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GUATEMALA LOCAL GOVERNANCE PROJECT QUARTERLY REPORT (JANUARY- MARCH 2012)

APRIL 2012

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

Prepared by the Guatemala Local Government Project for the United States Agency for International Development, under the Sustainable Urban Management II Indefinite Quantity Contract (No. EPP-I-04-04-00035-00).

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ACRONYMS AND ABBREVIATIONS

AECID	Spanish Agency for International Development Cooperation
AGAAI	<i>Asociación Guatemalteca de Alcaldes y Autoridades Indígenas</i>
ANAM	<i>Asociación Nacional de Municipalidades</i>
ASORECH	<i>Asociación Regional de Campesinos para la Región Copanch'orti'</i>
CAM	Commission of Municipal Affairs (of Congress of the Republic)
CMM	Municipal Commission of Women
COCODE	<i>Consejos Comunitarios de Desarrollo</i>
CODEDE	<i>Consejos Departamentales de Desarrollo</i>
COMUDE	<i>Consejos Municipales de Desarrollo</i>
COP	Chief of Party
DAFIM	<i>Dirección de Administración Financiera Integrada Municipal</i>
DCOP	Deputy Chief of Party
DMP	<i>Dirección Municipal de Planificación</i>
FUNDEMUCA	<i>Fundación para el Desarrollo Local y el Fortalecimiento Municipal e Institucional en Centroamérica y el Caribe</i>
FtF	Feed the Future
GIS	Geographical Information System
IGSS	<i>Instituto Guatemalteco de Seguridad Social</i>
INAP	National Institute for Public Administration
INFOM	<i>Instituto Nacional de Fomento Municipal</i>
IR	Intermediate Result
IUSI	<i>Impuesto Único sobre Inmuebles</i>
IVA	<i>Impuesto al Valor Agregado</i>
LED	Local Economic Development
LGP	Local Governance Project
LLR	Lower Level Result
MINFIN	<i>Ministerio de Finanzas</i>
NIM	<i>Número de Identificación Municipal</i>
NGO	Non-governmental Organization

OMM	Municipal Office of Women
PDM	Municipal Development Plans
PIMA	<i>Plan de inversión multianual</i>
PNUD	<i>Programa de las Naciones Unidas para el Desarrollo</i>
RIC	<i>Registro de Información Catastral (Cadastral Information Registry)</i>
SCEP	<i>Secretaría de Coordinación de la Presidencia</i>
SEGEPLAN	<i>Secretaría General de Planificación y Programación de la Presidencia</i>
SIAF	<i>Sistema Integrado de Administración Financiera</i>
SIAF-Muni	<i>Sistema Integrado de Administración Financiera Municipal</i>
TSE	<i>Tribunal Supremo Electoral</i>
UIP	<i>Unidad de Información Pública</i>
USAC	<i>Universidad de San Carlos de Guatemala (State Public University)</i>
USAID	United States Agency for International Development

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EXECUTIVE SUMMARY

The quarter corresponding to January-March 2012 concurred with newly elected government and municipal authorities taking office on January 14 and 15, correspondingly, and the actual transition between leaving and incoming authorities nationwide. As expected, this political context impacted LGP activities in many respects. A general view of major events is presented prior to details of the different Project components.

The January-March 2012 reporting period coincided with newly-elected central government and municipal officials taking office on January 14 and 15, respectively. In addition, the Project coped with a nation-wide transition period as administrations shifted operations from incumbents to incoming authorities. The Project expected and prepared for the impact of the current political context and describes the accomplishments further in this report.

More than half (seven out of twelve) of LGP target *municipios* elected a new mayor to office along with new municipal and city council authorities (Esquipulas, Camotán, San Juan Ermita, Estanzuela, San Cristóbal Acasaguastlán, Jalapa, and Sansare). This presented an excellent opportunity for the LGP technical team to approach each group individually, brief them on Project activities in their municipalities and assess their interest in and willingness to endorse the commitments made by their predecessors. The response varied and is described in greater detail further in this report. Notwithstanding their initial responses, most of the officials taking office have primarily focused their time and attention on evaluating critical administrative and financial aspects of their municipalities, particularly those pertaining to the legally-mandated reports for the Office of the Comptroller General. This situation has forced some of the Project activities to be placed temporarily on hold as the new authorities address their more pressing priorities.

Progress on LGP activities has also been somewhat hampered by the decisions taken by several of the mayors new to office. For example, there are mayors who opted to replace local government officials and technical staff (many of whom had been the beneficiaries of LGP technical assistance and training). As a result, the Project is redoubling efforts to continue to work with and train new hires in those cases in which the mayors gave the go-ahead. In other cases, the Project had made significant progress with some municipalities in identifying and screening users of municipal services as part of their efforts to increase own-source revenue and collection. LGP is addressing the fact that some of the new mayors appear reluctant to enforce collection efforts on the grounds that they first want to improve services or simply because they want to avoid alienating constituents as they take office.

Furthermore, the Project is facing major changes taking place within ANAM. A new board was elected through a well-organized and smoothly-run process. However, LGP faced a setback in that the new President of the Board dismissed key advisors that were financed by the Project: two legal advisors, as well as the financial and communication specialists. This was further aggravated by the fact that other donors withdrew their support and have left LGP as the only international donor willing to continue to support ANAM through the transition period, as agreed to with the previous Board. Moreover, the budget resources are now limited. LGP worked intensely with the new President to ease the way and continue implementation progress as planned.

On a positive note, however, the key advisory positions listed above were filled through a public and transparent process. Last, but not least, the Project provided assistance and worked intensely in spite of these setbacks to successfully organize and carry out an Orientation and Training Workshop for 1,522 municipal authorities and officers from all

over Guatemala. All things considered, the Project was generally successful this quarter in meeting its objectives. Further details are provided under the relevant sections of this report.

2.1.1 LOWER LEVEL RESULT (LLR): Financial management capacity strengthened in all municipalities

During this quarter, LGP analyzed various issues. One was to use the Ministry of Finance's Local Government Portal to evaluate municipal income during the 2008-2011 period in each of the target municipalities. Another was to generate statistics regarding the use of the *Guatecompras* portal.

With regard to municipal income, the Project analyzed two priority variables: a) the ratio of specific income to the total of own source income and b) comparative differences on an annual basis for each item in the corresponding period. The analysis revealed the income items with potential for improvement in each municipality. As a result, LGP encouraged further efforts and provided technical assistance to prepare a municipal plan to improve collection and reduce the amount of payments in arrears.

The second analysis focused on the current use of the *Guatecompras* system and showed that more than having difficulty in using the system itself, the problem lies in a lack of specific knowledge regarding the *Ley de Contrataciones del Estado y su Reglamento* (State Procurement Act and its Provisions). In light of this, the Project decided to carry out a regional training activity designed for the *municipios* in Chiquimula. The training included a useful handout on FAQs pertaining to the legislation and provisions on government procurement ensuring that participants are now knowledgeable and better prepared to comply with current regulations.

In a joint effort with the Ministry of Finance, LGP provided technical assistance to target municipalities to prepare the municipal financial statements and balance sheets that are due every year by March 31.

Obstacles

The fact that new authorities took office this period and that there were many changes among key personnel interfered with LGP activities in a number of municipalities. Even in those municipalities where authorities were re-elected to office, there are many cases in which key employees responsible for accounting and budget processes have been replaced. LGP plans to overcome the obstacles by refocusing technical assistance and training activities under this project component to ensure transparency and facilitate the use of the available software.

IUSI Project: using geographic information systems (GIS) to increase municipal own income

Two of the four municipalities in which the Single Property Tax (*Impuesto Único sobre Inmuebles –IUSI*) component is being implemented, San Cristóbal Acasaguastlán and Estanzuela, elected new authorities. At the beginning of the quarter, municipal authorities focused their attention on running technical and financial audits to provide them with important information, such as their municipality's current financial status; individual performance evaluations for key personnel, and progress made under ongoing municipal projects. In contrast, although the mayors in San Jacinto and Concepción Las Minas were reelected, voters elected new officers to the city councils. As a result of the changes, adjustments and audits taking place at various levels of local governments, LGP made limited progress in January under the IUSI component.

The LGP IUSI Coordinator began working back in September 2011 with the mayor of San Cristóbal Acasaguastlán to start charging for municipal services. Based on a weekly

monitoring of collection data, the IUSI Coordinator discovered that the municipality would fall short on meeting 2010 targets for revenue collection. As a result of Project assistance, however, the mayor approved collection procedures and issued bills for water services and collection efforts were much more effective during the last quarter of 2011, surpassing the total reported for the same period in 2010.

Building on this success, the Project continued its assistance this quarter to ensure that bills be issued and delivered in a timely manner according to the instructions and procedures approved by the new mayor and the City Council. Additionally, the LGP IUSI Coordinator supported the Mayor's efforts to hire an assistant to take over some of the responsibilities of the single DAFIM official handling everything pertaining to the IUSI data, water services, tax database, billing and service suspension orders, plus responsibility for the teller window. The new technical assistant will be the individual responsible for managing the IUSI database.

In September 2011, the mayor of San Jacinto also agreed to charge for water services. Collection data reported at the end of the 2011 fiscal year revealed that the amount surpassed that from 2010. IUSI collection accounted for the largest source of income and amounted 135% that of the previous year.

This quarter, the Mayor of Concepción Las Minas agreed to charge for water services beginning in February. By March 14, a mere three weeks after initiating the process, income levels equaled 115% of the total collected in 2011.

Collection procedures are not yet in place in Estanzuela. The Mayor would like to become more familiar with the SIAF system and the service user database. In order to move forward, the IUSI Coordinator briefed the members of the City Council on progress in other municipalities and described the need to filter information on the SIAF system. This will produce reliable information on service users and back-due payments, both of which will contribute to a more efficient collection process. The City Council has now approved the request to filter information on the SIAF system.

Although the decision to bill for services has displeased some inhabitants, the general response has been positive. The municipal plumbing staff is being used to deliver bills and they have been very useful in identifying users more precisely. The municipality has made progress in detecting and correcting duplicate entries, unauthorized connections and inconsistencies in SIAF information.

It is worth highlighting that the IUSI Component has had additional impacts. Not only has it produced an increase in the number of users registering for new services, it has also made the application process more user-friendly. Requests are now reviewed, approved and services installed in a more timely fashion. Furthermore, the IUSI Component makes it easier to detect unauthorized users and connections that are not correctly reported as commercial businesses. It is also contributing to the process of local governments effectively generating handbooks and registration forms.

That said, the IUSI tax is still a sensitive matter both among authorities and local inhabitants. Mayors are concerned about any political backlash from registering taxpayers and collecting IUSI taxes. On the other hand, users appear willing to accept changes and pay a fee when they are well informed and benefitting from efficient services. Paying a IUSI tax, however, is perceived merely as an expense with no tangible benefit for the taxpayer. There is still work to be done to raise awareness among the general population regarding the IUSI law and the repercussions from their reluctance to pay property taxes.

2.1.4 LLR 2.1.4: Selected municipalities/*Mancomunidades* improve basic services

The Project leveraged the opportunity provided by personnel changes among municipal authorities. Initially the changes implied openness to new ideas and to suggestions presented by the LGP team, as well as receptivity to the water management models the Project developed based on the technical and economic analysis carried out during earlier reporting periods. Furthermore, the incoming authorities were quick to implement LGP recommendations through appropriate delegation of authorities within local governments.

The attitudes conveyed by incumbent municipal authorities re-elected to office were initially positive towards implementing LGP recommendations, but the Project detected less interest in doing so as the quarter unfolded.

Nevertheless, the Project did make significant progress in several *municipios* where the water network is fed by gravity systems and the quality of water is monitored for residual chlorine levels, as LGP recommended. LGP also provided the equipment required for these monitoring activities.

Despite the fact that new municipal authorities took office on January 15, the Project has continued to observe a lack of organization. By mid-March some middle-management positions had not yet been filled. For example, there is a vacancy for the person in charge of the water department (DEMPAGUA), in Esquipulas. These circumstances forced the Project to postpone the workshop on “Information Exchange regarding Water Service Management at the Municipal Level” for at least a month.

SUB-IR 2.3: MORE INCLUSIVE AND TRANSPARENT POLITICAL PROCESSES

This quarter, LGP joined efforts with the Copán Chortí Mancomunidad and the regional SEGEPLAN office in Chiquimula to launch training activities for municipal authorities and officials of Chiquimula, as part of the DMP network (Municipal Planning Division).

DAFIM, DMP and OMM personnel joined members of the Municipal Councils from 9 out of the 11 *municipios* in Chiquimula to participate in the training workshops. The workshop methodology combined master classes, brainstorming sessions and working groups to build consensus and develop plans to increase municipal own source revenue by improving both customer service and the services themselves.

The Project provided assistance to organize a series of meetings involving the Copán Chortí Mancomunidad and the OMMs from its member *municipios* (Camotán, Jocotán, San Juan Ermita and Olopa). The purpose of the meetings was to review and approve municipal policies on women’s issues as proposed by the Mancomunidad, and at the same time, elect new members to the CMM boards of directors, which in turn make up the COMUDE.

LGP provided technical and financial assistance to carry out three meetings, along with technical assistance for six out of nine COMUDE meetings in seven of the twelve target *municipios*: Olopa, Estanzuela, San Jacinto, San Cristóbal Acasaguastlán, San Juan Ermita, Camotán and Jocotán.

LGP distributed copies of the PDM (municipal development plans) for Chiquimula during the first CODEDE meeting of 2012. Although the Project has made progress in promoting more inclusive political processes as described above, LGP technical assistance is limited by the fact that neither Jalapa nor Esquipulas have been able to facilitate meetings with the new municipal officials, nor have the DMP directors been appointed in those towns.

Furthermore, the Project has been unable to progress as planned in Monjas over the last quarter. LGP implementation continues to be a difficult process in light of the lack of interest expressed by municipal authorities and very little commitment which is perceived to be the result of low expectations associated with the re-election of municipal authorities.

The Project is also facing a complicated situation in Sansare. Local inhabitants are dissatisfied with the election outcome and there is disagreement between the mayor and the voters as to whether he is legally entitled to take taking office. As such, the situation is interfering with LGP's ability to effectively coordinate activities with the municipal technical staff.

Lastly, the Project has detected that despite the fact that Municipal Code reforms were passed to grant municipal officer status to the individuals appointed as OMM coordinators (Municipal Office for Women), these officials remain limited in their ability to take on a significant role or have significant leadership.

1.2 SUB-IR 2.2: MORE EFFECTIVE ADVOCACY OF MUNICIPALITIES FOR LOCAL CITIZEN PRIORITIES WITH NATIONAL GOVERNMENT

The Project's main contributions this quarter to achieving this Sub-IR are summarized as follows:

1. The new members to the ANAM Board of Directors were elected in an orderly fashion and the transition of power was smooth;
2. LGP provided assistance to design and carry out an Orientation and Training Workshop for a total of 1,522 municipal authorities and officials, and
3. ANAM used a transparent and public process to hire four new advisors: two legal counselors, one financial advisor, and one communications specialist.

It is important to mention that the Project's overall activities in general and its institutional strengthening efforts for ANAM, in particular, have been impacted by the changes in government and municipal authorities. To illustrate:

- New membership on the ANAM Board of Directors implies a transition period that requires an orientation and adjustments regarding ANAM operations and commitments. LGP decided to postpone Project activities to better accommodate the transition.
- The most significant implementation delay is the result of the dismissal of all ANAM technical personnel (including the two legal advisors, one financial expert and one communications advisor paid for by the Project) and attributed to the fact that incoming authorities considered them untrustworthy. The decision left ANAM lacking the respective advisory services for a full month. A public recruitment process was put in place to select the technical staff to fill the vacancies.
- Furthermore, other international cooperation agencies that had supported ANAM challenged the decision of the ANAM President to dismiss the aforementioned technical personnel. Although the expectation was that LGP would take a similar position, the Project opted to work closely with the new Board and the President to make it clear that LGP support goes beyond financing the technical advisors. The Project conveyed a commitment to continue support to ANAM if the dismissals were justified and if the replacement staff was recruited through a public and transparent process. The Project succeeded in overcoming these obstacles with ANAM, but is now facing an implementation process as the only international cooperation agency currently providing technical and financial assistance to ANAM.

RESUMEN EJECUTIVO

El trimestre correspondiente al periodo enero-marzo de 2012 coincidió con la toma de posesión de las nuevas autoridades gubernamentales y municipales electas, el 14 y 15 de enero, respectivamente, así como con la fase de transición entre las autoridades salientes y las nuevas, a nivel nacional. Como se esperaba, este contexto político afectó las actividades del PGL en varios sentidos. Se presenta a continuación un panorama general de los acontecimientos más importantes, antes de entrar en el detalle de los diferentes componentes del Proyecto.

El trimestre correspondiente al periodo enero-marzo de 2012 coincidió con la toma de posesión de las nuevas autoridades gubernamentales y municipales electas, el 14 y 15 de enero, respectivamente, así como con la fase de transición entre las autoridades salientes y las nuevas, a nivel nacional. Como se esperaba, este contexto político afectó las actividades del PGL en varios sentidos. Se presenta a continuación un panorama general de los acontecimientos más importantes, antes de entrar en el detalle de los diferentes componentes del Proyecto.

Más de la mitad (siete de doce) de los municipios atendidos por el Proyecto eligieron un nuevo alcalde y nuevas autoridades municipales (Esquipulas, Camotán, San Juan Ermita, Estanzuela, San Cristóbal Acasaguastlán, Jalapa y Sansare). El personal técnico del PGL ha abordado individualmente a las nuevas autoridades para ponerlas al tanto de las actividades del Proyecto en sus respectivas municipalidades y para evaluar su interés y disposición a darle seguimiento a los compromisos de las autoridades anteriores. Sus respuestas han sido diversas, como se explicará más adelante, pero la mayoría se ha concentrado en evaluar aspectos críticos administrativos y financieros de sus municipalidades, principalmente aquellos relacionados con los informes que requiere la Contraloría General de Cuentas. En consecuencia, algunas de las actividades del PGL se suspendieron temporalmente, dadas las prioridades definidas por las nuevas autoridades.

