

PD-ABT-747

**QUARTERLY TASK  
ORDER PROGRESS AND  
COST REPORT**

**JANUARY TO MARCH  
2001**

**MORE EFFECTIVE AND  
ACCOUNTABLE LOCAL  
GOVERNMENTS  
DEVELOPED**

Prepared for



More Effective and Accountable Local Governments Developed  
U.S. Agency for International Development  
Contract No. LAG-I-00-99-00036-00, Task Order No. 801

Prepared by

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April 2001  
UI Project 06967-003

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# QUARTERLY TASK ORDER PROGRESS AND COST REPORT

JANUARY TO MARCH 2001

## MORE EFFECTIVE AND ACCOUNTABLE LOCAL GOVERNMENTS DEVELOPED

**Task Order No.:** LAG-I-00-99-00036-00, TO No. 801

**Date of Issuance:** September 21, 2000

As required by Section F.12 of the SUM IQC, a description of the progress of the last quarter is set out under Task Order 801 below:

### Task Order Description

Under subcontract to the Urban Institute (UI), Chemonics is managing this Task Order to identify 10 new small-to-medium scale pilot public service projects in 4 departments and approximately 20 municipalities in Paraguay. The projects will be primarily in water and sanitation; solid waste and health serving between 2,000 to 40,000 individual users. Chemonics is strengthening the capacity of participating municipalities and non-governmental organizations (NGOs) to design, deliver and manage viable service delivery projects and mechanisms. We are also providing technical assistance in participatory tools to define strategic/priority projects, identifying funding alternatives; strengthening the public-private service delivery options; basic financial planning; transparent decision making project and municipal finance and associated legal issues.

**Amount Obligated under Task Order:** \$800,000

**Total Potential Task Order Amount:** \$766,847

**Dollars Expended to-date:** \$33,153

### Progress of Major Activities

The Promotion of Local Governments, or (*Promoción Local de Gobiernos*) Project (ProLoGo) is working to fulfill the United States Agency for International Development (USAID) Paraguay's Intermediate Result of "More Effective and Accountable Local Governments Developed." To achieve this end, the project aims to strengthen local governments and to increase citizen participation in municipal services. ProLoGo is working to identify 10 public service projects in target departments and municipalities, to bring these projects to fruition, and to disseminate information regarding best practices to local governments and partner organizations. Through this effort, the project is supporting the decentralization process in Paraguay, contributing to



increased citizen participation in local governance, and providing viable financial models for project completion.

While the Subcontracting Agreement between Chemonics International and UI was signed October 10, 2000, the actual mobilization of the Chief of Party (COP) did not occur until January 2001. This delay was due to the fact that the original COP proposed for the project was deemed, after a three-day orientation held at Chemonics' Headquarters, not appropriate for the position. After the decision was made to recruit another COP, Mr. Walter Galindo, an expert in institutional reorganization and strengthening of public, private and municipal organizations, was chosen for the position.

### **Administrative Activities**

This section discusses the main administrative activities associated with the period of January through March 2001.

**Project Start-up**—On January 6, 2001, Traci Sebastian, project administrator for ProLoGo, traveled to Paraguay to conduct project start-up activities. Ms. Sebastian was accompanied by another Chemonics employee, Ms. Allison Succa, who was sent to assist with the start-up activities. Ms. Succa's expenses were fully covered by Chemonics International, with no direct cost to the project. Ms. Sebastian and Ms. Succa were involved in all matters related to project start-up, described below, and Ms. Sebastian also engaged in meetings with USAID staff.

On January 16, Walter Galindo, COP and Juan Fernando Gómez (project manager for ProLoGo) arrived in Asunción. Mr. Galindo began his assignment as COP at this time, attended meetings with USAID and local partner organizations, and began drafting the first-year workplan. Mr. Gómez accompanied Mr. Galindo in order to assist with the meetings and workplanning, and also to participate in final start-up initiatives.

**Local Employees**—After interviewing candidates recommended by local contacts, Chemonics offered employment to Gladys Montiel and Josefina Keim. Ms. Montiel was hired as the project's accountant and office manager; Ms. Keim was hired as the bilingual secretary and office assistant. Both employees bring several years of experience working with USAID projects, and are very familiar with USAID rules and regulations. Chemonics received technical authorization to hire the two local employees on February 6, with salary approval following on February 23.

