benchmarks

Sustainable farming practices disseminated
Underway.

Infrastructure Rehabilitation and Municipal Strengthening (SDF Projects)

Problem Statement

In addition to roads and bridges, many of the villages lack potable water, latrines, schools and community centers, all of which contribute to an ongoing sense of instability. It is not uncommon for some returnees to suggest that they had it better in the camps in Mexico, to which a few have returned

The lack of infrastructure maintenance and rehabilitation in the region has sent a powerful message to the people living there, one that suggests that their needs are not worthy of the investment necessary to improve the situation. Overcoming this lack of community self esteem requires participation in every phase of every project. This will build pride in being a stakeholder --- an essential ingredient to development in the region

Lessons Learned

Community Participation

An evaluation of USAID/Guatemala's Ixcán Resettlement Project in 1984 noted that social services and organizing activities in communities that capitalize on the principles of local initiative, self-help and respect for the abilities of the people are a better investment than expensive infrastructure projects performed by outsiders.[5] The experience chronicled in this report was one where road building was contracted out to a foreign firm, the community was not involved in any step of the process, and the new roads consequently received little care from the local population

This principle has been borne out by CHF's experience during the first phase of the project, where infrastructure projects have been community-based. As noted in I. Background and Progress, all projects using funds from the Special Development Fund have been undertaken at the community's initiative, and have required substantial community donations of local labor and materials.

Opportunities such as these to participate directly in the building or rebuilding of their communities strengthen the participants, the community, and ultimately the nation Fostering the growth and experience of democratic traditions through infrastructure projects contributes to the emergence of a civil society at peace.

The active engagement of the people and communities affected at all stages in the process is increasingly accepted as the most effective method of successful, sustainable development work.[6]

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5 "Evaluation of the Ixcán Colonization Project (520-T-026)," Texas Tech University, Philip A Dennis et al, January 1984

6 "Participatory Development Tool Kit," The World Bank, Deepa Narayan and Lyra Srinivasan, 1994

Institutional Strengthening

In working with national, municipal and village-level agencies and councils, CHF has begun the process of building local capacity to sustain and manage infrastructure projects in the future Many benefits derive from this strengthening of local institutions through participation in infrastructure projects, such as.

Capacity to respond to citizen/community needs,
Leadership development,
Commitment to maintain improvements in the future,
Conflict resolution when different factions work toward a common goal

Leveraged Funds from Collaborating Partners

CHF's experience in the first phase of this project has concentrated on building relationships throughout the most remote areas of the Ixcán, assisting communities as they develop plans and proposals for infrastructure projects. This activity has attracted funds from other international donors and the Government of Guatemala, providing the impetus for a major expansion of this component of the project.

1997 Activities

Infrastructure Rehabilitation (SDF Projects)

Ing. Jorge Dubon is the CHF CIT Coordinator for the Infrastructure Rehabilitation (SDF Projects) component of the CIT project He has also doubled as the road maintenance engineer assisting the AMVI, the Ixcán Road Maintenance Association, since the middle of 1997 Ing Dubon says that community participation in the identification and implementation of infrastructure rehabilitation projects is central and integral to the process Each project is originally proposed by a group or committee within a community, but must be approved in a general assembly of the community before the project request is accepted by CHF CIT The community must provide the non-technical labor and locally available materials, i e sand, gravel, etc. In one case, the community was also able to put up partial funding. A community document must be part of the application demonstrating that the project location is property of the entire community and not the private property of one person or a group within the community.

Approximately one hundred and twenty project proposals have been received with forty-five projects currently in the approval pipeline. Of the forty-five, two have been finished and nine are in the construction phase The following is not a financial analysis, but rather is intended to show the magnitude of the projects and the ratio of the resources leveraged Amounts have been changed from Quetzals to Dollars assuming an exchange rate of six Quetzals to one US Dollar. For the forty-five projects in the pipeline·

SDF Funds.	$391,092
Value of community labor/materials.	197,235
FONAPAZ	497,624
CHF..	36,750
Others (Municipalities, etc).	204,761
Total	$1,327,432