Las decisiones que han tomado algunos alcaldes también han afectado las actividades del PGL. Algunos de ellos decidieron renovar al personal y a los funcionarios municipales, y en muchos casos, algunos de éstos, a quienes el PGL había proporcionado asistencia técnica y capacitación, ya no trabajan en las municipalidades atendidas por el Proyecto. Se ha requerido, y se seguirá requiriendo, un esfuerzo adicional para continuar trabajando y capacitando a las nuevas contrataciones, en las municipalidades donde los alcaldes lo permitan. En algunas otras municipalidades donde se había avanzado en identificar y filtrar usuarios de servicios municipales con fines del cobro de los mismos, algunos de los nuevos alcaldes no están dispuestos – por el momento – a apoyar los esfuerzos de cobro, aduciendo que primero deben mejorarse los servicios, o sencillamente para evitar crear descontento entre la población en esta fase inicial de su administración.

También se dieron cambios importantes en la ANAM. Se eligió una nueva junta directiva por medio de un proceso ordenado y fluido. Sin embargo, el PGL enfrentó un contratiempo de impacto: el nuevo presidente de la junta directiva despidió al personal técnico de ANAM, incluyendo a los asesores pagados por el Proyecto – dos legales, uno financiero y uno de comunicación. Como resultado de dicha decisión, las otras agencias de cooperación que apoyaban a ANAM retiraron su apoyo y el PGL ha quedado como el único representante de la cooperación internacional dispuesto a retomar las actividades planificadas y acordadas con la junta anterior, así como con un presupuesto limitado para el efecto. Se ha realizado una serie de reuniones de trabajo con el nuevo presidente, que ha permitido retomar el trabajo y continuar avanzando de acuerdo con el plan original.

El lado positivo, por el contrario, es que los cuatro puestos ya han sido contratados por medio de una convocatoria pública transparente. Por último, pero no por ello menos importante, un trabajo intensivo, dado el contexto y los retrasos, permitieron el desarrollo exitoso del Proceso de Inducción de autoridades y funcionarios a nivel nacional. El balance general es positivo y los detalles son el propósito del presente informe.

2.1.1 LOWER LEVEL RESULT (LLR) Financial management capacity strengthened in all municipalities

Durante el trimestre, el PGL analizó varios temas. Uno fue el ingreso municipal durante el periodo 2008-2011 en cada uno de los municipios atendidos, tomando como base el portal de gobiernos locales del Ministerio de Finanzas Públicas. El otro fueron las estadísticas de uso del portal de Guatecompras.

Con relación al ingreso municipal, se analizaron dos variables prioritarias: a) la razón del ingreso específico con relación al monto total de ingresos propios y b) la variación interanual para cada uno de los rubros durante el periodo correspondiente. Este análisis ha identificado aquellos rubros de ingresos con potencial de mejora en cada municipalidad. Como resultado del análisis, el PGL ha animado a las municipalidades y ha proporcionado asistencia técnica para que elaboren un plan municipal de mejora de la recaudación que también permita reducir el monto de pagos en mora.

El segundo análisis se enfocó en el uso actual del sistema de Guatecompras y mostró que, más que dificultad con el uso del sistema mismo, el problema es la falta de conocimiento sobre la Ley de Contrataciones del Estado y su Reglamento. El PGL decidió realizar una actividad regional de capacitación en la que participaron los municipios de Chiquimula. Se proporcionó a los participantes una guía de preguntas más frecuentes con el propósito de garantizar el cumplimiento de las regulaciones existentes.

EL PGL, en coordinación con el Ministerio de Finanzas Públicas, proporcionó asistencia técnica a las municipalidades atendidas para preparar el cierre contable municipal que debe presentarse a más tardar el 31 de marzo de cada año.

Obstáculos

La toma de posesión de las nuevas autoridades y los cambios que se dieron en personal municipal clave, han interferido con el trabajo técnico del PGL en las municipalidades. Aun en aquellas donde se reeligieron autoridades, se ha sustituido a los empleados a cargo de procesos contables y presupuestarios. El PGL planea continuar brindando asistencia técnica y capacitación en este componente del programa para garantizar transparencia y facilitar el uso del software con que se cuenta.

Proyecto IUSI Project: uso de sistemas de información geográfico (GIS) para incrementar los ingresos municipales

Dos de las cuatro municipalidades donde se implementa actualmente el Proyecto IUSI, San Cristóbal Acasaguastlán y Estanzuela, eligieron nuevas autoridades municipales. A principios de año se enfocaron en realizar auditorías técnicas y financieras que brindaran información sobre el estado financiero de estas municipalidades, sobre el desempeño individual del personal y sobre el avance de los proyectos que estuvieran en marcha. Por el contrario, en San Jacinto y Concepción las Minas se eligieron nuevas autoridades municipales. Sin embargo, en las cuatro municipalidades el Concejo Municipal ha sido reestructurado. Los ajustes y auditorías relacionadas con dicha reestructuración limitaron el avance del Proyecto IUSI durante enero.

A partir de septiembre de 2011 y seguido de las elecciones, el Coordinador del Proyecto IUSI ha persuadido a los alcaldes (saliente y entrante) de San Cristóbal Acasaguastlán a que comiencen a cobrar los servicios municipales. El monitoreo semanal de los índices de cobro mostraba que no se alcanzarían los niveles de cobro de 2010. Sin embargo, una vez los alcaldes aprobaron las acciones de cobro y se emitieron boletas de cobro por el servicio de agua, la recaudación se recuperó durante el último trimestre de 2011 y sobrepasó los montos reportados para el último trimestre de 2010.

Durante el primer trimestre de 2012, y con base en los resultados positivos de 2011, se continuó emitiendo y entregando boletas de cobro, siguiendo las instrucciones y procedimientos autorizados por el nuevo alcalde y el Concejo Municipal. Adicionalmente, el Coordinador del Proyecto IUSI negoció con el alcalde la contratación de un asistente técnico para que apoyara al único empleado de la DAFIM que estaba a cargo de administrar el padrón de agua, IUSI y arbitrios, de emitir boletas y órdenes de suspensión de servicios, así como de atender clientes en la ventanilla. El nuevo asistente técnico será el único responsable de administrar el padrón del IUSI.

A partir de septiembre de 2011, el alcalde de San Jacinto también estuvo de acuerdo con cobrar los servicios de agua. La recaudación reportada hacia finales del año fiscal 2011 sobrepasó la de 2010. El cobro de IUSI constituyó la mayor fuente de ingreso, con un 135% de la del año anterior.

El alcalde de Concepción Las Minas acordó cobrar los servicios de agua a partir de febrero de 2012. Para el 14 de marzo, a solo tres semanas de haber iniciado el proceso, los niveles de ingreso eran del 115% de la recaudación total de 2011.

En Estanzuela no se han iniciado las acciones de cobro. El alcalde desea familiarizarse con el sistema SIAF y con el padrón de usuarios de servicios. El Coordinador del Proyecto IUSI ha informado al Concejo Municipal sobre el avance del proyecto y sobre la necesidad de depurar la información en el sistema SIAF. Esto permitirá contar con información confiable sobre los usuarios de servicios y los niveles de mora, que facilitará un proceso de cobro más eficiente.

Aunque el cobro por servicios ha molestado a algunos vecinos, la respuesta general ha sido positiva. Los fontaneros se han encargado de entregar las notas de cobro y han ayudado a identificar a los usuarios de servicios con mayor precisión. Los registros duplicados, las conexiones ilegales, así como inconsistencias en la información del SIAF, se han identificado y corregido.

El Proyecto IUSI ha promovido la inscripción de nuevos servicios, facilitado la solicitud de nuevos servicios municipales por parte de los vecinos, así como su aprobación e instalación. Esto ha favorecido la identificación de conexiones ilegales de agua y negocios no registrados. El Proyecto también ha ayudado a las municipalidades a desarrollar manuales de proceso y formularios de registro.

El tema del IUSI sigue siendo un tema delicado tanto entre autoridades como entre la población. A los alcaldes les preocupa el costo político que el registro y cobro de IUSI pueda implicar para ellos. Desde la perspectiva de la población, mientras estén bien informados y obtengan un servicio a cambio, están dispuestos a pagar. El pago del IUSI, por el contrario, lo perciben como un gasto que no les genera ningún beneficio. Aún es necesario informar a la población sobre la ley del IUSI para reducir la renuencia existente a pagar el impuesto de propiedad.

2.1.4 LLR 2.1.4: Selected municipalities/Mancomunidades improve basic services

Inicialmente los cambios de autoridades municipales implicaron, por un lado, apertura hacia las ideas y sugerencias presentadas por el equipo del PGL, así como para implementar los modelos de gestión de agua desarrollados con base en los análisis técnicos y económicos desarrollados en los meses previos. Por otra parte, estos cambios han tenido como resultado la pronta implementación de las recomendaciones del PGL por medio de una delegación apropiada en las municipalidades.

Aunque la actitud de las autoridades reelectas fue inicialmente positiva hacia la implementación de las recomendaciones del PGL, gradualmente parecen haber perdido el interés.

Sin embargo, en varios municipios donde la red de abastecimiento de agua se alimenta a través de sistemas de gravedad, la calidad del agua se sigue monitoreando por medio de la medición de los niveles de cloro residual, como ha recomendado el PGL. Éste también proporcionó el equipo que se emplea en dichas actividades de monitoreo.

Aunque las nuevas autoridades municipales tomaron posesión el 15 de enero, la falta de organización aún es notoria. A mediados de marzo aún no habían sido designados algunos mandos medios, por ejemplo el encargado del departamento de agua (DEMPAGUA), en Esquipulas. Esto ha causado un retraso de por lo menos un mes en la ejecución del taller “Intercambio de experiencias en la gestión del servicio de agua a nivel municipal”.

SUB-IR 2.3: MORE INCLUSIVE AND TRANSPARENT POLITICAL PROCESSES

La capacitación de autoridades y funcionarios municipales de Chiquimula comenzó este trimestre, como parte de la red de DMP (Dirección Municipal de Planificación), en coordinación con la Mancomunidad Copán Chortí y la delegación de SEGEPLAN de Chiquimula.

Personal de DAFIM, DMP, OMM y miembros de los concejos municipales de 9 de los 11 municipios del departamento han participado en los talleres de capacitación. La metodología del taller combina clases magistrales, lluvia de ideas y trabajo en grupos para desarrollar planes de recaudación que permitan incrementar el ingreso propio de las municipalidades mejorando el servicio al cliente y los servicios, propiamente.

Se sostuvo una serie de reuniones en coordinación con la Mancomunidad Copán Chortí y las OMM de los municipios que la conforman (Camotán, Jocotán, San Juan Ermita y Olopa) para validar las políticas municipales para la mujer propuestas por la Mancomunidad, y al mismo tiempo, elegir nuevas juntas directivas de las CMM que habrían de incorporarse al COMUDE.

El PGL brindó asistencia técnica y financiera para desarrollar tres reuniones, así como asistencia técnica para seis de las nueve reuniones de COMUDE en siete de los nueve municipios atendidos por el proyecto: Olopa, Estanzuela, San Jacinto, San Cristóbal Acasaguastlán, San Juan Ermita, Camotán y Jocotán.

El PGL entregó impresos los planes de desarrollo municipal (PDM) de Chiquimula durante la primera reunión del CODEDE de 2012. Los obstáculos para la asistencia proporcionada por el PGL incluyen el hecho de que ni en Jalapa ni Esquipulas ha sido posible contactar a los nuevos funcionarios municipales y los directores de la DMP aún no han sido nombrados.

Monjas no ha mostrado ningún avance del trimestre pasado a la fecha. Implementar las actividades del PGL sigue siendo difícil porque los funcionarios municipales no están ni

comprometidos ni interesados en continuar con las actividades, ya que, al ser reelectas las autoridades, sus expectativas son bajas.

Sansare enfrenta una situación complicada. La población está insatisfecha con el resultado de las elecciones y existe desacuerdo entre el alcalde y ésta con relación a la legalidad de su asunción al cargo. La situación prevaleciente ha interferido con las oportunidades del PGL de lograr una coordinación efectiva con los nuevos funcionarios.

Finalmente, aunque con base en las reformas al Código Municipal a las coordinadoras designadas de las OMM – Oficina Municipal de la Mujer – se les confiere calidad de funcionario municipal, éstas siguen sin asumir ese papel y sin ejercer liderazgo alguno.

1.1 SUB-IR 2.2: MORE EFFECTIVE ADVOCACY OF MUNICIPALITIES FOR LOCAL CITIZEN PRIORITIES WITH NATIONAL GOVERNMENT

Logros del trimestre:

1. Una transición ordenada y sin problemas en el cambio de junta directiva de la ANAM;
2. Organización y desarrollo del Proceso de Inducción de 1522 Autoridades y Funcionarios Municipales.
3. Contratación de asesores legales, financiero y de comunicación de ANAM, a través de un proceso de convocatoria transparente.

Más que de obstáculos, se listan las implicaciones que para el Proyecto y el proceso de fortalecimiento de la ANAM tuvo el cambio de autoridades a nivel nacional y municipal:

- El cambio de Junta Directiva de ANAM implicó para las nuevas autoridades una etapa de aprendizaje del funcionamiento de la ANAM y de sus compromisos, lo que se vio reflejado en un retraso de las actividades en las que el Proyecto tenía planificado apoyar a la ANAM.
- El retraso más notorio fue ocasionado por la destitución de todo el personal técnico de la Asociación (incluidos los asesores jurídicos, la asesora financiera y el asesor de comunicación financiados por el Proyecto), dado que la nuevas autoridades no los consideraron de su entera confianza. Esto implicó que la asociación permaneciera por más de un mes sin asesores jurídicos y de comunicación. Además, fue necesario realizar una nueva convocatoria pública para seleccionar y contratar a dicho personal.
- El Presidente de la ANAM fue cuestionado por los demás proyectos de cooperación internacional por haber despedido al personal técnico de la asociación y consideró que en el Proyecto se repetiría dicha situación. Fue necesaria una serie de reuniones de acercamiento en las que se dejó claro que el Proyecto es mucho más que el financiamiento de los asesores y que estaba en la disposición de continuar el apoyo siempre que se justificaran los despidos y que las nuevas personas fueran contratadas por un proceso público y transparente. Una vez superada esa etapa, el proyecto se constituyó en el único cooperante con el que en estos momentos cuenta la ANAM.

1.0 NARRATIVE REPORTING OF SUB-IRS, LOWER LEVEL RESULTS, AND SPECIAL ACTIVITIES

1.1 SUB-IR 2.1: MORE TRANSPARENT SYSTEMS FOR MANAGEMENT OF PUBLIC RESOURCES BY LOCAL GOVERNMENTS

1.1.1 Lower Level Result (LLR) 2.1.1: Municipalities use transparent financial management processes, procedures, and systems

Support the financial administration transition process in target municipalities.

- Support training initiatives on finances and municipal services aimed at new municipal authorities and officers in the target municipalities.
- Provide technical assistance to newly-elected municipal authorities and officers in order to ensure that financial operations start off on the right foot in each of the target municipalities.

LGP presented an analysis of 2008-2011 municipal own source revenue to each of the municipalities (see Annex 1), to a) review the approved 2012 budget and b) design and implement municipal plans to generate income, improve collection, and reduce delinquency rates.

During a regional workshop, LGP also presented the analysis to other municipal officers so as to engage them in the improved income generation process. To complement the activity, a FAQ handbook on the State Procurement Act and its Provisions (*Ley de Contrataciones del Estado y su Reglamento*) was shared with participants, so that newly elected authorities can be better equipped to understand this matter (see Annex 2).

LGP presented statistics of how the *Guatecompras* system is being used in each target municipality to determine why it is not being used as much as expected.

In order to ensure compliance with financial requirements, the Project drew up a checklist based on information provided in the law (State Procurement Act and its Provisions), notices issued by the Comptroller General, and recent experiences in other municipalities. LGP shared this checklist during the last quarter with the authorities then in office, and now with newly elected Municipal authorities and staff, particularly those still not completely familiar with municipal activities.

Table I: Use of Guatecompras Statistics/ 2011

Competitive processes – public notices								
No.	Municipality	Outstanding	In Evaluation	Completed Awarded	Completed Cancelled	Finished Declared void	Non competitive awards	Total
1	Sansare	0	0	5	0	0	246	251
2	Jalapa	0	0	3	3	2	469	477
3	Monjas	0	0	0	0	0	180	180
4	San Jacinto	0	0	10	0	4	32	46
5	Concepción Las Minas	0	1	6	0	0	154	161
6	Esquipulas	0	0	14	4	0	427	445
7	Olopa	0	0	0	0	1	3	4
8	San Juan Ermita	0	0	2	0	3	43	48
9	Camotán	0	0	14	0	1	82	97
10	Jocotán	0	0	10	0	0	107	117
11	San José La Arada	0	0	18	2	4	54	78
12	San Cristóbal Acasaguastlán	0	0	0	0	0	121	121
13	Estanzuela	0	1	1	0	0	49	51
14	Mancomunidad Copanchorti	0	0	9	5	0	0	14

Source: Guatecompras Portal, Ministry of Finance, www.guatecompras.gob.gt

Date: February, 2012

Prepared by: PGL-USAID

Following is an explanation of how many municipalities commonly use purchases exempt from the open and competitive bidding process.

How purchases exempt from the open and competitive bidding process are published.

Various public institutions follow different systems in terms of budget execution. Basically, these systems record all information required by law as well as criteria for information to be published, such as direct purchases under Q90, 000.00 or purchases exempt from the competitive bidding process pursuant article 44 of the Procurement Act. Once a budget line item has been executed, it must be published in Guatecompras. All public institution financial systems are directly linked to the Ministry of Finance and therefore, all budget line items executed in a given day are published the next. It is also possible for non-government organizations purchasing or contracting for a public institution to make a manual publication whenever needed.

The Ministry of Finance allows the SIAF systems implemented in government and decentralized organizations and municipalities to be used to access the information already recorded by public institutions in each system.

LGP technicians have provided technical assistance to municipalities regarding the publication of purchases exempt from the competitive bidding process in order to avoid illegal actions, such as the commonly used “purchase breakdown” (breaking down a purchase of over Q90,000 into two or more purchases of smaller amounts). LGP has provided information regarding how the Comptroller General sanctions these actions and which officers and authorities are liable.

LGP personnel explained the features of the GL-Services platform to the new authorities in Jalapa and Esquipulas to ensure that they both understand the system and will use it.