**Office Space**—Working with two real estate agents recommended by the U.S. Embassy in Paraguay, Chemonics identified an office located less than one block from USAID. All local procurement was completed during the reporting period, and the office was fully equipped and operational by mid-February. Additional equipment was shipped from the United States, and there were no major problems in moving the equipment



through customs. In order to communicate more effectively with the home office, an additional phone line, local area network (LAN) and a broadband connection for the Internet were installed.

**Registration**—In close consultation with a local legal firm, Vouga & Olmedo, Chemonics initiated the registration of the project in order to operate legally in-country. The project was duly registered and authenticated with all of the pertinent government agencies, and the COP was registered as a legal representative with all the authority granted by power of attorney to represent Chemonics in the Republic of Paraguay. This registration facilitated the opening of local bank accounts, as well as the contracting of the local office personnel.

**Banking Information**—After meeting with representatives from the major international banks in Asunción, a project bank account was opened at Citibank. The project has opened a local currency account (guaranies), as well as a U.S. dollar account.

### **Technical Activities**

**Initial meetings with USAID**—Meetings with USAID focused on the Chemonics team getting to know USAID personnel, becoming familiar with counterpart organizations and learning more about the political reality of the country. The Mission provided a very thorough overview of the Paraguay situation, specifically explaining the inner workings of the national and municipal governments, and provided the team with an overview of the Mission's Strategic Objectives (SOs).

Specifically, the team met with Mission Director F. Wayne Tate, Cognizant Technical Officer (CTO) Jerry Barth, and Democracy Team Leader Steve Marma, and Local Government Specialist, Erwin Rose. The team also met with Elizabeth Bauch from the Regional Urban Development Office for Latin America and the Caribbean (RUDO/LAC) to identify areas of mutual collaboration.

The Task Order was discussed at length, and the Mission suggested that the project, while free to work in any of the 17 departments in the country, should focus on the following four: Central, Caaguazú, Misiones and Cordillera. It was further determined that in order for the project to be effective, it would have to work with local organizations non-government organizations (NGOs), municipal associations, religious organizations, etc.) and address civil society strengthening.

**Workplan**—Per USAID's instructions, Walter Galindo provided a draft copy of the workplan to the Mission in late February, with the purpose giving the Mission an opportunity to review the proposed activities, and to make comments on the project's technical focus. The initial reaction from the Mission was positive, with the Mission providing some recommendations for refocusing the workplan. Specific



recommendations centered on the Mission's wish to identify specific projects for the project to investigate, and citing specific departments where the project would focus. After close analysis of the situation and in consultation with local stakeholders (non-governmental and governmental organizations), the chief of party submitted a second draft to the Mission on March 27, providing the detail that the Mission had requested. In depth discussions on the workplan have continued between the Mission and Chemonics during the reporting period, and the final workplan will be submitted to the Mission in the early part of the next reporting period, April 2001.

**Local Stakeholders**—Walter Galindo, COP initiated a series of interviews with key players of the decentralization and municipal strengthening movement in Paraguay, including government officials and NGOs. Specific groups included Alter Vida, International Foundation for Election Systems (IFES), CIARD, CEPPE, Gestion Local and the Peace Corps. These meetings were held with the purpose of understanding the political, economic and administrative climate of the country and identifying the project stakeholders. The identification of these key players was instrumental for the elaboration of our workplan, which now incorporates working with many of these entities.

In addition to these informational meetings, the COP has also initiated a round of meetings specifically geared towards project identification—choosing organizations and projects that we would identify as partners. The COP will continue to initiate working sessions with these groups, and determine areas of action and resource determination.

**Technical Assistance**—One of the first areas of activity identified by the project was the need to provide technical assistance to the Council of Governors, specifically in the field of decentralization. A four-person consulting team, consisting of a senior decentralization advisor, a legal consultant, an economist and an administrative assistant, will work with the Council to explore the issue of decentralization in Paraguay. After five months, the team will submit a decentralization proposal to the central government. Other technical assistance projects are under way, and will be presented to UI in next month's report. While final approval to hire these consultants had not been granted at the end of the reporting period, it is expected that the team will be ready to start their consultancy in the early part of the next reporting period (late April).