The above figures show that the SDF project funds represent a little less than 30% of the total value of the forty-five projects currently in the pipeline. [There are some community contributions not yet included in the above numbers, so the SDF percentage should go even lower] The following table is a complete view of the forty-five SDF projects in the pipeline showing SDF, community and FONAPAZ contributions to each project. The slowness of counterpart contributions from FONAPAZ is an issue and other counterpart funding needs to be developed

CHF/USAID - Ixcán Communities in Transition
SDF Project Status 1997 Table
January 1998

The numbers in the following table are in thousands and have been rounded off to the nearest hundred
Amounts are in Quetzals except for the final totals expressed in both Quetzals and US Dollars

No.	Community/Project	SDF	Community	FONAPAZ	CHF	Other	Total	Observations
1	Nueva Jerusalem/Ixcan Training Center	55 0	15 0	0 0	5 0	34 0	109 0	Finished
2	Kaibil Balaam/Ixcan Training Center	60 0	25 0	95 5	0 0	15 0	195 5	Under Construction 15% complete
3	Los Angeles/Ixcán Training Center	25 0	0 0	0 0	5 5	0 0	30 5	Counterpart funding problem
4	Nueva Generacion Maya/Barillas Hammock Bridge	40 0	34 2	0 00	5 0	25 5	104 7	Under Construction
5	San José la 20/Ixcan Vehicle Bridge	60 0	80 0	130 8	5 0	3 0	278 9	Under Construction 25% done
6	Santa Maria Tzeja/Ixcan Vehicle Bridge	60 0	88 4	148 2	5 0	3 0	304 6	Under Construction 10% done
7	Cimientos de la Esperanza School	60 0	65 4	345 5	5 0	30 3	506 2	Under Construction Landing strip needs to be done for materials
8	Pueblo Nuevo/Ixcan Landing Strip Drainage	25 0	144 3	0 00	5 0	31 7	205 9	Finished To be strengthened with project #43
9	Pueblo Nuevo/Ixcan 268 Latrines Project	60 0	60 8	293 1	5 0	25 5	444 3	Under Construction 45% done
10	Playa Grande / Ixcan Remodel Health Center	55 0	28 8	0 00	5 0	26 8	115 6	Temporarily suspended for no maintenance
11	Aurora 8 de Octubre/Chisec Vehicle Bridge	60 0	45 5	169 0	5 0	3 0	282 5	Under Construction 25% done
12	Aurora 8 de Octubre/Chisec Training Center	60 0	13 3	90 5	5 0	0 00	168 8	Under Construction 18% done
13	Nueva Libertad/ Fray B de las C Potable Water System	60 0	75 0	0 00	5 0	299 6	439 6	Finished
14	El Afan/Ixcan Community Hall	59 9	15 0	61 7	5 0	0 0	141 6	Awaiting FONAPAZ or other counterpart $
15	Playa Grande/Ixcan Basic Institute/School	59 0	36 0	148 8	5 0	46 4	295 3	Awaiting FONAPAZ or other counterpart $
16	Cimientos De La Esperanza/Ixcán Health Post	30 0	6 0	26 6	5 0	0 0	67 6	Awaiting FONAPAZ or other counterpart $
17	Nuevas Ilusiones/Ixcan Latrine Project	35 8	16 4	40 4	5 0	0 0	97 7	Awaiting FONAPAZ or other counterpart $
18	San Pedro Los Amates / Ixcan School	18 0	6 7	0 0	5 0	15 8	45 4	Awaiting FONAPAZ or other counterpart $
19	Zunil/Ixcán Training Center	58 0	40 0	143 0	5 0	0 0	246 0	Awaiting FONAPAZ or other counterpart $
20	Santa Maria Tzeja/Ixcan School Addition	34 0	12 0	24 9	5 0	3 0	78 9	Awaiting FONAPAZ or other counterpart $