The Project provided technical assistance to target municipalities to prepare the municipal financial statements and balance sheets for 2011 to be submitted to the Ministry of Finance, the Comptroller General and other institutions, as required, by March 31st, 2012. Twelve of the thirteen municipalities submitted the information on time. Estanzuela failed to do so because the DAFIM financial officer was discharged and not replaced in time to comply with the requirement.

LGP ensured transparency by providing technical assistance to the municipality of Estanzuela to prepare the TOR for a future comprehensive solid waste management project.

The Project also provided technical assistance to the municipalities of Camotán, Esquipulas, Concepción Las Minas, Sansare, and Jalapa, regarding the use of the *Guatecompras* system.

2.1.2 LLR 2.1.2: All selected municipalities sustainably increase own-source revenues

LGP personnel presented the 2010 fiscal autonomy assessment to target municipalities. The following table shows inter-annual variations in this percentage.

Table 2: Variation of own-source revenue over total revenue, by municipio
Fiscal independence (ratio between own source revenue / total income without debt)

No.	Municipality	2009		2010		2011	
		Total revenue (without debt)	Own source revenue	Total revenue (without debt)	Own source revenue	Total revenue (without debt)	Own source revenue
1	Sansare	Q12,655,560.19	Q1,140,468.73	Q13,413,841.68	Q1,364,890.95	Q13,251,963.29	Q1,381,305.76
2	Jalapa	Q9,637,513.51	Q773,604.63	Q10,672,190.21	Q801,989.87	Q11,400,472.30	Q880,799.23
3	Monjas	Q32,141,206.33	Q13,819,292.66	Q14,936,496.70	Q3,298,038.18	Q14,015,048.99	Q2,719,205.34
4	San Jacinto	Q10,248,770.70	Q279,000.55	Q12,638,948.76	Q402,639.20	Q11,669,255.61	Q344,513.02
5	Concepción Las Minas	Q12,739,986.39	Q675,788.42	Q14,082,984.91	Q2,748,964.25	Q12,193,177.73	Q1,332,387.44
6	Esquipulas	Q26,832,593.80	Q7,093,774.59	Q30,501,768.68	Q7,606,271.58	Q33,861,312.89	Q11,797,355.28
7	Olopa	Q11,907,171.54	Q495,518.89	Q11,550,605.01	Q684,177.88	Q10,528,236.19	Q656,066.37
8	San Juan Ermita	Q12,147,274.77	Q212,733.44	Q11,851,526.50	Q615,850.30	Q9,561,179.79	Q556,921.57
9	Camotán	Q15,164,141.27	Q478,979.09	Q14,499,422.58	Q541,482.66	Q14,360,328.15	Q769,751.13
10	Jocotán	Q16,514,723.49	Q558,563.19	Q16,992,427.50	Q833,042.95	Q17,186,114.18	Q1,091,610.76
11	San José La Arada	Q9,300,268.92	Q421,859.25	Q10,872,472.87	Q377,970.23	Q11,414,439.92	Q794,448.12

12	San Cristóbal Acasaguastlán	Q9,637,513.51	Q773,604.63	Q10,672,190.21	Q801,989.87	Q11,400,472.30	Q880,799.23
13	Estanzuela	Q8,958,358.05	Q1,893,014.30	Q10,658,575.95	Q1,278,328.83	Q13,308,197.51	Q1,315,317.49
SUMA		Q187,885,082.47	Q28,616,202.37	Q183,343,451.56	Q21,355,636.75	Q184,150,198.85	Q24,520,480.74

The indicator shows that for the 3rd Year of the project's own revenues should increase 0.5 over baseline of 11.61% in 2010, shows that in 2011 it reached 1.71 percentage points increase, reaching a 13.32% own revenue of total revenue municipal debt free.

Source: Guatecompras Portal, Ministry of Finance, www.guatecompras.gob.gt

Date: February, 2012

Prepared by: PGL-USAID

The table illustrates an increase in own-source revenue for 8 of the 13 target municipalities, despite the difficulties discussed in the previous report related to the reluctance of authorities to charge for services at the end of 2010 and throughout 2011.

The municipalities of Jalapa, Monjas, Olopa, Concepción Las Minas, San Jacinto, San José La Arada, San Cristóbal Acasaguastlán, Sansare, and Esquipulas report increased revenue as a result of charging for water services. This is an extremely favorable outcome for LGP, as it shows that nearly 70% of target municipalities have improved in this regard.

The fiscal autonomy assessment detailed revenue trends and allowed both newly elected and reelected authorities to take the lead in implementing specific actions to improve municipal own-source revenue.

IUSI Project: using geographic information systems to improve municipalities' own source revenue

IUSI Project activities are on-going and show a continued increase in own-source revenue from collection for municipal services, as well consistent progress in digitizing GIS overlays containing the geographic location of the registered services.

Initially, eight overlays were proposed and three more were subsequently added (sewage, D pipelines and P pipelines) to comply with specific requirements of some of the municipalities.

Following is a detail of the information overlays:

1	Water: household water connection points.
2	IUSI: registered users eligible to pay property tax.
3	Taxes and fees: grocery stores, hardware stores, municipal rental property, taxis, and other commercial activities that could generate fixed income for the municipality.
4	Drainage: household connection points for wastewater disposal.
5	Waterworks: wells, reservoirs, and valve systems.
6	Pipelines: water pipelines.
7	Roads: roads, streets, and footpaths.
8	Property: new overlay; initially included blocks located in municipal capitals and main population centers. Later lots will be segregated individually, based on orthoimages.
9	Sewers: manholes (overlay has been created; implementation will begin soon).
10	DPipelines: household drainage pipelines (overlay has been created; implementation will begin soon).
11	PPipelines: pipelines connecting to rainwater runoff points. This overlay complements the sewer overlay (overlay has been created; implementation will begin where applicable).

Progress by municipality is shown in the table below (Table 3)

Table 3. Points added to the GIS in each municipality to indicate the total number of SIAF-registered users and percentage of progress by overlay.

Information layer	Area	Concepción Las Minas	Estanzuela	San Cristóbal Acasaguastlán	San Jacinto
Water	Urban	415 of 664 = 63%	1,178 of 2,310 = 51%	1,363 of 2,129 = 64%	413 of 468 = 88%
	Rural	a*	a*	b*	b*
IUSI	Urban	140 of 2,168 = 6%	483 of 1,497 = 32%	450 of 1,303 = 35%	296 of 308 = 96%
	Rural	b*	b*	b*	b*
Taxes and fees	Urban	96 of 404 = 24%	1,095 of 1,142 = 96%	93 of 101 = 92%	336 of 388 = 87%
	Rural	b*	b*	b*	b*
Sewers	Urban	0*	1,144 = 50% ¹	440 = 55% ¹	0*
	Rural	a*	a*	a*	a*
Waterworks	Urban	100%	100%	100%	100%
	Rural	a*	a*	0*	0*
Pipelines	Urban	100%	100% (water)	100% (water)	100% (water)
	Rural	a*	a*	0*	0*
Roads	Urban	100%	100%	100%	100%
	Rural	100%	100%	100%	100%
Property ²	Urban	100% ³	100% ³	100% ³	90% ⁵
		246 ⁴	2,175 ⁴	105 ⁴	5,839 ^{4,5}
	Rural	0*	0*	0*	90% ⁵

Source: SIAF System, Ministry of Public Finance, 2012
IUSI Project, PGL 2012

References:

0*= Soon to begin

a*= No services or coverage registered for this area

b*= SIAF does not show either urban or rural classification

¹= Estimated progress. Services checked individually in SIAF because the system lacks a module to generate the corresponding report

²= Recently created Overlay

³= Only blocks in municipal capital and main population centers

⁴= Digitized property

⁵= Source: *Registro de Información Catastral (RIC)* – Cadastral Information Registry

The following section describes the individual progress of each municipality.

Concepción Las Minas

The mayor was reelected and progress in digitizing the overlays has been hampered by the considerable lack of motivation among municipal staff which has not been paid for the past six months. The appointed technician resigned last February and a new technician had to be trained, further delaying the process. However, the process of digitizing overlays and analyzing payments in arrears shown in SIAF has been resumed.

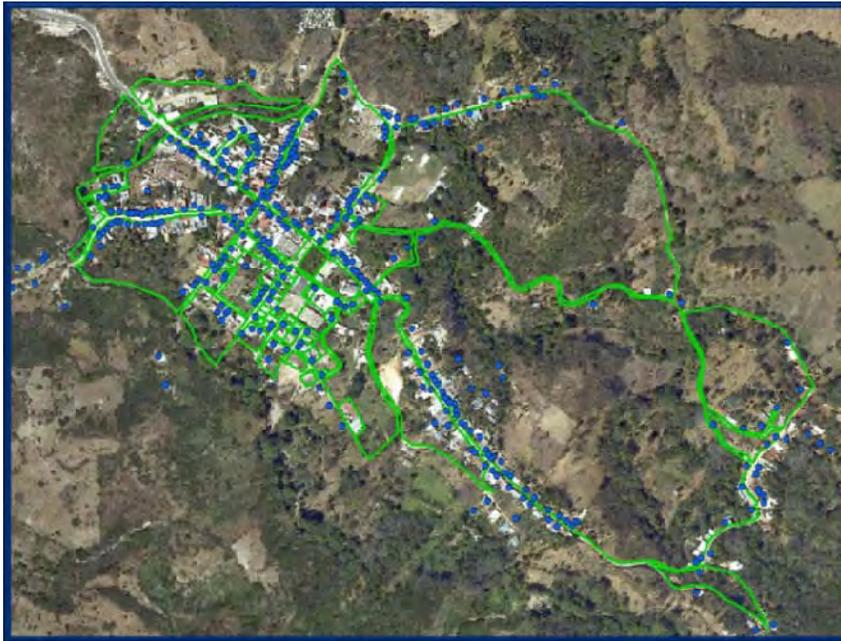
Water service is available only in the urban area (415 users). The water overlay is 100% complete. However, 200 additional insofar unidentified users appear in SIAF, many of which have not paid water fees for the past 20 years. The Municipal Council has been asked for approval to delete them from the system to continue with data filtering.

Concepción Las Minas is the only *municipio* where there are more users in the IUSI database than in the water database. The identification process is slow, since most of the users are in rural areas, and municipal technicians lack the resources and means of transportation to travel to small or remote villages. The waterworks and pipeline overlays are related to water services in urban areas. Both of these overlays are 100% finished. The road overlay is also 100% complete for the entire *municipio*. Project technicians are currently working on a plan to assess services in urban areas and to verify users and entries in the SIAF system. LGP provided technical and practical assistance to digitize 341 new users in the IUSI database. This not only increased the taxpayer base, but also contributed to better municipal IUSI tax control.

In light of the increasing number of delinquent accounts, the IUSI coordinator persuaded the mayor to enforce collection for municipal services. However, he only authorized charging for water services and only in cases of 12 months delinquency. Municipal technical personnel issued bills as per these instructions and the response from the population varied. There were a few isolated cases of discontent and inappropriate verbal or physical expressions towards the municipal technicians, but the majority took it well and has paid. By March 14, only three weeks after billing began, revenue reached 115% of the total collection for 2011.

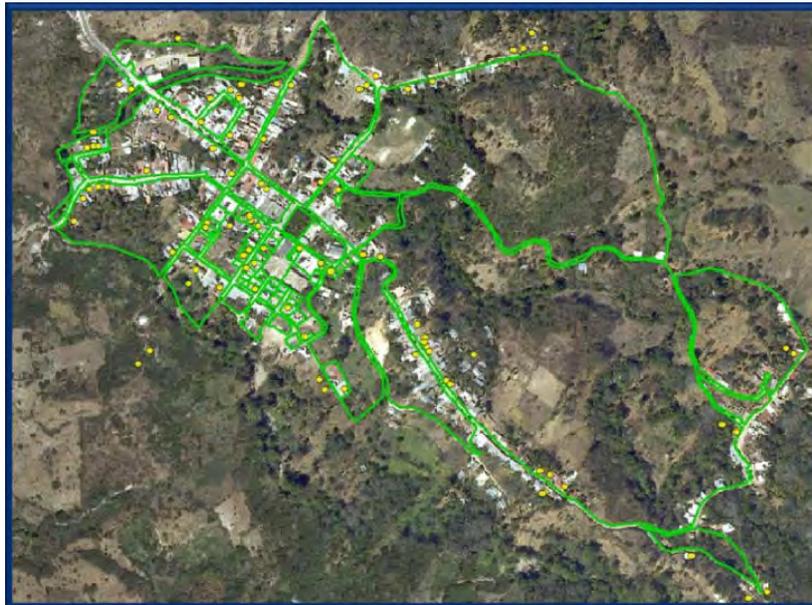
Weekly billing is expected to continue, and LGP will use the recent results to persuade the mayor to authorize billing and charging for the remaining municipal services. The following images show the amount of progress made in each of the overlays.

Overlay: Water
Concepción Las Minas, Chiquimula



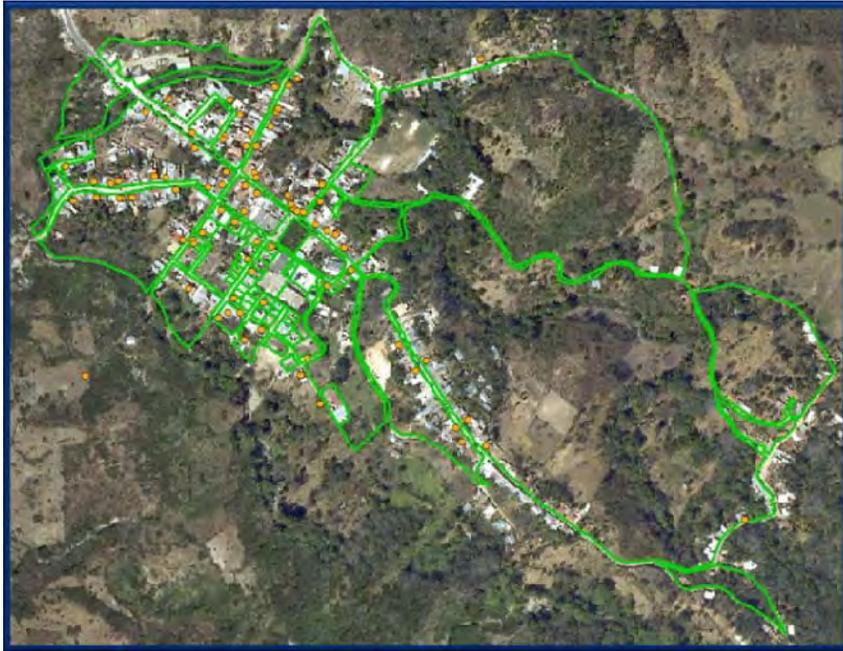
Digitized water services in the municipal capital.
Source: IUSI Project, LGP 2012.

Overlay: IUSI
Concepción Las Minas, Chiquimula



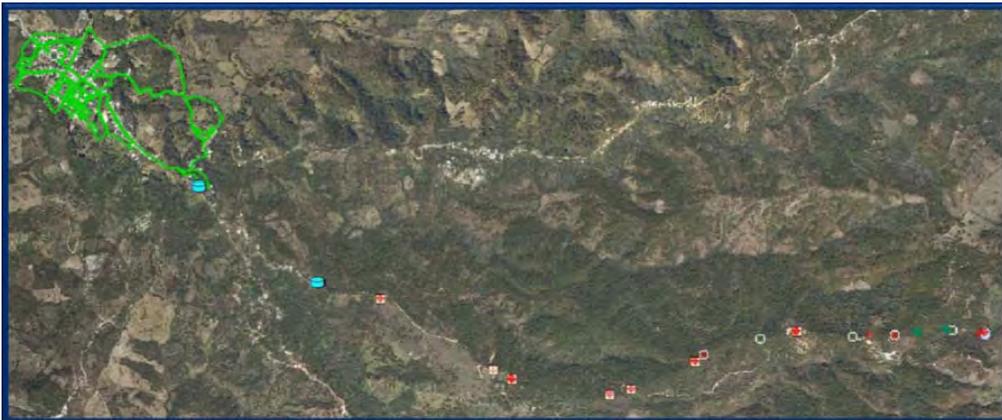
Users registered in the IUSI database (only capital).
Source: IUSI Project, LGP 2012.

**Overlay: Taxes and fees
Concepción Las Minas, Chiquimula**



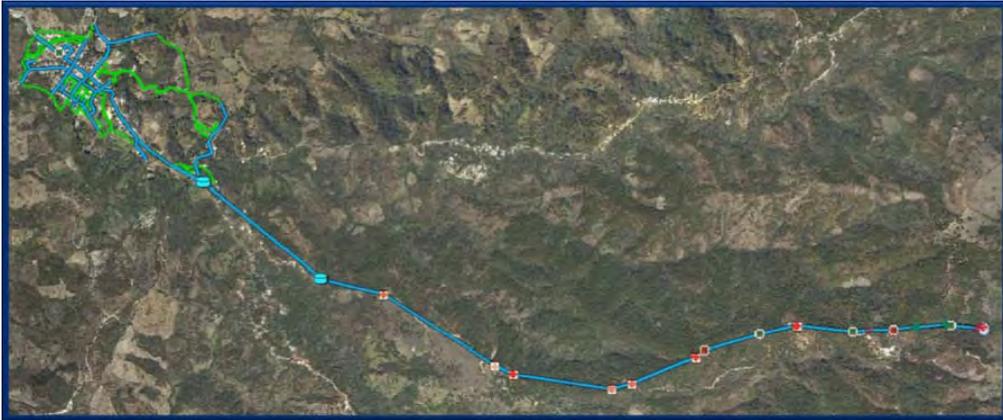
Users identified and registered in the IUSI database (capital)
Source: IUSI Project, LGP 2012.

**Overlay: Waterworks
Concepción Las Minas, Chiquimula**



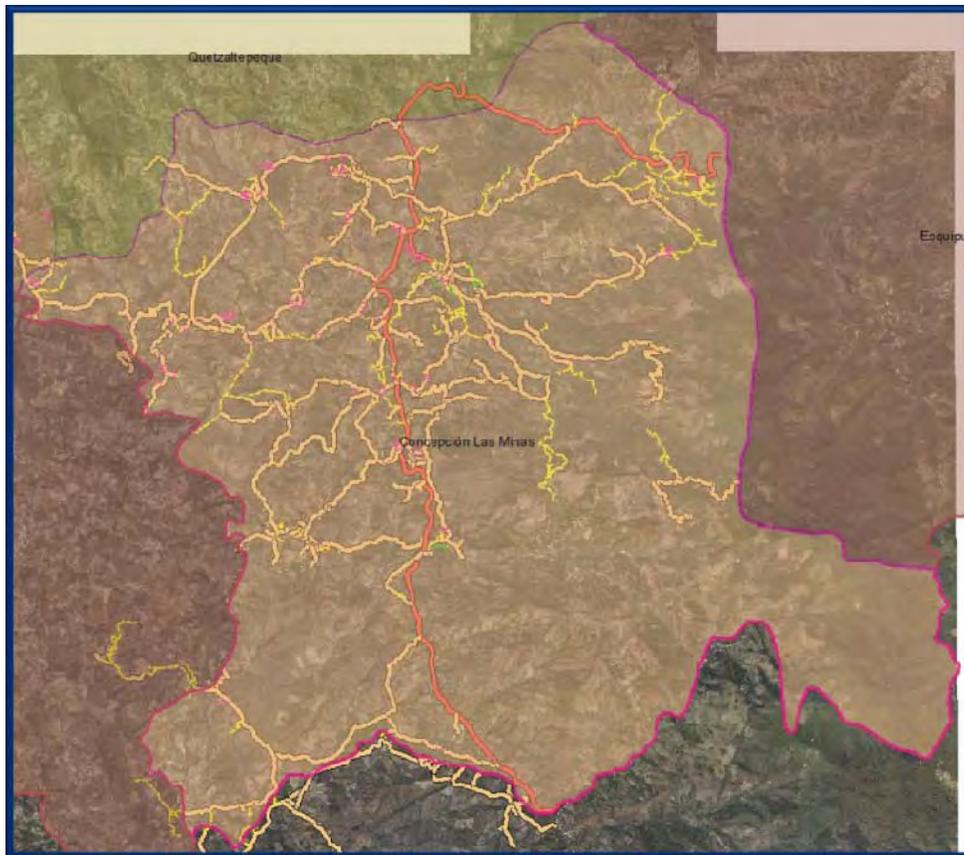
Points identifying wells, collection tanks, and valve systems
Source: IUSI Project, LGP 2012.

Overlay: Pipelines
Concepción Las Minas, Chiquimula



Main and secondary water distribution pipelines connected to wells, tanks, and stopcocks.
Source: IUSI Project, LGP 2012.

Overlay: Roads
Concepción Las Minas, Chiquimula



Roads, streets, and footpaths (urban and rural).
Source: IUSI Project, LGP 2012.

Estanzuela

The newly-elected mayor has shown particular interest in making good use of assessments as well as of technical and accounting audits that will reveal the status of the *municipio* and the individual performance of key technical personnel. In meetings held with the IUSI Project Coordinator, he confirmed his interest in allowing LGP support to continue. He also expressed his willingness to promote an adequate administration of municipal services and to charge for them accordingly.

One of LGP's first activities was to present to the Municipal Council a detailed description of the Project's progress and results. As a result, the Municipal Council granted authorization to municipal technicians to filter duplicate entries in the database and deal with other inconsistencies in the SIAF system.

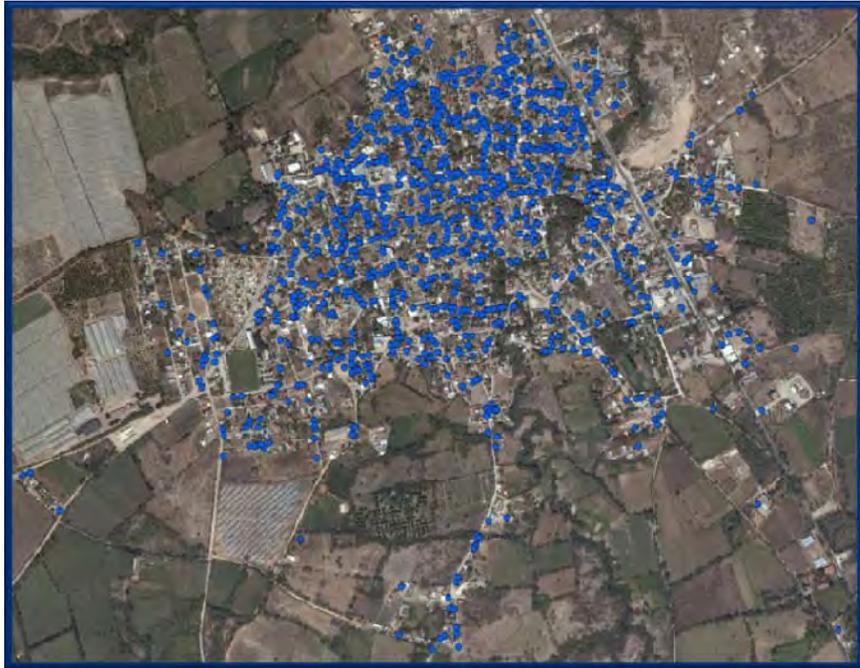
The mayor plans to engage most of the technical personnel in carrying out a municipal census and requested that the digitizing of GIS overlay be suspended for two weeks until the technical team can complete this task. However, he accepted the offer for technical assistance to resume once the census is completed. He is anxious for the user identification, GIS overlay digitizing, and SIAF information filtering to continue and to begin charging for municipal services. He also anticipated that one of the two technicians assigned to the project might need to be replaced, as the result of a political decision.

Despite the census effort, IUSI Project activities have continued. The IUSI Project Coordinator provided technical assistance to the Municipal Affairs Judge to prepare lists of delinquent users, proposals for water regulations and property titles, sewer contracts, payment agreements, and application forms, as well cancellation of municipal services forms. LGP emphasized the importance of unifying and linking different user accounts through a municipal solvency form and endorsed a proposal to create a minimum requirement list for new users requesting municipal services.

Significant progress was made during this quarter in identifying users and digitizing the sewer overlay, starting with wells and rainwater runoff points. Over 50% of the total water services users have been identified and the taxes and fee overlay is 96% complete and will be finalized by next quarter. A total of 2,175 properties have been digitized for urban areas, although a few rural sectors are also included. An estimated 70% for urban areas and 5% for rural areas have been completed. The waterworks and pipeline overlays are 100% complete for the entire *municipio*.

The following images show progress made in each of the overlays.

Overlay: Water
Estanzuela, Zacapa



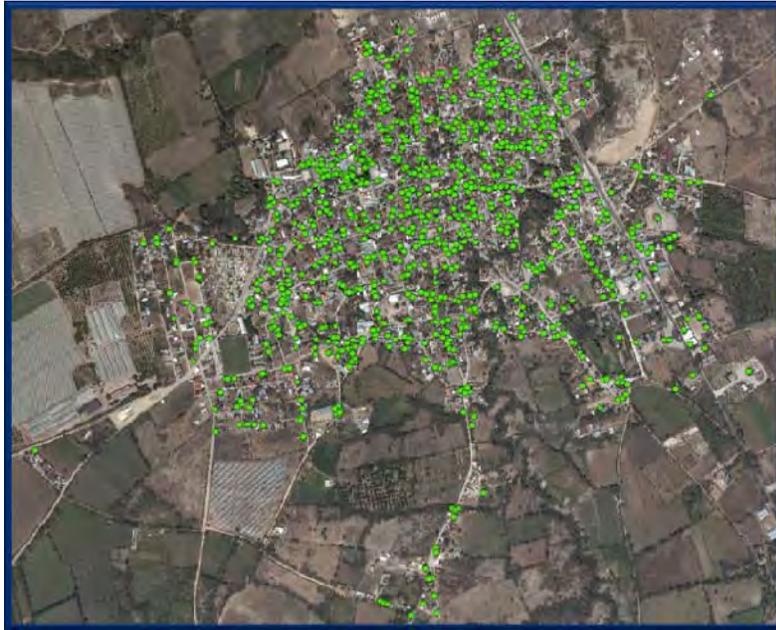
Users registered in the water database (urban area)
Source: IUSI Project, LGP 2012.

Overlay: IUSI
Estanzuela, Zacapa



Users registered in the IUSI database (urban area)
Source: IUSI Project, LGP 2012.

**Overlay: Taxes and fees
Estanzuela, Zacapa**



Users registered in the tax database (urban area)
Source: IUSI Project, LGP 2012.

**Overlay: Waterworks
Estanzuela, Zacapa**



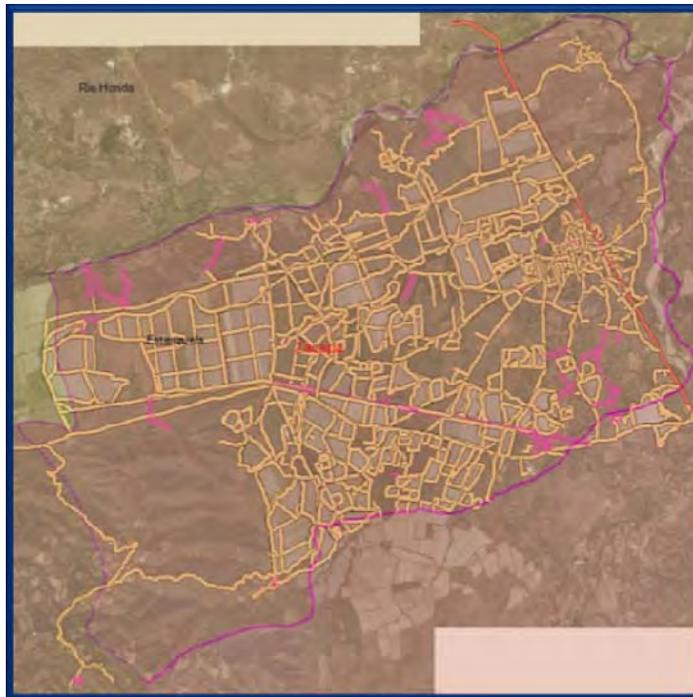
Wells, collection tanks, and valve systems (upper and lower areas)
Source: IUSI Project, LGP 2012.

Overlay: Pipelines
Estanzuela, Zacapa



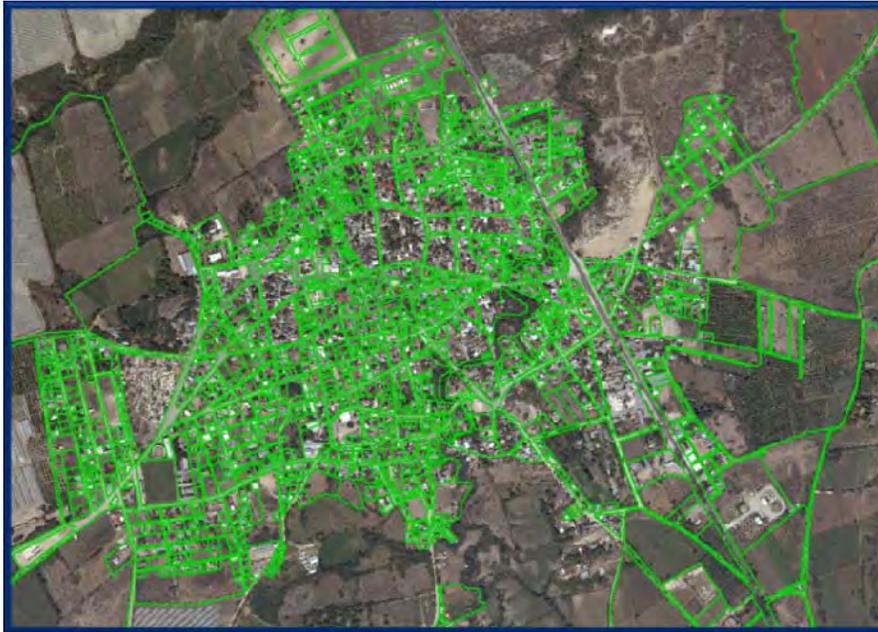
Main and secondary water distribution pipelines, connected to wells, tanks, and valve systems (waterworks overlay).
Source: IUSI Project, LGP 2012.

Overlay: Roads
Estanzuela, Zacapa



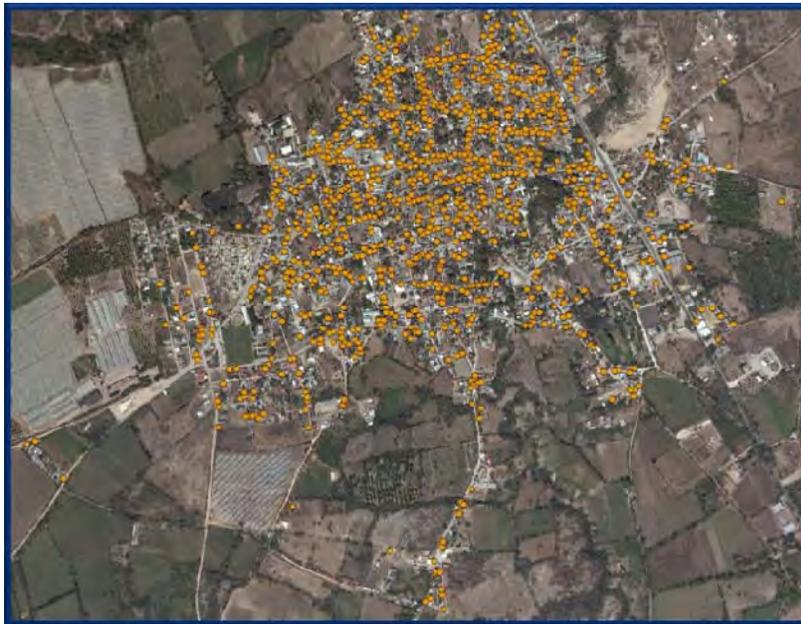
Roads, streets, and footpaths (urban area)
Source: IUSI Project, LGP 2012.

**Overlay: Property
Estanzuela, Zacapa**



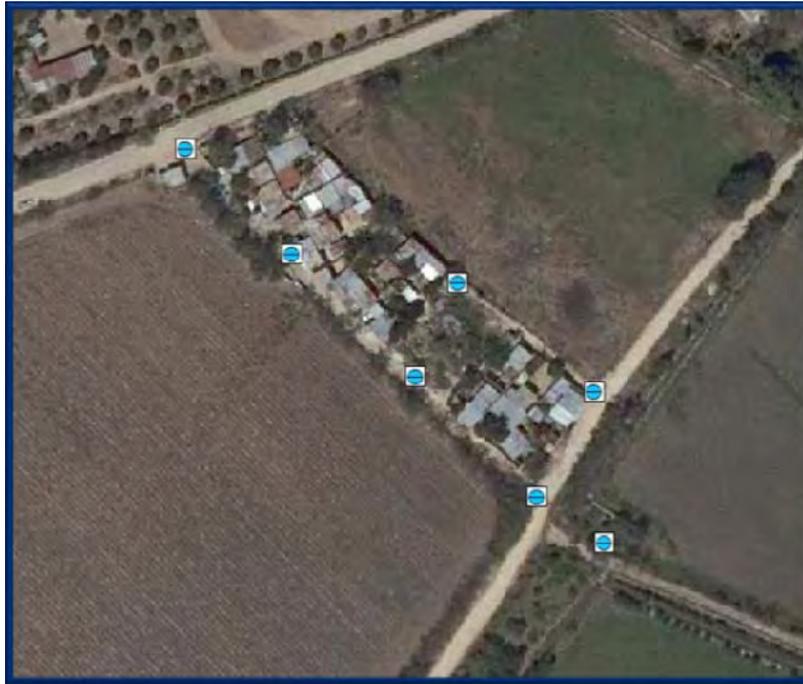
Digitized blocks and dismembered property (urban area), identified by housing property.
Source: IUSI Project, LGP 2012.

**Overlay: Sewers
Estanzuela, Zacapa**



Users of the sewer service (urban area).
Source: IUSI Project, LGP 2012.

**Overlay: Sewers
Estanzuela, Zacapa**



Location of manholes (sewer network) and rainwater collection spots.
Source: IUSI Project, LGP 2012.

San Cristóbal Acasaguastlán

San Cristóbal Acasaguastlán's mayor is also newly elected. In September of last year, the former mayor suspended the GIS overlay digitalization process together with the technical activities of all municipal projects.

One of the first IUSI Project interventions was to present the Project to the mayor and the Municipal Council. He was so impressed to hear of LGP's objectives and activities that he removed the original technician assigned to the IUSI Project on the grounds of poor performance and confirmed his support for the activities to continue. The IUSI project coordinator trained the new technician on the use of the GIS digitizing software and the GPS browser. In a short time and with the support of the mayor and the Municipal Council, the technician has made considerable progress in identifying services and digitizing overlays.

Municipal authorities instructed plumbers to provide all help needed to identify users, complete the service overlays and deliver bills. The general response has been positive and has allowed the municipal technician to make further progress in digitizing services in the rural areas. At the request of the mayor, the new technician presented Project results and advancements, as well as pending delinquent accounts to the Council and COMUDE members. This presentation stressed the importance of improving municipal own-source revenue through the collection of service fees.

The previous administration had authorized IUSI Project's recommendation to initiate collection for water services beginning in October 2011. According to figures at the closing

of the fiscal year, the last quarter's revenue surpassed that of the entire 2010 fiscal year. The new authorities agreed to continue collection for water service and to enforce current regulations. By March 14, reported revenue had already reached 25% of what was reported for the end of 2011. Payment delinquency was at 60% during the first week of January and by the end of February had dropped to 36% as a result of the IUSI Project's effective intervention in encouraging the municipalities to print and deliver bills for late payments. By the end of January, delinquent payments for water service in the municipal capital were down to 0%.

IUSI collection has been slow in taking off since property tax continues to be a sensitive issue in most *municipios*. Continued effort is required to develop a more robust tax culture, to encourage the registration of new users, and to extend collection to all delinquent users. The IUSI database contains the fewest number of users. It includes entries for commercial property such as hotels, diners, stores, drugstores, hardware stores, etc. The IUSI Project assisted municipal technicians in identifying 147 of these businesses that were still not registered in the SIAF database and the municipality issued notes to owners instructing them to do so. This measure will not only increase the tax base but will contribute to improve own-source revenue.