No.	Community/Project	SDF	Community	FONAPAZ	CHF	Other	Total	Observations
21	Aurora 8 de Octubre/Chisec Basic Institute/School	59 0	32 0	202 3	5 0	0 0	298 5	Awaiting FONAPAZ or other counterpart $
22	San Jose la 20 / Ixcan Health Post	42 5	12 0	0 0	5 0	41 9	101 4	Awaiting FONAPAZ or other counterpart $
23	Buen Samaritano/Ixcán School	55 0	15 0	56 2	5 0	0 0	131 2	Awaiting FONAPAZ or other counterpart $
24	Mayalan/Ixcán Vehicle Bridge	52 1	10 0	55 4	5	0 0	122 6	Awaiting FONAPAZ or other counterpart $
25	Seraxquem/Chisec School	55 0	10 0	35 0	5 0	25 2	130 2	Awaiting FONAPAZ or other counterpart $
26	Manantial/Chisec School	55 0	10 0	35 0	5 0	25 2	130 2	Awaiting FONAPAZ or other counterpart $
27	San Pablo/Chisec School Addition	55 0	10 0	35 0	5 0	28 6	133 6	Awaiting FONAPAZ or other counterpart $
28	Setzi/Chisec School Addition	55 0	10 0	35 0	5 0	28 6	133 6	Awaiting FONAPAZ or other counterpart $
29	Sibicté/Chisec Water Storage Tank	59 9	10 0	36 0	5 0	25 2	136 1	Awaiting FONAPAZ or other counterpart $
30	Zunil/Ixcan Road Drainage	58 1	18 2	81 6	5 0	0 0	162 9	Turned In to SDF
31	Playa Grande / Ixcan Social Services Center	57 5	15 0	0 0	5 0	65 0	142 5	Turned In to SDF
32	Las Muñecas / Ixcan Vehicle Bridge	52 2	16 5	0 0	5 0	54 0	127 6	Turned In to SDF
33	Valle de Candelaria 2 /Ixcán School	59 9	16 0	101 1	5 0	0 0	182 0	Turned In to SDF
34	Playa Grande / Ixcan Civilian Landing Strip	55 0	15 0	0 0	5 0	57 1	132 1	Turned In to SDF
35	Valle de Candelaria 1/Ixcan Hammock Bridge (PS)	56 3	19 8	82 3	5 0	0 0	163 4	Turned In to SDF
36	Valle de Candelaria 1/Ixcan Hammock Bride (SX)	59 9	18 2	85 4	5 0	0 0	168 5	Turned In to SDF
37	Rio Negro/Quiche Hammock Bridge	57 9	20 0	89 7	5 0	0 0	172 6	Turned In to SDF
38	Playa Grande / Ixcan Pipe (tube) Factory	57 0	14 5	0 0	5 0	75 3	151 9	Turned In to SDF
39	Xalbal/Ixcan Social Services Building	56 7	16 5	36 5	5 0	42 3	157 0	Turned In to SDF
40	El Recuerdo/Ixcán Training School	56 7	15 0	36 5	5 0	42 3	155 5	Turned In to SDF
41	Valle de Candelaria III Hammock Bridge	59 9	22 0	174 4	5 0	0 0	261 3	Turned In to SDF
42	Playa Grande / Ixcan Ecological Slaughterhouse	59 6	16 5	0 0	5 0	65 1	146 2	Turned In to SDF
43	Pueblo Nuevo / Ixcan Landing Strip Repair	211 4	5 0	0 0	5 0	2 0	52 4	Turned In to SDF
44	Santa Elena 20 de Octubre/Coban Latrine Project	58 2	12 0	55 0	5 0	0 0	130 2	Turned In to SDF
45	Saholom/Coban School	56 9	16 5	35 0	5 0	69 1	182 5	Turned In to SDF
	Total in Quetzals	2,346 7	1,183 4	2,985 7	220 5	1,228 6	7,964 6	
	Total in Dollars	391 0	197 2	497 6	36 8	204 8	1,327 4	

The infrastructure rehabilitation projects include women's centers, training centers, pedestrian bridges, vehicle bridges, schools, health posts, community latrine projects, potable water systems, road drainage works, repair of landing strips and community buildings [7] In addition to the actual physical works, the communities are strengthened by developing leadership and project skills which will serve them beyond the current projects New linkages are forged at the community, inter-community and Ixcán area levels which have a multiplier effort for Ixcán development

Conflict resolution through common goals is also a benefit of these infrastructure rehabilitation projects. A bridge is currently under construction on the road between San José de la 20 and Santa María Tzejá. Since the first town is nearer to Cantabal (Playa Grande Ixcán), the municipal seat, the bridge appears to be more important for Santa María Tzejá. However, both towns need the bridge, twelve to fifteen students from San José de la 20 attend school in Santa María Tzejá and some farmers from San José de la 20 have land on the other side of the bridge site The bridge is a project of San José de la 20 with labor from both communities working on the bridge's construction. Ing. Dubon said that foremen from the two towns have analyzed problems as a team and then come together to discuss them with him. Each town makes sure that its quota of workers is on the bridge site on a daily basis in order that the work continues as planned.