Another significant achievement attained by the IUSI Project was that the mayor and the Municipal Council agreed to hire a new technician to assist the one person who was single-handedly managing all databases (entries, deletions, and filtering in the SIAF system, issuing bills and suspension orders, receiving payments, etc.). As of February, the new technician assists with various tasks and has been appointed to manage the IUSI database.

As a result of the Project's intervention, the mayor also agreed to provide the municipal technicians with a vehicle to make weekly visits to the villages of Piedras Blancas, San Luis Buena Vista and Cruz del Valle. Oftentimes the villagers are not willing to travel into the capital to pay for their services because the cost of transportation is more than the balance they owe. When the technicians visit the villages, they become more familiar with the area and the people, making it easier for them to continue with their digitizing work of the GIS overlays. They are also able to help cover the needs of the population by receiving documents and payments.

The IUSI Project has also provided assistance to the designated technicians to help the Municipal Affairs Judge create a list of delinquent service users, issue water service suspension orders, print bills, and follow-up on compliance with payment agreements. As a result, municipal technicians and officers are now equipped to suspend services after identifying illegal connections or people who have failed to comply with payment agreements.

The following images show progress made in the different overlays.

Overlay: Water
San Cristóbal Acasaguastlán, El Progreso



Location of residential water services in the capital of San Cristóbal Acasaguastlán and its surrounding villages.
Source: IUSI Project, LGP 2012.

Overlay: IUSI
San Cristóbal Acasaguastlán, El Progreso



Location of IUSI entries in the municipal capital and two villages: Estancia La Virgen and El Manzanal.
Source: IUSI Project, LGP 2012.

Overlay: Taxes and fees
San Cristóbal Acasaguastlán, El Progreso



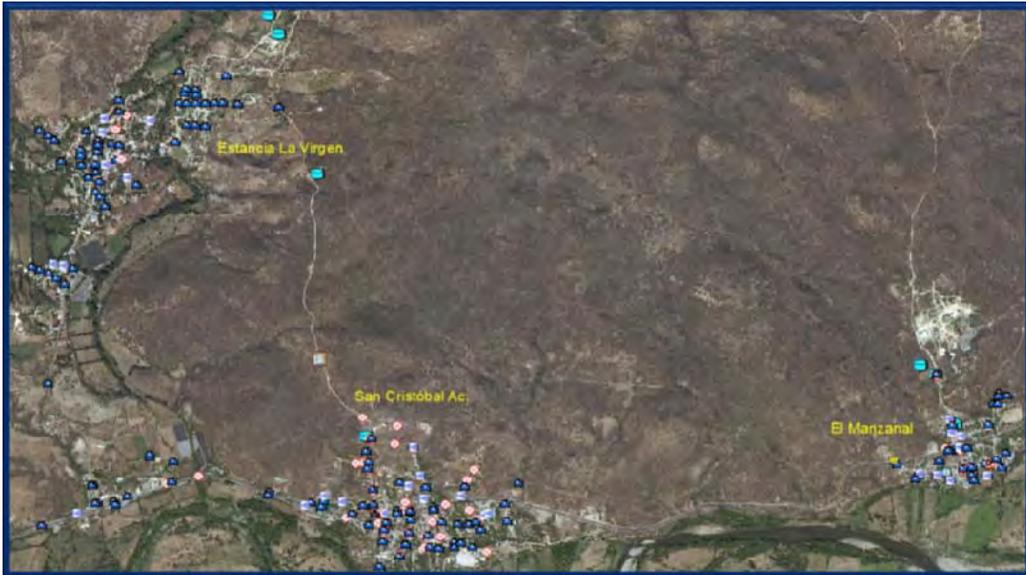
Location of registered tax payers in the municipal capital and two villages: Estancia La Virgen and El Manzanal.
Source: IUSI Project, LGP 2012.

Overlay: Sewers
San Cristóbal Acasaguastlán, El Progreso



Location of residential sewage services in San Cristóbal Acasaguastlán and two villages: Estancia La Virgen and El Manzanal.
Source: IUSI Project, LGP 2012.

Overlay: Waterworks
San Cristóbal Acasaguastlán, El Progreso



Points identifying wells, collection tanks, and valve systems.
Source: IUSI Project, LGP 2012.

Overlay: Pipelines
San Cristóbal Acasaguastlán, El Progreso



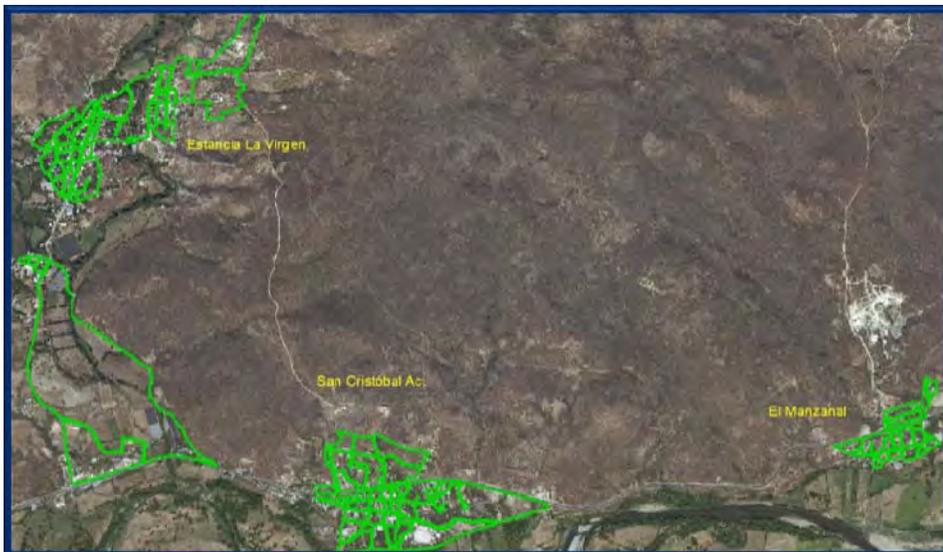
Main and secondary residential water distribution pipelines in the municipal capital and two villages:
Estancia de La Virgen and El Manzanal.
Source: IUSI Project, LGP 2012.

Overlay: Roads
San Cristóbal Acasaguastlán, El Progreso



Main road, streets, and footpaths.
Source: IUSI Project, LGP 2012.

Overlay: Property
San Cristóbal Acasaguastlán, El Progreso



Identified blocks in the municipal capital and two villages: Estancia de La Virgen and El Manzanal before dismemberment into individual housing property.
Source: IUSI Project, LGP 2012.

San Jacinto

Of the four target municipalities of the IUSI Project, San Jacinto is the municipality with the lowest number of registered users. This has made digitizing easier and as a result, four overlays are now 100% complete: waterworks and pipelines (urban area); roads and property (urban and rural). The water overlay is 88% finished, IUSI, 96%, and taxes and fees is 85% complete.

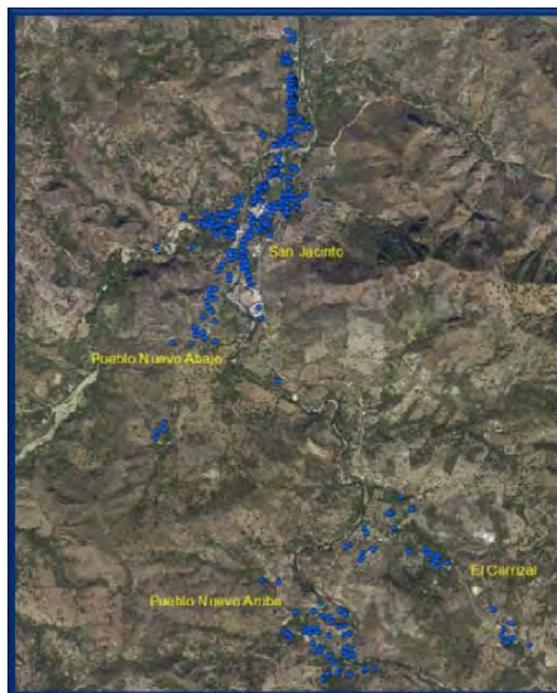
In late January, the municipality took over several community water projects in the rural area and incorporated these users into the SIAF database. Many of these services have been added to the GIS overlay and both the waterworks and pipeline overlays of these sectors will be completed soon.

The reelected mayor followed the suggestion of the IUSI Project and authorized collection for municipal services to begin in September of 2011, and population's response was quite positive. By December 28, 2011, revenue for water services was 118% of that collected in 2010, and IUSI revenue was 140% over the previous year. In comparison with end of year fiscal reports for 2011, by mid-March of this year, municipal revenue is at 57% for water, 31% for IUSI, and 38% for taxes.

The mayor offered to raise the issue of charging a fee for sewer and garbage collection services in urban areas with the COMUDE, as neither of these services are currently being charged.

The following images show progress in the different overlays.

Overlay: Water
San Jacinto, Chiquimula



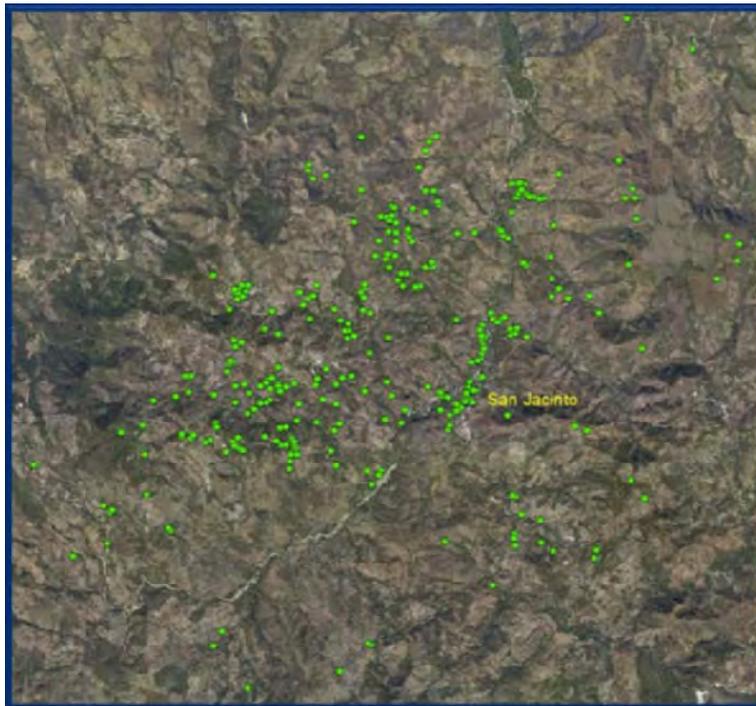
Location of residential water services in the municipal capital and villages of the surrounding rural areas.
Source: IUSI Project, LGP 2012.

**Overlay: IUSI
San Jacinto, Chiquimula**



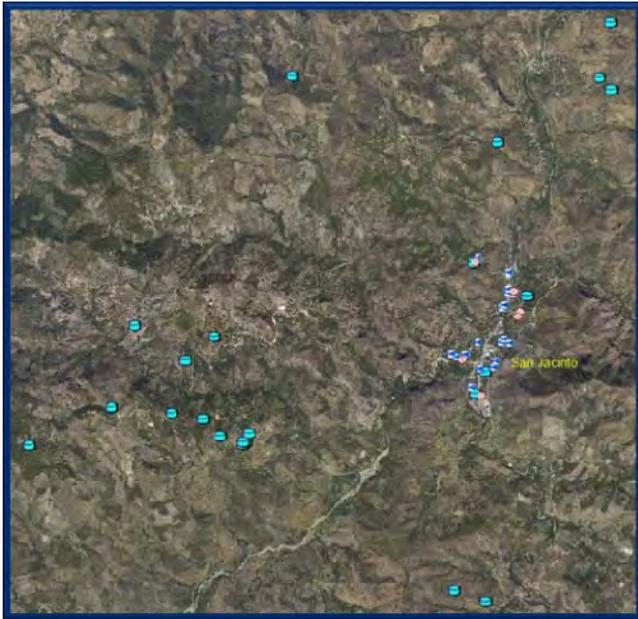
Location of IUSI registered users in San Jacinto.
Source: IUSI Project, LGP 2012.

**Overlay: Taxes and fees
San Jacinto, Chiquimula**



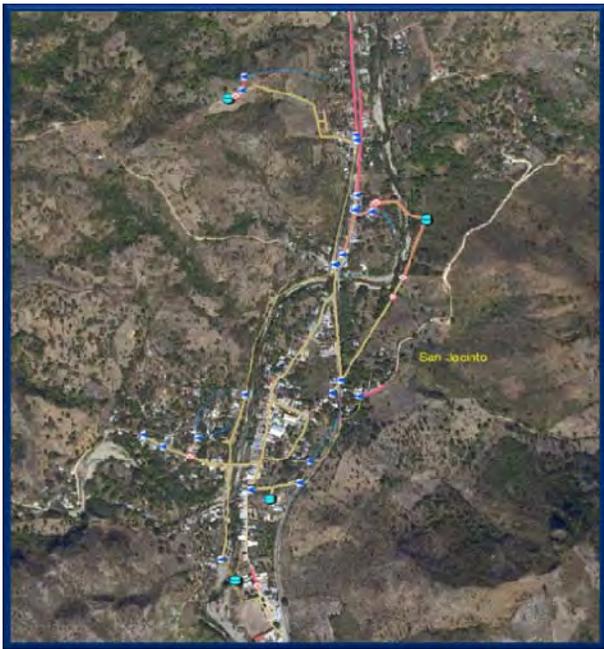
Location of tax payers registered in San Jacinto.
Source: IUSI Project, LGP 2012.

**Overlay: Waterworks
San Jacinto, Chiquimula**



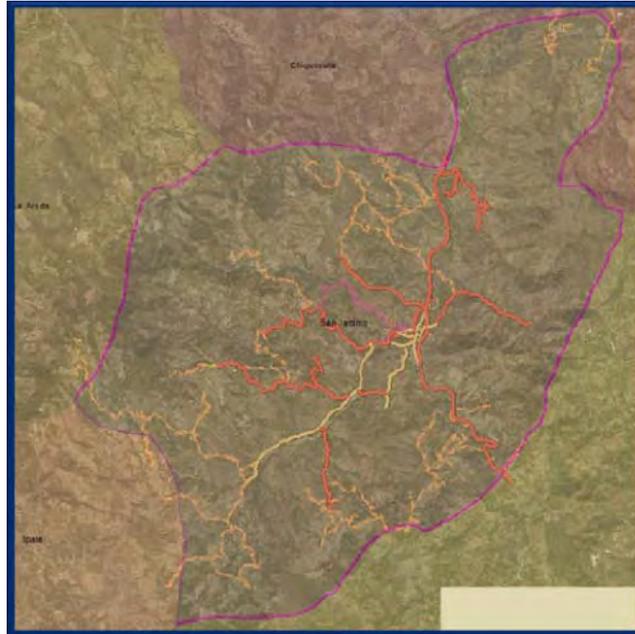
Points identifying wells, collection tanks, and valve systems in San Jacinto.
Source: IUSI Project, LGP 2012.

**Overlay: Pipelines
San Jacinto, Chiquimula**



Main and secondary distribution pipelines in the municipal capital, connected to the waterworks overlay in San Jacinto.
Source: IUSI Project, LGP 2012.

Overlay: Roads
San Jacinto, Chiquimula



Roads, streets, and footpaths in urban and rural areas of San Jacinto.
Source: IUSI Project, LGP 2012.

Overlay: Property
San Jacinto, Chiquimula



Urban and rural property distribution map, San Jacinto.
Source: Cadastral Information Registry, 2011.

Obstacles and opportunities:

1. Mayors are still cautious about charging for services, particularly those suggested by the IUSI Project. Most have agreed to charge for water services, but are reluctant to charge IUSI and for other services. The rationale is that by not doing so they support the low income population and spare themselves an enormous political cost.
2. In some municipalities, personnel are clearly insufficient to handle the number of users and a number of additional technicians are needed to manage services more efficiently.
3. The morale of the technical personnel of Concepción Las Minas is at a low ebb. The municipality owes them six months' salary and the resulting impact on the work environment, on proposals, and on Project progress is negative.
4. In those municipalities with newly elected mayors, technical personnel fear being transferred or discharged. San Cristóbal Acasaguastlán and Estanzuela have already begun to do so.
5. The amount of MINFIN (Ministry of Finance) personnel providing SIAF technical assistance has been cut back. As just one example, the technician that supported the San Jacinto system is no longer available.
6. Not all registered users are appearing in the SIAF user database reports, particularly water service users. MINFIN technicians have been advised and will address the issue in the next few weeks.
7. Regulations to administer municipal services are either nonexistent or obsolete and current fees are inadequate. In order to improve collection efforts, municipal affairs judges must be trained on the enforcement of relevant laws and legal proceedings. The legal consultancy proposed by the Project will be instrumental in resolving these issues.

1.1.3 LLR 2.1.3: Municipalities practice responsible indebtedness

The Project strongly encouraged municipalities to identify any floating debt they might still have at the time of transition. This could be debt related to suppliers, project execution, and social security (IGSS), or employee liabilities. LGP also encouraged the preparation of a detailed report on long term municipal debt (where applicable). The report should include amounts due, terms, payment conditions, and destination of loans, in compliance with articles 110, 111, and 113 of the Municipal Code. The report must refer only to debt assumed before the approved reforms of July 2011.

1.1.4 LLR 2.1.4: Selected municipalities/Mancomunidades improve basic services

LGP continued to provide technical assistance to municipalities to improve the quality of water services. To improve coverage, the Project worked with designated technical personnel in planning independent hydraulic zones. This will not only improve service but will also ensure supply, as the technical teams have been trained to measure capacity as well. LGP has provided technical advice on handling raw water so that excessive amounts of chemicals are not needed to purify it and also provided technical assistance to plumbers from several *municipios* to show them how keep track of residual chlorine.

Improve water chlorination systems to comply with current laws.

- Provide technical and financial assistance to design and publish guidelines for the evaluation and improvement of water chlorination systems.

LGP developed a manual that will be published and distributed to target municipalities during the next quarter.

- Provide technical assistance prior to chlorination ("clean water").

Several of LGP's target *municipios* rely on surface water to cover their needs. While Jalapa and Esquipulas have complete water treatment plants, others cannot afford to do so and use inappropriate systems based on poorly designed sand beds that do not effectively remove pollutants from the water. Therefore, LGP provides technical assistance to improve water quality at least during dry season. The Project has given San José La Arada and San Cristóbal Acasaguastlán precise recommendations on choosing the appropriate size of sand grains, setting up sand layers, and cleansing sand.

Patio used to wash sand filters at the "El Camarón" water system, San José La Arada.



Source: LGP 2012

San José La Arada personnel observe the sand bed cleaning process at the Esquipulas Water Treatment Plant



Source: LGP 2012

LGP instructed the new municipal corporation of Jalapa on the importance of dredging the reservoir, as part of their current water management plan and the excess material is expected to be removed soon. This will likely increase the amount of raw water available during dry season.

Reservoir that feeds the water treatment plants serving 60% of Jalapa's population. The mud and stones brought down by the water can be observed on the left.



Source: LGP 2012.

- Prepare and implement at least eight municipal water service operations and maintenance plans.

For the past several quarters, LGP has provided technical assistance and accompaniment to the target municipalities in improving their water distribution systems. As a result of this steady accompaniment, several practices, such as measuring water at the source, measuring residual chlorine, cleaning treatment units, and controlling water flows by means of valves, have become routine for the systems operation and maintenance teams. However, as there is still room for improvement, LGP will prepare operation and maintenance plans for at least eight of the target *municipios* during the following quarter.

- Train production, distribution, and treatment systems operators in best operation and maintenance practices, (emphasizing chlorination, control, and monitoring).

LGP provided basic training to the teams in charge of the operating and maintaining water systems. Some of the subjects that were stressed were how to clean the units before adding chlorine, how to measure residual chlorine, and how to measure water flow. Further assistance included information on how to make a user census to identify and correct illegal connections.

Training teams in charge of distribution tanks in Esquipulas on how to determine water capacity



Training activities conducted by LGP

No.	Municipio	Department	Number of participants		
			Measuring residual chlorine	Measuring water flow	O&M of sand filters
1	Camotan	Chiquimula	2	2	
2	Concepción Las Minas	Chiquimula			
3	Esquipulas	Chiquimula		10	
4	Jocotan	Chiquimula			
5	Olopa	Chiquimula	4		
6	San Jacinto	Chiquimula	2	2	
7	San José la Arada	Chiquimula	6	3	4
8	San Juan Ermita	Chiquimula	1	1	
9	San Cristóbal Acasaguastlan	El Progreso	1		
10	Sansare	El Progreso			
11	Jalapa	Jalapa			
12	Monjas	Jalapa	2		
13	Estanzuela	Zacapa		2	
Total			18	20	4

Improve water systems coverage in order to achieve satisfactory levels of pressure and continuous flow.

- Provide assistance in updating data on water services coverage in at least four municipalities (Jalapa, Esquipulas, Estanzuela and San Cristobal Acasaguastlan).

Poor planning has resulted in disorderly growth of urban areas in most target municipalities. This has left some sectors without water, partly due to topographical conditions. Where possible, LGP has assisted in including these overlooked sectors, provided basic technical criteria are taken into account (maintaining pressure and supply in previous networks).

LGP has encouraged the municipalities to collect all information possible and update the existing network maps, which are extremely outdated.

The Project has also encouraged the municipalities to measure water capacity at the source if the supply is sufficient to meet the demand.

While authorities have readily accepted these recommendations, Esquipulas showed no significant progress until mid-quarter.

- Prepare digitized blueprints of the water distribution network in the selected municipalities.

One particular problem the Project came across was that the graphic information on the distribution networks was obsolete; some blueprints are over 25 years old. Additionally, authorities seem to rely too much on the field personnel who seem to have exclusive knowledge and knowhow about the distribution networks and have used this fact to make themselves indispensable. It is in fact a risk because should these people be unavailable for any given reason, there is no one capable of repairing the networks.

Therefore, LGP has emphasized the need to create digitized blueprints of the networks. Architecture and engineering students have developed blueprints of urban areas based on aerial pictures. This basic information has been used to trace networks with the help of the plumbers.

In *municipios* that make up the Mancomunidad Copan Chortí, information produced by AECID has been useful. In Esquipulas, particularly, AECID financed the construction of a water treatment plant and the modernization of the water distribution network.

LGP recommended that once the network blueprint is available, a backup copy should be saved on a CD and conveniently stored. Additional copies may be made from the original.

- Provide technical assistance through a local consultant to improve operational efficiency (pressure and continuous flow) in urban areas of the selected municipalities.

Part of the graphic information collected so far has already been analyzed during this quarter.

In Jalapa, LGP recommended the creation of several hydraulic zones to improve water pressure in elevated areas. This would also lead to savings on electricity, since hydraulic zoning would allow the number of pumping stations to be reduced, as well as the number of pumping hours needed. LGP also recommended building concrete distribution tanks and taking advantage of the *municipio's* mountainous landscape.

**Site suggested by LGP in Jalapa to build at least three water supply tanks
(an existing distribution tank may be observed).**

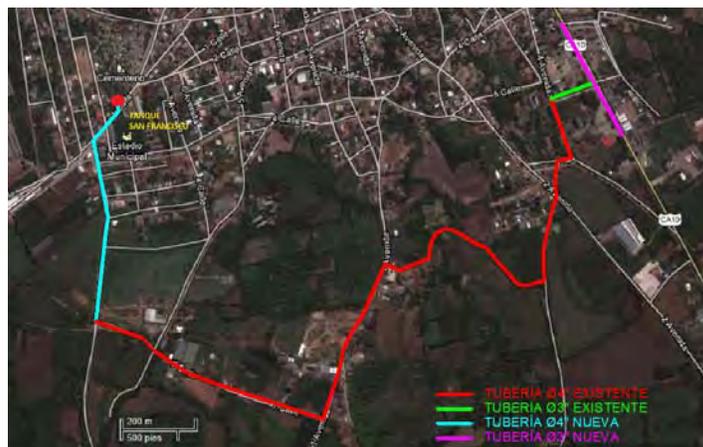


LGP also recommended the installation of regulating valves to maintain adequate pressure levels in most of the sectors. One added benefit is that this will also control leaks at night, when water pressure tends to be high as a result of lower demand.

LGP recommended a single distribution pipeline in Esquipulas, in order to conduct water to a high sector of the network (Barrio Santa Ana and part of the residential area Villas de Santiago).

In Estanzuela, land contours cause a lack of water in several Eastern sectors. LGP recommended that one of the storage tanks that feeds the higher part of the network supply these sectors. The construction of a new water distribution system will allow 150 additional houses to be incorporated into the network. However, it will require a conscientious use of water, installation and use of micro-meters, and charging for excessive use of water.

**LGP-suggested improvement of the distribution system.
It takes into account several meters of piping already installed.**



LGP recommended that San Cristóbal Acasaguastlán develop its own distribution pipelines for elevated areas to ensure adequate water pressure.

- Hold a workshop on best practices and lessons learned for municipal water management in each of the target *municipios*.

The workshop will be held in April, but because of transition activities in the municipality, the staff that will participate in the workshop has not yet been chosen. This is the case in Esquipulas, where furthermore, the head of DEMPAGUA (the municipality's water management department) has not been appointed yet and there is no one in charge of operation and maintenance.

Provide technical assistance for the improvement of other basic municipal services.

- Provide technical and financial assistance to the Copán Chortí Mancomunidad to manage solid waste.

No activities were carried out in this aspect during this quarter.

- Provide technical assistance to target municipalities to improve delivery of other municipal public services.

LGP encouraged the municipalities to carry out a public services census to obtain information on user satisfaction and coverage, among other aspects. Olopa and Jalapa are expected to carry out a census during the next quarter.

Promote financial sustainability of water services provided by target municipalities.

- Continue to follow the “Guidelines for Calculating Costs of Water Services Delivery” to better estimate costs and reduce current subsidy levels.

This activity was rescheduled for the April-June quarter.

1.1.5 LLR 2.1.5: Municipalities improve the enabling environment for local economic development

On March 6th, LGP worked with the Chiquimula SEGEPLAN delegation to provide technical and financial assistance to hold a CODEDE meeting to present and distribute copies of the Municipal Development Plans (PDM) and the Project-funded Multi-year Investment Plans (PIMA) to the following municipalities: San Juan Ermita, San José La Arada, Concepción Las Minas, Esquipulas, Camotán, San Jacinto, and Olopa. LGP has encouraged the municipalities to use these plans as basic tools for municipal investment.

The Jocotán PDM is ready for printing and distribution, pending official approval from the municipal council. Mancomunidad Copán Chortí will print 100 copies with the financial support of *Acción Contra el Hambre - Action Against Hunger* - (Spanish NGO).

The Project continued to join efforts with the El Progreso SEGEPLAN delegations in Sansare and San Cristóbal Acasaguastlán to gain municipal approval to print and distribute the PDM by next quarter. Current municipal authorities in Jalapa and Monjas have yet to review and approve their PDMs.

LGP provided technical and financial assistance to the Estanzuela COMUSAN to prepare its work plan based on the *municipio's* Food and Nutritional Security Plan. The draft capitalizes

on the actions of other organizations working in the *municipio*, such as the Ministries of Health, Agriculture, and Education.

Success Story

LGP CONSOLIDATES ANAM'S LEADING ROLE IN POLITICAL TRANSITION

During the past quarter, with sustained technical and financial assistance from LGP, ANAM positioned



itself as the institution municipal authorities may turn to for their training needs and professional advice on legal and financial matters. It led two major events: the National Meeting of Municipal Authorities in October, which had wide media coverage and the attendance of the two final presidential candidates, and the Orientation Training for Mayors and Municipal Authorities, that sought to provide the knowledge, skills, and attitudes that would allow a smooth transition at municipal level. But it was only the beginning.

After these important events, LGP continued to work close with ANAM and reinforced the

leadership ANAM had developed. In January, ANAM again led the National Meeting of Mayors and the election of a new Board of Directors during a calm and well organized General Assembly and election process. Newly-elected mayors attended the assembly for the first time and witnessed ANAM's commitment to transparency and high level professional service to municipalities.

The new Board of Directors set new priorities and at first it was not interested in implementing the transition activities scheduled for this quarter. It took LGP several meetings with the new President and briefing him and the Board on recent achievements and the impact transition activities would have for ANAM to commit them to the process. Once again on track, now with LGP as the only international cooperation project supporting the endeavor, ANAM's strongest impact and contribution to the transition process came from the Orientation Program for Municipal Authorities and Officers held nationwide during March 2012. Fourteen one-day workshops were delivered by two teams of traveling facilitators (highlighted by LGP staff, the legal advisor and the COP) to reach 1522 participants representing all 334 *municipios* of the country, with a recorded attendance of 267 municipal authorities. Even mayors and members of municipal councils who had attended the November-December workshops returned to reinforce what they had learned and to ask new questions. Interest was high and attendance records prove it.

New organizations, like the Ministry of Labor and the Cadastral Information Registry, joined the initiative to better respond to demands and needs posed by municipal authorities in the previous training event. ANAM did everything it took to make it a high impact event.

ANAM may take pride in having assumed the leading role in this successful political transition. It coordinated inter-institutional efforts to set up a solid program and develop the materials and methodologies that were used, it was responsible for the complex logistics the nationwide event entailed, and it was able to pay for 40% of all expenses by implementing activities and strategies from its business plan. LGP has been part of the process all along and has contributed to each and every stage and achievement. It has provided technical and financial assistance to strengthen ANAM's capabilities and may attest to ANAM's commitment to be the country's municipal leading institution. The greatest challenge ANAM now faces is that the current scenario may be institutionalized and that it may be capable of leading a similar smooth transition process in future elections and the changes these entail.



1.2 SUB-IR 2.2: MORE EFFECTIVE ADVOCACY OF MUNICIPALITIES FOR LOCAL CITIZEN PRIORITIES WITH NATIONAL GOVERNMENT

The Project's main contributions this quarter to achieving this Sub-IR are summarized as follows:

1. The new members to the ANAM Board of Directors were elected in an orderly fashion and the transition of power was smooth.
2. LGP provided assistance to design and carry out an Orientation and Training Workshop for a total of 1,522 municipal authorities and officials, and
3. ANAM used a transparent and public process to hire four new advisors: two legal counselors, one financial advisor, and one communications specialist.

It is important to mention that the Project's overall activities in general and its institutional strengthening efforts for ANAM, in particular, have been impacted by the changes in government and municipal authorities. To illustrate:

- New membership on the ANAM Board of Directors implies a transition period that requires orientation and adjustments regarding ANAM operations and commitments. LGP decided to postpone Project activities to better accommodate the transition.
- The most significant implementation delay is the result of the dismissal of all ANAM technical personnel (including the two legal advisors, one financial expert, and one communications advisor paid for by the Project) attributed to the fact that incoming authorities considered them untrustworthy. The decision left ANAM lacking the respective advisory services for a full month. A public recruitment process was put in place to select the technical staff to fill the vacancies.
- Furthermore, other international cooperation agencies that had supported ANAM challenged the decision of the ANAM President to dismiss the aforementioned technical personnel. Although the expectation was that LGP would take a similar position, the Project opted to work closely with the new Board and the President to make it clear that LGP support goes beyond financing the technical advisors. The Project conveyed a commitment to continue support to ANAM if the dismissals were justified and if the replacement staff was recruited through a public and transparent process. The Project succeeded in overcoming these obstacles with ANAM, but is now facing an implementation process as the only international cooperation agency currently providing technical and financial assistance to ANAM.

It is also important to mention that AGAAI's activities have been limited by the fact that none of the members of the original Board of Directors were reelected. No regular board meetings were held, nor the General Assembly to elect a new Board. AGAAI is facing a number of debilitating institutional problems. To illustrate:

1. They are six months behind in completing the LGP-funded consultancy to assess their organizational structure and financial sustainability. This is unfortunate, as the assessment's finding would have provided the basis for further technical and financial support from LGP to promote institutional strengthening.
2. Not a single board meeting was held.
3. Neither did the *Instancia Municipalista* –Municipal Alliance - hold any meetings.
4. Their participation in the organization and development of the Orientation Training Workshops for Municipal Authorities and Officers has been minimal. The only workshops attended by AGAAI representatives were those in the highlands and their

only contribution was to make a speech on the rights of indigenous peoples. They did not provide any financial or logistics support to ANAM for any of these events.

Summary of actions (technical or financial) that need to be rescheduled, according to the work plan

Financial actions to be rescheduled include:

- Payment of ANAM's legal, financial, and communication advisors' fees for February and March.
- The last payment of the consultancy to evaluate AGAAI's organizational structure and financial sustainability.
- Funding for ANAM and AGAAI Board meetings, as well as coordination meetings of the *Instancia Municipalista*.

1.2.1 LLR 2.2.1 Municipal associations effectively represent their constituencies

Technical and Financial Assistance for the National Meeting of Mayors and ANAM's National Assembly

One of LGP's biggest challenges has been to promote a smooth and orderly transition of the Board of Directors once the new municipal authorities took office nationwide. LGP provided technical and financial support to ANAM to organize and devise the methodology used during the National Meeting of Mayors and ANAM's National Assembly, held on the 27th and 28th of January, 2012.

Given the importance of these activities, the design and planning phase began in December 2011, and specific activities were decided upon in January.

LGP supported the position of ANAM's political and technical team in that a solemn and formal National Assembly would send a positive message out to incumbent mayors, who would be participating for the first time in one of ANAM's activities. ANAM agreed to only include four agenda items contained in the by-laws:

1. Presentation of the 2011 Annual Report
2. Presentation of the 2011 Financial Report
3. Approval of the 2012 Activity Plan and Budget
4. Election of the 2012-2014 Board of Directors

A National Meeting of Mayors was held to address technical and political coordination activities involving new authorities of the central government and members of Congress of the Republic. This activity had two main objectives.

1. To submit the municipal agenda (*Agenda Municipalista*) proposed during the 2011 election process to new mayors for their review and approval;
2. To present and confirm the commitment of the official government party to ensure compliance with the agenda as well as with agreements reached with members of Congress with regard to the legislative agenda.

Various political VIPs participated in the National Meeting of Mayors, such as:

1. The President of the Republic, who stated that he would guarantee the Executive Body would enforce agreements reached and endorse municipal issues as government priorities.

2. The Deputy Chief of the official political party in Congress (*Partido Patriota*), responsible for relations with municipal governments and the Associations of Municipalities, who claimed to be familiar with the municipal agenda and the commitments made by his party during the election campaign. He committed to transfer more funds to local governments and to promote the proposal of the second generation of reforms to the Municipal Code, including responsible access to municipal indebtedness as a local development tool;
3. When the agenda addressed items dealing with priority LGP topics, particularly Food and Nutritional Security, ANAM invited the Secretary of Food and Nutritional Security to speak about the government's approach to this matter and the likelihood of receiving support in this area. The mayors were enthusiastic about the approach and many expressed willingness to participate in this government initiative.

The Project is confident that the National Meeting of Mayors met its main objectives:

1. Newly-elected mayors became familiarized with and assumed ownership of the municipal agenda and
2. The commitments made by the Executive Body and of members of Congress of the Republic were confirmed.

Although the National Meeting of Mayors had a very positive outcome, ANAM focused its concerns on the National Assembly, which would be its initial opportunity to make a good impression with the newly elected mayors and present itself as an important service provider and an organization with significant political weight.

Two important aspects of the Assembly stood out:

1. The logistics and organization of the event and
2. The election of a new Board of Directors.

ANAM's technical and political team was responsible for the well organized logistics, as is evident by the outstanding attendance of 248 mayors and 24 representatives. Over 80% of the nation's municipalities were present (272 out of 334) at the well publicized event.

To ensure a transparent and trustworthy Board of Directors' election process, the LPG-funded ANAM legal advisors designed a specific election mechanism. Registration tables were set up by region. There was a guest legal advisor at each table to check IDs and grant authorization for each participant to cast his vote.

The voting ballots had special features to prevent tampering, such as:

1. Individual numbering.
2. Water seals.
3. Copy-proof paper.

The election of the new Board of Directors ran smoothly. When the election of a new board of directors concurs with a change in public administration, mayors tend to group together by political party. There may be up to three board proposals, one for each of the political parties with the most votes. However, on this occasion, there was only one board proposal (from the official party), which was backed strongly by most of the mayors attending the Assembly.