All of the above may seem fairly normal for a bridge project between two towns. However, San José de la 20 is a town that the Guatemalan Army militarized as a block to guerrilla patrols. Each male in the town received military weapons and was required to stand post one day out of six Only recently have the people of this town disarmed and returned their military weapons to the Army Santa María Tzejá is a town whose inhabitants fled to Mexico and stayed there for about a decade and who have now returned to farm on their original lands These two groups of people have a history of conflict and little/no track record of working together In this context, the bridge project is much more than a physical infrastructure project, but is helping to lay the cornerstone of a new relationship between former enemies A similar process is taking place in Kaibil Balaam where two conflictive groups from the same town are working together in the construction of a training center, and in numerous SDF projects among Ixcán Grande villages.

While other national and international organizations could and do fund some of these kind of projects, no one has entered into these projects over the width and breadth of the Ixcán to the degree demonstrated by the CHF CIT project. Of course, it is hoped that the infrastructure projects will be managed and prepared to a greater degree in the future by local and the national governments. However, at this crucial point, this CHF CIT project component is filling an important gap and helping communities to discover what they can achieve working together.

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[7] SDF had never been utilized for a women's center nor for an aviation landing strip until the CIT/CHF Director convinced SDF of the value of such infrastructure projects

Rehabilitation of Infrastructure Monitoring and Evaluation Plan - January 1997
Results - January 1998

Result: Basic social infrastructure improved

Benchmarks

Community participation in identification and implementation improved
The table shows the identification of forty-five projects with direct community participation. The work on the projects completed or under construction also have direct community participation

Basic social infrastructure (community centers, bridges, etc) constructed/rehabilitated
This benchmark is definitely underway though not finished CIT project will only be able to make a partial contribution.

Non-CIT funds leveraged to support basic infrastructure improvement
The table shows funds leveraged and the project funds that will be leveraged through the implementation of the forty-five projects to be significant

Community Associations, Municipal Strengthening and Conflict Resolution (Road Maintenance)

Problem Statement

Surveys conducted in the Ixcán have shown that the people give roads and bridges the highest importance in their list of needs. The two levels of government responsible for maintaining basic rural infrastructure are the municipality and the central government. Currently, neither has the ability nor the resources to address infrastructure needs on a sustainable, environmentally sound basis in the former war zones of Guatemala. As a result, the economy stagnates, access to health and education are very limited, and conditions for environmental degradation and renewed civil war remain present

Dirt roads in high rainfall areas are harmful to the environment due to erosion, silting and subsequent loss of flora and habitat Gravel roads with proper drainage have proven environmentally sound. In the Ixcán, there is little, if any, knowledge of how to build and maintain appropriate, properly drained gravel roads, or how to extract gravel with minimum damage to wildlife. Poorly built gravel roads have more than double the long-term cost of properly built gravel roads

Beyond the rehabilitation of roads and bridges in the Ixcán--an initiative FONAPAZ intends to fund over the next three years--it is imperative that an operationally and financially viable community-based road maintenance association be organized to ensure that the rehabilitated infrastructure is properly managed over the long run

Lessons Learned

According to the members of the road maintenance association in Costa Rica who visited the Ixcán, there are many striking similarities in the two communities and their need for road maintenance. The successful Upala AMV model to be replicated and adapted has produced the following lessons:

> Local people will give their time, labor, and money to subsidize road and bridge maintenance projects, if the costs are kept low and they can participate in the decisions
>
> Government road projects are too costly and of low quality, and invite corruption at all levels, leading to community resentment Where the central government is absent and municipal government is without resources, a local community organization can be a viable alternative
>
> Road and bridge work is mostly carpentry, not architecture Local people can be trained to do the majority of the work, and they have more incentive for doing the work in environmentally sound ways than do outsiders who may never return
>
> The principal challenge of a local road association is administrative, not technical, requiring a heavy initial investment in training and technical assistance, which can

produce self-sufficiency if the association successfully markets its services to government

Government needs local infrastructure maintenance groups to do work quickly and at a low cost, and can be convinced to hire them with preferential treatment in a symbiotic way.