This could be interpreted in one of two ways: 1) The official party was successful enough in its lobbying efforts to convince opposing mayors that their interests were endorsed and

supported by the official candidate, or 2) mayors may have changed their minds during the second round of elections and decided to support the official party.

Several special representatives of the government party holding important positions related to municipal affairs participated in the election process and President of the Republic himself appointed the new head of the Institute for Municipal Development (INFOM). The President declared: *“Now INFOM will truly serve municipalities”* and guaranteed that, *“close coordination with ANAM will be promoted”*.

During this quarter, coordination between ANAM and INFOM has grown stronger. INFOM is now led by the former mayor of Santa Catarina Pinula, Antonio Coro, and was ANAM’s main partner during the Orientation Training Workshops for Municipal Authorities and Officials. From the government party’s perspective, the main objective of this alliance is to consolidate ANAM as the institution that will represent municipalities and pursue political lobbying in their favor, and INFOM as the institution in charge of training and technical affairs for the municipalities.

LPG is proud to state that, for the first time, the election ran smoothly and there were no accusations of fraud or any other issues. All members are fully supporting the new board of directors.

Last, but not least, ANAM has once again made good use of the LPG-funded business plan to cover a significant part of the Assembly expenses with own- source revenue collected from stands sold prior to the event. Costs were covered as indicated below:

• Own-source revenue and stands (ANAM):	43%
• USAID Local Governance Project:	25%
• Fundación DEMUCA:	17%
• Municipalidad de Guatemala:	9%
• GiZ (German Cooperation Agency):	6%

Instancia Municipalista (Association of Municipalities) meetings

The Instancia Municipalista did not hold any meetings during this quarter because ANAM has a new board of directors and none of AGAAI board members were reelected. AGAAI is expected to hold a General Assembly in April and coordination efforts between both associations may then resume. However, ANAM and AGAAI did join efforts to carry out the Orientation Training Workshops for Municipal Authorities and Officers.

Coordinating and lobbying with the Congressional Municipal Affairs Commission

As a result of coordination efforts between ANAM and INFOM, both institutions met with members of Congress who comprise the Municipal Affairs Commission to discuss the municipalities’ legislative agenda. At the request of ANAM, LPG assisted in defining the following aspects of the Municipal Code requiring modification:

1. Planned Access to municipal indebtedness as a development tool;
2. Restitution of municipalities’ right to charge for construction licenses;
3. Authorization to allow law students to act as Municipal Affairs Judges; and
4. Restitution of road maintenance and pre-school and elementary education as municipal responsibilities.

Members of Congress who attended the meeting agreed to support ANAM and INFOM in seeking the approval of said reforms and committed to the creation of a new technical commission to draft the respective bill to submit to Congress.

Inclusion of gender and indigenous considerations

This was one of the key outcomes of the Orientation Training Workshops for Municipal Authorities and Officers. A total of 398 women attended the event and nearly all the participants from the western highlands were from various indigenous groups. Furthermore, the role of the Municipal Offices for Women – OMMs – was showcased as well as the need to provide it with sufficient operating budget. In the *municipios* heavily populated by indigenous ethnic groups, AGAAI presented a module on the rights of indigenous people.

1.2.2 LLR 2.2.2 ANAM is financially capable to carry out its mission.

Approval of ANAM Administrative Manuals and Internal Regulations

Following the reengineering consultancy financed by LGP, ANAM's board of directors reviewed and approved the Association's internal and per diem regulations. Additionally internal auditing mechanisms were implemented to facilitate disbursements through a more transparent process. During the next quarter, LGP will assist ANAM with the purchase of a financial software package to keep better track of their financial transactions.

Implementing the Business Plan (stands)

A significant part of the funds needed to cover the cost of the National Meeting of Mayors and the National ANAM Assembly came from the stands that ANAM sold as part of its LPG-funded business plan.

Additionally, ANAM and the Ministry of Finances have been discussing the implementation of a mechanism that would allow ANAM to recover payment in arrears from some municipalities. ANAM expects to implement this mechanism during the next quarter to collect revenue from delinquent accounts.

1.2.3 LLR 2.2.3 ANAM improves its service delivery capacity.

Legal, Financial, and Communications Advice

The Project's efforts to provide advisory services in January was somewhat hampered by the decision taken by ANAM's board of directors to dismiss the LPG-funded legal, financial, and communication advisors on the grounds of considering them untrustworthy. Despite this setback, the LPG was able to provide the following services:

1. LPG provided legal assistance in thirty-one different instances, in the following areas:
 - a. Drafting internal labor regulations and municipal construction regulations;
 - b. Legal assistance with the Comptroller General to discuss the status of legal processes against municipalities, as well as to obtain settlements;
 - c. Appointment of new municipal officers and employees;
 - d. Legal assistance with the social security institution – IGSS – to sign payment agreements for delinquent municipal accounts;
 - e. At the recommendation of LGP, ANAM put out a public call for bids to fill the vacancies created by the board's decision and over 100 people participated in the process. LGP resumed payment of these new employees' salaries on April 9, but ANAM covered their expenses during March and the first part of April.

2. The Project provided financial advice services on fifty different occasions, including the following:
 - a. Assistance in determining the amount to be transferred to municipalities and information on how disbursements are made;
 - b. Registration of cash balances from the previous fiscal year;
 - c. Consultations regarding how to request new municipal loans or how to increase an existing loan;

3. LPG provided thirty-three communication services to ANAM and the municipalities, including:
 - a. Public invitation to all 334 mayors for the National Meeting of Mayors and the 2012 General Assembly
 - b. Daily monitoring of the media sent to all 334 municipalities;
 - c. Invitation and coordination with the press to cover the Meeting of Mayors and the General Assembly.

To resume legal, financial, and communication services, ANAM put out a public call for bids to compete for these positions. A total of 101 candidates participated: 49 for the communications position, 35 for the legal advisor position, and 17 for the financial advisor position. The best ten résumés were selected for each position and the top four candidates were interviewed.

The selected candidates began working in March. ANAM paid for their initial salaries from its own budget and LGP financing resumed on April 9.

Orientation Training Workshop for Municipal Authorities and Officers

The Orientation Training Workshop for Municipal Authorities and Officers was certainly the most significant ANAM activity supported by LGP during this quarter.

Although the workshop was a commitment undertaken by ANAM's previous board of directors, the new board had not scheduled anything specific in this regard since they had agreed to take the first few months to become familiar with operations and resume inter-institutional coordination activities. However, during ANAM's first meeting with LGP, the Project briefed the new President on the positive impact the workshop would have on municipal activity and how his administration would present a positive image by keeping the promise of the former board to provide orientation training workshops to new municipal authorities and officers to help them avoid problems and sanctions related to their lack of administrative experience.

This workshop differed from Orientation Training during the Transition Period held last quarter in two main aspects:

1. Time
2. Financial resources

Time was very short because there was only three weeks' preparation time and all workshops had to be delivered before the end of March. Furthermore, the first coordination meeting only took place during the second week of February. This left only one month to establish alliances, define contents, organize the logistics of the events, and develop the methodology to be used in the workshops.

Resources were limited because Fundación DEMUCA (Spanish Cooperation Agency) and GiZ (German Cooperation Agency) expressed from the beginning that they would not be able to fund this activity.

Once the President of ANAM agreed to go ahead with the process, the Project' next step was to assist ANAM's Executive Secretary in developing the workshop's contents, agenda, and methodology. Proposals were submitted to the Presidents of ANAM and INFOM, who played a key role in deciding in which aspects ANAM would be involved. Gaining support from the President of INFOM was also crucial, since he was appointed by the President of the Republic as head of the institution responsible for providing technical assistance to municipalities.

Both presidents agreed to invite the institutions that had participated in the previous training process as well as the Ministry of Labor. The Ministry had approached ANAM with a concern regarding the need to provide training for mayors on labor matters, because over 100 labor claims had been filed against the municipalities in only two months.

The first inter-institutional coordination meeting agreed that financial and technical assistance from the following institutions would be considered for this training venture:

- Institute of Municipal Development (INFOM);
- National Institute of Public Administration (INAP);
- Ministry of Public Finances (MinFin);
- Ministry of Labor (MinTrab)
- Cadastral Information Registry (RIC).

The coordination commission agreed on three important aspects:

1. A coordination team would be set up to develop a one-day course that would combine lectures with group work;
2. Each institution would bring an inventory of resources it could contribute to the next meeting;
3. The workshops must be held during March.

The Minister of Labor himself coordinated the meeting which was attended by the Presidents of ANAM and INFOM, as well as representatives of INAP, RIC, the Ministry of Public Finance, and LGP.

Since training sessions were scheduled to begin in two weeks, the commission had their hands full to get everything organized and met every other day for at least four hours. The following consensus were reached:

1. Subject matter and presenting institutions:
 - Municipal Legal Framework, by the Local Governance Project
 - Municipal Public Services, by INFOM
 - Public Procurement (purchases and contracts), by the Norms and Purchases Department of the Ministry of Finance
 - The Role of *Municipios* as Development Agents, by the Local Governance Project
 - Cadastre as the basis for territorial organization, by RIC
 - The IUSI tax as a tool to improve own-source revenue, by the Department of Cadastre and Real Estate Valuation, of the Ministry of Finance
 - The Municipal Budget Cycle, by the SIAF Project of the Ministry of Finance

- The Municipal Labor Regime, by the Ministry of Labor

Subject matter was chosen based on common questions dealing with legal aspects, municipal finances, and labor issues.

2. The workshops would be geared to key municipal personnel:

- Secretary
- Director of Municipal Integrated Financial Administration (DAFIM)
- Director of Municipal Planning (DMP)
- Director of the Municipal Office for Women (OMM)
- Municipal Affairs Judge (JAM)
- Municipal Internal Auditor (AIM)
- Mayor
- One member of the Municipal Council

A total of up to 8 people from each municipality would participate in the workshop, for an expected total of 2,238 participants.

3. The workshops would last one day, from 8:30 a.m. to 5:30 p.m.

4. The venue would be Guatemala City and the first workshop would be held on March 13 and the last on March 28.

5. Two groups of facilitators were created, each with a maximum of 15 people to keep the number and costs down.

6. Handouts included:

- All participants:
 - i. Guía del Gobierno Municipal, prepared by LGP;
 - ii. El ABC del Gobierno Municipal, prepared by GiZ/PROMUDEL;
- One copy per municipality :
 - i. An updated Municipal Code, edited by LGP;
 - ii. The *Ley del Impuesto Único Sobre Inmuebles* (IUSI tax law);
 - iii. The *Ley del Registro de Información Catastral* (Cadastral Registry Law);

7. All facilitators were expected to be well equipped to deliver their subjects, with preference given to those who scored well in the previous training initiative.

8. The workshop would comprise three units:

- Module I “*General*”, for all participants:
 - i. Municipal Legal Framework;
 - ii. Municipal Public Services;
 - iii. State Procurement Law;
- Module II “*Municipal Planning*”, for DAFIM, DMP, and OMM:
 - i. The Role of *Municipios* as Development Agents
 - ii. Cadastre and the IUSI Tax as Tools for Territorial Organization;
 - iii. The Project Budget and Contract Cycle

- Module III “*Labor Regime*”, for Municipal Secretaries, JAM, AIM and municipal authorities:
 - i. Labor Law
 - ii. Retirement Regulations
 - iii. Labor Union Freedom and the Right to Collective Association
 - iv. Conflict Prevention and Resolution
 - v. Human Resources Management

All participants received Module I in the morning, and Modules II and III were delivered simultaneously during the afternoon. A general discussion was held at the end of the workshop to discuss what the group had learned and to hand out materials and diplomas.

It is important to note that most of the coordinating group members were involved in developing the contents and methodology of the previous quarter’s training process and were therefore better prepared to arrive at consensus, overcome difficulties, and avoid earlier mistakes. The Ministry of Labor, the only new member, worked on the labor-related module and contributed financial resources for the workshops.

The total cost of the process was paid for as follows:

- | | |
|--|-----|
| • Local Governance Project, in support of ANAM | 40% |
| • Ministry of Labor | 40% |
| • INFOM | 20% |

INFOM, in addition to financial resources, contributed transportation and fuel expenses for both groups of facilitators. LGP contributed around 2,500 copies of the “Guidelines for the Municipal Government” and 450 updated copies of the Municipal Code.

ANAM led the process and was responsible for the logistics, invitations, and caring for the needs of the participants, as well as for preparing and distributing materials and diplomas.

The first workshop was held in the Eastern part of the country for the departments of Zacapa and Chiquimula. The Vice-President of the Republic attended this workshop to express the central government’s interest in the Orientation Training Process.

All workshops took place as scheduled and covered the assigned subject matter. However, both the facilitating teams and the participants felt that there was not enough time to fully address the number of topics considered. Several participants requested additional workshops on one specific topic each, to better profit from the facilitators’ experience.

The workshops with the lowest attendance were in the Eastern part of the country (Zacapa, Chiquimula, Izabal, El Progreso, Jutiapa and Jalapa) and those with the highest attendance were in Petén, San Marcos, Quetzaltenango, Totonicapán, and Huehuetenango. With the exception of Petén, the population of the departments in the latter group is mostly indigenous.

Workshop participants

Location	Municipios	Date	Total attendance	Municipal authorities	Technical personnel
Chiquimula & Zacapa	21	03/13	68	16	52
Jutiapa	17	03/13	58	7	51
Santa Rosa & Jalapa	21	03/14	85	22	63
Progreso & Izabal	13	03/14	55	13	42
Petén	13	03/16	74	9	65
Alta & Baja Verapaz	25	03/17	160	37	123
Quetzaltenango & Totonicapán	32	03/20	176	35	141
Quiché	21	03/20	79	17	62
San Marcos	29	03/21	162	38	124
Sololá	19	03/21	67	6	61
Huehuetenango	32	03/ 22 and 03/ 23	154	24	130
Retalhuleu & Suchitepéquez	29	03/22	140	16	126
Escuintla & Guatemala	30	03/27	108	8	100
Sacatepéquez & Chimaltenango	32	03/28	136	19	115
Total	334		1522	267	1255

Observations regarding the workshops

The Project observed the following during the development of the various workshops:

1. Several participants, including mayors and members of Municipal Councils attended the workshops to reinforce the subjects and clarify doubts.
2. ANAM coordinated all logistics aspects. The presence of the President and Executive Secretary of the Association sent the message to newly elected authorities and officers that ANAM can help them clarify doubts and also help them provide better services to their corresponding populations.
3. The participation of the Ministry of Labor was well received, due to the numerous problems municipalities are facing with layoffs.
4. While efforts were made to summarize each topic, many participants complained they were only dealt with superficially. They feel that at least four hours plus practical exercises should have been devoted to each topic.
5. Legal and financial aspects are the most attractive to participants, perhaps in light of the administrative or economic sanctions applied by the Comptroller General.

LGP's contribution to the Transition Phase

Some of LGP's outstanding contributions to the Transition Initiative include:

- LGP's advocacy efforts on behalf of the Orientation Training Process are what in fact brought this successful initiative to life;
- The Project's legal advisor and COP provided instrumental technical assistance in defining contents and methodology and assumed facilitating roles;
- LPG drafted and published the "Guidelines for Municipal Government; from Service Providers to Development Agents", which was used as the cornerstone in defining ANAM's development agenda and to position the FtF Initiative key issues within the municipal agenda;
- The Project funded six of the fourteen orientation workshops;
- LPG coordinated one of the two facilitating teams which presented the keynote address on "The Role of the *Municipios* as Development Agents" in each workshop.

Achievements

- A total of 1522 people directly involved in municipal administration are now more aware of their roles and responsibilities and on the implications their actions might have;
- The *Instancia Municipalista*, through ANAM, led the process;
- A solid inter-institutional coordination was forged between ANAM, INFOM, the Ministry of Finance and the Ministry of Labor;
- ANAM was positioned as the institution municipal authorities will turn to for training, legal or financial advice, as well as a strong political ally to represent their interests in lobbying for municipal issues;
- The time required for municipal authorities to become familiar with municipal government and how it works was reduced;
- The Association made good use of the opportunity to learn how to organize and carry out orientation activities for municipal authorities every four years.

Obstacles:

- Limited funding prohibited the Project from offering a 1 ½ day or 2 day workshops;
- AGAAI's institutional weakness compelled ANAM to take charge of all the coordination and logistics involved in the event and they were not comfortable with this;
- The participants in the first group felt that the Ministry of Labor facilitators were not very acquainted with the labor issues facing the municipalities and therefore did not score them very high in comparison with the rest of the facilitators.

Lessons Learned:

The most important lessons learned include the following:

- The workshops should either be longer or cover fewer topics; a minimum of four hours is required to fully cover each topic.
- The opinion that large groups (even up to 150 people) may be handled without problems was validated. Participants seemed attentive and comfortable at all times, even at the end of the workshop.
- One facilitator is enough for each of the topics delivered. Some facilitators were also capable of delivering other facilitator's topics after participating in them once or twice.

- It is better to have a small number of coordinators rather than a very large group.
- For future training events, it would be more effective to have an integrated process to address authorities before they take office and municipal officers immediately after being appointed.

1.3 SUB-IR 2.3: MORE INCLUSIVE AND TRANSPARENT POLITICAL PROCESSES

This quarter, LGP joined efforts with the Copán Chortí Mancomunidad and the regional SEGEPLAN office in Chiquimula to launch training activities for municipal authorities and officials of Chiquimula, as part of the DMP network (Municipal Planning Division).

DAFIM, DMP and OMM personnel, joined members of the Municipal Councils from 9 out of the 11 *municipios* in Chiquimula to participate in the training workshops. The workshop methodology combined master classes, brainstorming sessions and working groups to build consensus and develop plans to increase municipal own source revenue by improving both customer service and the services themselves. The OMM was also encouraged to join in these activities.

Six workshops have been scheduled and three have already been delivered:

- Module 1: “Planning as a Development Tool”.
- Module 2: “Municipal Finances and Own-Source Revenue”
- Module 3: “Public Services”

DAFIM, DMP, and OMM personnel, together with members of the Municipal Councils in 9 out of the 11 *municipios* participated in the training workshops. The workshop methodology combines master classes, brainstorming sessions, and working groups to build consensus and develop plans to increase municipal own source revenue by improving customer service and the services themselves.