A community association for infrastructure maintenance is an excellent vehicle for environmental education and monitoring of environmental protection in the community.

An important finding of a group of four Costa Rican road maintenance association members who spent 10 days in the Ixcán is that their Upala AMV model will require considerable adaptation and extra training efforts, and perhaps more trial and error than in the Costa Rican case, because the community conflicts in the Ixcán are more pronounced and the adult literacy rates are lower

1997 Activities

Community Association, Municipal Strengthening and Conflict Resolution (Road Maintenance)

The Asociacíon de Mantenimiento Vial de Ixcán (AMVI) [Ixcán Road Maintenance Association] is an organization born out of the identification of a regional problem, analysis by local leaders, a visit to a solution for a similar problem in Upala, Costa Rica, visits by Costa Rican local leaders to the Ixcán and lots of local discussion Road access is non-existent in 60% of the Ixcán, and in the rest of the country it is precarious at best Improving and maintaining good roads within the Ixcán and connections with other parts of Guatemala is a very high priority for all of the communities within the Ixcán.

CIT Director Steve Huffstutlar worked to engender a process whereby local leaders came together to analyze the challenge of Ixcán road maintenance and design an administrative solution which would work in the Ixcán. Mr Huffstutlar's experience working in a similar road maintenance project in northern Costa Rica facilitated seeing both the possibilities and helping to arrange contacts for local Ixcán leaders to visit such an organization in action. A return visit from the Costa Rican road maintenance association helped move the process of AMVI's formation along Leaders from the different Ixcán micro-regions have been elected to the AMVI Board of Directors As in the case with the small infrastructure rehabilitation projects, AMVI has members from different conflictive backgrounds. The difference here is that this organization has a Ixcán-wide mandate and the different leaders have to work together for it to carry out its regional function

AMVI is in the process of gaining its legal status. Visits have been made to FONAPAZ and members have learned about preparing requirements for a proposal to acquire road maintenance equipment, $1 4 million of which will be ordered in February 1998 for delivery in April. A contract to purchase land for the AMVI was signed in late January

1998. The organization has reached a critical mass as noted in the CHF's CIT Expansion Proposal. The CIT project expansion will allow AMVI, with technical assistance from CHF, to begin to fulfill its role in Ixcán development

CIT Director Steve Huffstutlar has worked concurrently with the formation of AMVI to procure and install bridges which are key to the Ixcán road system, but also to the Peace Accords. These include two Bailey pre-fabricated steel bridges for Trinitaria and Mayalan as well as other regular constructed bridges. These bridges make accessible otherwise isolated parts of the Ixcán and integrate entire communities into the region.

Activities under the CHF CIT project, including infrastructure rehabilitation and agroforestry, but especially road maintenance impact the Ixcán environment. A Programmatic Environmental Assessment (PEA) for work in the Ixcán received approval with limitation in February 1997 from USAID. An environmental mitigation plan was submitted to USAID by CHF in November 1997 and the project expansion proposal calls for an Environmental Advisor and two Mitigation Assistants. Finally, CHF has subcontracted a Guatemalan environmental consulting firm to carry out a Rapid Ecological Assessment (REA) of the Ixcán

Rehabilitation of Infrastructure Monitoring and Evaluation Plan - January 1997
Results - January 1998

Result: Road network rehabilitated and maintained.

Benchmarks

Road maintenance equipment purchased
Preliminary work for equipment purchase completed in January 1998 and purchase scheduled for February 1998

Maintenance unit created and trained
The Asociacíon de Mantenimiento Vial de Ixcán (AMVI) [Ixcán Road Maintenance Association] has been created and is in the legalization and training stage

Road network rehabilitated
Although at the beginning of this process, work has proceeded on the implementation of key bridge sections which should be in place by March 1998

Maintenance system designed and implemented
Much of the maintenance system design is contained in the project expansion proposal Additional design work and implementation will take place during 1998.