The following workshops will conclude the training activities for next quarter:

- Module 4: “Local Governments and Municipal Administration”
- Module 5: “Climate Change”
- Module 6: “Safe Drinking Water”

Municipalities are expected to use the knowledge and information provided by these workshops to improve service delivery, increase own-source revenue, and make better municipal investments.

The Project provided assistance to organize a series of meetings involving the Copán Chortí Mancomunidad and the OMMs from its member *municipios* (Camotán, Jocotán, San Juan Ermita and Olopa). The purpose of the meetings was to review and approve municipal policies on women’s issues as proposed by the Mancomunidad, and at the same time, elect new members to the CMM boards of directors, which in turn make up the COMUDE.

LGP provided technical and financial assistance to carry out five meetings, along with technical assistance for four out of nine COMUDE meetings in seven of the twelve target *municipios*: Olopa, Estanzuela, San Jacinto, San Cristóbal Acasaguastlán, San Juan Ermita, Camotán and Jocotán.

LGP distributed copies of the PDM (municipal development plans) for Chiquimula during the first CODEDE meeting of 2012. Although the Project has made progress in promoting more inclusive political processes as described above, LGP technical assistance is limited by the fact that neither Jalapa nor Esquipulas have been able to facilitate meetings with the new municipal officials, nor have the DMP directors been appointed in those cities.

Furthermore, the Project has been unable to progress as planned in Monjas over the last quarter. LGP implementation continues to be a difficult process in light of the lack of interest expressed by municipal authorities and very little commitment which is perceived to be the result of low expectations associated with the re-election of municipal authorities.

The Project is also facing a complicated situation in Sansare. Local inhabitants are dissatisfied with the election outcome and there is disagreement between the mayor and the voters as to whether he is legally entitled to take taking office. As such, the situation is interfering with LGP's ability to effectively coordinate activities with the municipal technical staff.

1.3.1 LLR 2.3.1: Mechanisms for citizen participation strengthened in each selected municipality

LGP provided technical and financial assistance to strengthen citizen participation mechanisms at departmental, municipal, and community levels. At the department level, this was done through the Chiquimula Departmental Development Council (CODEDE); at the municipal level, through the Municipal Development Councils (COMUDE) in target *municipios*, and at the community level, the Project provides assistance to municipalities in reviewing and updating coordinating commissions (boards) under the Community Development Councils (COCODE), and in designing a training program for target *municipios* to strengthen citizen participation.

Departmental Level

On March 6, LGP provided technical and financial assistance for the Chiquimula CODEDE meeting where, in coordination with SEGEPLAN, LGP distributed the Municipal Development Plans (PDM) of San Juan Ermita, San José La Arada, Concepción Las Minas, Esquipulas, Camotán, San Jacinto, and Olopa.

Municipal Level

LGP provided technical and financial assistance to carry out five meetings, along with technical assistance for four out of nine COMUDE meetings in seven of the twelve target *municipios*, as follows: Olopa (1), Estanzuela (3), San Jacinto (1), San Cristóbal Acasaguastlán (1), San Juan Ermita (1), Camotán (1), and Jocotán (1). Altogether, 593 people (226 women, or 38%) attended the 9 COMUDE meetings held during this quarter.

COMUDE MEETINGS DURING THE QUARTER					
DATE	MUNICIPIO	ATTENDANTS			MAIN TOPIC
		M	F	TOTAL	
02/10/2012	Estanzuela	27	21	48	Distributing PDM
02/17/2012	Jocotan	44	34	78	Accountability report
02/23/2012	San José La Arada	21	11	32	Introduction of new authorities and accountability report
02/28/2012	San Cristóbal Acasaguastlán	42	30	72	Introduction of new authorities and accountability report
02/29/2012	San Juan Ermita	35	32	67	Introduction of new authorities and accountability report
02/29/2012	Camotan	65	29	94	Introduction of new authorities and accountability report
03/09/2012	Estanzuela	18	14	32	Presentation of 2013 investment needs of COCODE
03/22/2012	Estanzuela	22	20	42	Setting priorities for 2013 CODEDE projects
03/28/2012	Esquipulas	37	13	50	Presentation of CODEDE 2013 project needs.
03/29/2012	Olopa	56	22	78	Presentation of 2013 investment needs of COCODE
	TOTAL	367	226	593	

Community Level

LGP continued providing technical and financial assistance to strengthen citizen participation through COCODE representatives. During this quarter, LGP provided technical assistance to DMP personnel in charge of the COCODE to review the different commissions of COCODE representatives (boards). The new board member election process began with the assistance of DMP and OMM personnel.

To better understand the scope of this activity, it is important to mention that COCODEs are created in each community, but the *Ley de Consejos de Desarrollo Urbano y Rural* (the governing regulation) specifies that the maximum number of voting COCODEs is 20. Consequentially, second level COCODEs were created. There are 15 COCODEs in Estanzuela; 58 in Esquipulas; 47 in Olopa; 28 in San Cristóbal Acasaguastlán; 49 in Jocotán; 32 in Camotán; 22 in San Juan Ermita; 24 in Concepción Las Minas; and 24 in San Jacinto. Throughout the course of 2012, the term of the majority of these COCODEs will expire.

LGP's technical personnel provided technical assistance to the DMP and OMM to visit and update the coordinating units (boards) in each of the *municipios*.

1.3.2 LLR 2.3.2: Improved public communication mechanisms at the local level regarding municipal processes

No activities were carried out for this LLR during this quarter.

1.3.3 LLR 2.3.3: Increased participation of women and indigenous people in selected municipalities

This quarter, LGP joined efforts with the Copán Chortí Mancomunidad and the regional SEGEPLAN office in Chiquimula to launch training activities for municipal authorities and officials of Chiquimula, as part of the DMP network (Municipal Planning Division).

DAFIM, DMP and OMM personnel joined members of the Municipal Councils from 9 out of the 11 *municipios* in Chiquimula to participate in the training workshops (an average of 50 people). The workshop methodology combined master classes, brainstorming sessions and working groups to build consensus and develop plans to increase municipal own source revenue by improving both customer service and the services themselves. The OMM was also encouraged to join in these activities.

The Project strongly encouraged the participants to create OMMs, not only to improve their image but also to become more familiar with the different dynamics within municipalities and with their own responsibility of providing technical support to meet the demands of women of the *municipio*.

Summary of obstacles to the implementation of SUB-IR 2.3

LGP technical assistance is limited by the fact that neither Jalapa nor Esquipulas have been able to facilitate meetings with the new municipal officials, nor have the DMP directors been appointed in those cities. Although the new officials seem willing to work with the LGP, they are still getting acquainted with their new responsibilities.

The Project has been unable to progress as planned in Monjas over the last quarter. LGP has expressed concern for the difficulty in coordinating actions and the lack of significant progress in this SUB-IR. In the upcoming quarter, the Project will once again try to coordinate actions with the DMP and the OMM, but the outlook is somewhat disheartening in light of the limited progress made during these past two years.

The Project is also facing a complicated situation in Sansare. Local inhabitants are dissatisfied with the election outcome and there is disagreement between the mayor and the voters as to whether he is legally entitled to take office. As such, the situation is interfering with LGP's ability to effectively coordinate activities with the municipal technical staff.

1.4 SPECIAL ACTIVITIES

1.4.1 Coordination with other donors, partners, and/or USAID Projects

On February 24, a DGO Partner's Meeting was held at the OIM facilities. Sandino Asturias made an introductory presentation to brief the projects on the current post-election composition of Congress. One of the key subjects dealt with the different projects' political advocacy priorities.

On March 19, the DCOP and Monitoring & Evaluation Specialist attended a training session held at the USAID facilities on Branding & Marking and Communications & Media Relations. This was the first of two sessions addressed to USAID sponsored projects.

Participants in both activities included representatives from: *NDI, Acción Ciudadana, IFES, Proyecto Gobernabilidad Local, Proyecto de Transparencia, PAVI, Proyecto Prevención del Crimen, OIM, and PAJUST*. A follow-up meeting was scheduled for May 29.

2.0 CROSS-CUTTING THEMES: GENDER, INDIGENOUS PEOPLES, AND LOCAL ECONOMIC DEVELOPMENT

2.1 GENDER AND INDIGENOUS PEOPLES

The Project prioritized technical and financial assistance to strengthen and provide training for the Municipal Commission for Women (*Comisión Municipal de Mujeres –CMM*) in each *municipio* by way of direct interventions as well as through efforts coordinated through the Municipal Office for Women (*Oficina Municipal de la Mujer –OMM*). This entailed an extensive review of each of the different boards of directors' commissions and assistance in promoting their incorporation into the COMUDE.

The Project provided assistance to organize a series of meetings with the CMM together with the Copán Chortí Mancomunidad and the OMMs from its member *municipios* (Camotán, Jocotán, San Juan Ermita and Olopa). The purpose of the meetings was to review and approve municipal policies.

Department Level

LGP provided technical assistance to the Chiquimula OMM network during their participation in the DMP network. As a result of Project-sponsored training activities, the OMM network has increased participation significantly but is not yet fully organized. LGP continues to promote its integration, with the support of the Copán Chortí Mancomunidad and SEGEPLAN.

Municipal and Community Level

The Project provided assistance to organize a series of meetings involving the Copán Chortí Mancomunidad and the OMMs from its member *municipios* (Camotán, Jocotán, San Juan Ermita and Olopa). The purpose of the meetings was to review and approve municipal policies on women's issues as proposed by the Mancomunidad, and at the same time, elect new members to the CMM boards of directors, which in turn make up the COMUDE.

Obstacles

Despite reforms to the Municipal Code that now grant OMM coordinators a status equal to that of municipal officials; they have not stepped into their role in a leadership position. They continue to carry out activities and play a role they do not belong in, such as doing public relations for the Mayor. LGP insisted on the need to strengthen the OMMs, particularly in LGP target municipalities. However, lack of support from municipal authorities and the women's reluctance to fully assume their role, interferes with the strengthening process of the Chiquimula OMM.

ROSTER OF NEW MUNICIPAL AUTHORITIES		
MUNICIPALITY	NAME	OFFICE
Camotan	Julio César Galicia Portillo	DMP
	Isabel Bracamontes	OMM
	Armando Rubio Carrera	JAM
San Juan Ermita	Gabriel Pisquiy	DMP
	Delmy Nineth Portillo Portillo	OMM
Olopa	María Martínez Interiano	OMM
Esquipulas	Mario Ricardo Leiva Díaz	JAM
	Dámaris Eva Elena Moscoso Rodríguez	OMM
	José Gilberto Guillén Girón	DAFIM
	Ana Amarilis López Castillo	Gerente Municipal
	Por Designar	DMP
San Cristóbal Acasaguastlán	Emilio Eliseo Vásquez Martínez	DMP
	César José Leopoldo Portillo Lima	DAFIM
	Blanca Estela Paz Echeverría	OMM
Jalapa		
	Hilda Teresa Lucero de Vásquez	DAFIM
	Rigoberto Antonio Marroquín Ramírez	Secretario Municipal
	Marcos Adán Marroquín Hernández	Ser. Municipales y Transporte
	Emma Margarita Lima Gómez	OMM
	Gustavo Figueroa	DMP
Sansare		
	Justo Marroquín	Gerente municipal

	Víctor Orellana	DMP
	Mariela Morales	OMM
	Aníbal Juárez	Secretario Municipal
	Gredis Rodas	JAM

2.2 LOCAL ECONOMIC DEVELOPMENT

At the request of Grupo Gestor, LGP once again focused efforts on designing Estanzuela's local economic development plan, in coordination with the DMP. In March 2012, LGP's COP visited nine different sites identified by the municipality and Grupo Gestor to assess their tourism potential.

LPG's first impression during the assessment was that the tourism potential is less than what was expected, for two main reasons: a) the sites would require a much higher investment in infrastructure and services to make them suitable for tourism than the revenue they could produce; and b) only a few of the sites are attractive enough to integrate them into a tourism circuit, which would be too short to have visitors spend the night and spend money in the *municipios* during their visit.



Visit to a forest preserve located in Tres Pinos, Estanzuela, proposed by local businessmen as an eco-tourism site.



Possible location for a hotel incorporating a scenic overview of Estanzuela's productive valley, suggested by local businessmen and the municipality.



Estanzuela's Museum of Paleontology. It receives around 41,000 visitors a year.



Main plaza of a recently built commercial center in Estanzuela

LGP agreed to a second visit to assess the agri-business potential of the *municipio*. This potential is probably higher because Estanzuela is the largest producer of cantaloupe in the country (and one of the largest in the world), as well as one of the largest producers of mango, okra, egg plant and other unprocessed vegetables.

Additionally, LGP continued to support the implementation of the LED plan for Mancomunidad Copán Chortí. One key event in this area was the inauguration of the Technological Institute on March 21, which was attended by the Vice-President of the Republic and the Director of USAID.

This institute serves a dual purpose in the region: a) it increases the amount of available skilled labor, thereby improving competitiveness in the region, one of LGP's key components, and b) it creates educational and recreational opportunities for local youth to keep them from getting involved in criminal activities, an important component of USAID's Crime Prevention Project.

LGP provided assistance is searching for new investments in the region that would provide job opportunities to young ones who graduate from this institute. Businessmen who might be interested in investing in call centers or *maquilas* (clothing apparel industries) in the Chortí region will be invited to visit.

Another particularly relevant instance of LGP support has been to assist Mancomunidad Copán Chortí in negotiating with Milgroup to finance the construction of 80 greenhouses in the region. Financing has been officially approved and the Mancomunidad is currently in the process of contracting a company to build the greenhouses.

At the same time, LGP assisted the Mancomunidad in three other specific aspects: a) organizing the beneficiary families of the greenhouse project; b) identifying the best options to provide technical assistance once the greenhouses are ready to produce, and c) identifying markets in which to sell the produce.

LGP and the manager of Mancomunidad Copán Chortí attended a meeting with Hortigua, one of the most prestigious companies that run greenhouses. Hortigua is interested in commercializing the production of the 80 greenhouses through Wal-Mart, provided the greenhouses produce tomato and the producers accept technical and commercialization assistance from Wal-Mart. Although no specific agreement has been reached, Walmart has issued a letter of interest and a second meeting was scheduled to define Hortigua's role and the cost of the technical assistance they would provide.

Unfortunately it seems the Project's possibilities of continuing with the design of the San Cristóbal Acasaguastlán LED plan are minimal, for two reasons: a) the municipality and Grupo Gestor broke their alliance because the Group's leader is the husband of the mayor who lost the elections; and b) LPG feels that the individual economic potential of the *municipio* is very limited and a LED plan would only be feasible if presented by several *municipios* forming a mancomunidad, but this is unlikely to happen any time soon.

3.0 MONITORING AND EVALUATION PLAN

3.1 M&E QUARTERLY REPORT

LGP's M&E Plan contains 10 indicators; five indicators are reported quarterly (2, 5, 6, 8, and 9) and the remaining three indicators are reported, annually (1, 3, and 7). Indicator four will be reported in Year three and indicator 10 was only reported in Year two.

Indicator 2. USG FACTS 2.1: Number of Sub-National Governments receiving USG assistance to increase their annual own-source revenues

According to the target for Year 3, the Project would provide technical and financial assistance to 13 municipalities. To date, technical assistance is being provided to increase own source revenue to all 13 municipalities served by the project.

During this quarter, technical and financial assistance continued to be provided to the municipalities of San Cristóbal Acasaguastlán, San Jacinto, Concepción Las Minas, and Estanzuela with the purpose of increasing IUSI collection (See LLR 2.1.2 IUSI Project).

Of the four IUSI target municipalities, two have new municipal authorities (San Cristóbal Acasaguastlán and Estanzuela). San Jacinto and Concepción Las Minas reelected their mayors. However, the Municipal Council was restructured in all four municipalities.

The mayors of San Cristóbal Acasaguastlán and San Jacinto have agreed to charge for water services, starting September 2011. The corresponding collection by the end of the 2011 fiscal period surpassed that of 2010. IUSI reported the highest revenue, 135% that of 2010 in San Jacinto, and 100% that of San Cristóbal Acasaguastlán.

The mayor of Concepción Las Minas agreed to charge for water services in late February of 2012. Only three weeks after collection began, it has reached 115% that of the 2011 period.

Collection in Estanzuela has not begun because the mayor would like to be better acquainted with the SIAF system and the user databases. The IUSI coordinator briefed the Municipal Council on progress so far and on the functionality of the SIAF system. As a result, the municipal council approved correcting and filtering inconsistencies in the SIAF system. IUSI activities were temporarily suspended in Estanzuela as a result of a census that requires municipal technical personnel to carry it out. The mayor has expressed that once the census is completed, services will be billed.

The IUSI Project has encouraged registration of new services and has facilitated service applications, approvals, and installation. It has also encouraged the identification of illegal water connections and of non-registered businesses. It has assisted municipalities in preparing proposals and forms to ease registration in the corresponding databases). (See LLR 2.1.2 IUSI project).

Indicator 5. Number of strategic or development plans strengthened through participatory means

For Year 3, the Project will assist in designing, modifying or updating at least three strategic or development plans.

On March 6, LGP provided technical and financial assistance to hold the Chiquimula CODEDE meeting, where, in a joint effort with the Chiquimula SEGEPLAN delegation, the Municipal Development Plans (PDM) that LGP financed, were delivered. The municipalities that received their printed plans were San Juan Ermita, San José La Arada, Concepción Las Minas, Esquipulas, Camotan, San Jacinto, and Olopa. The PDM of Estanzuela was distributed during the COMUDE meeting in Estanzuela, on February 10.

The PDM of Jocotán is ready to be printed and distributed, awaiting formal approval from the municipal council. Mancomunidad Copán Chorti will be able to print 100 copies with the financial support of Acción Contra el Hambre - Action Against Hunger - (Spanish NGO).

Coordination with the El Progreso SEGEPLAN delegation continues in Sansare and San Cristóbal Acasaguastlán so the contents of the PDM may be approved by municipal authorities in order to print and distribute them during the next quarter. The PDM of Jalapa and Monjas continue in standby, as they are yet to be approved by the current municipal authorities and officers.

LGP provided technical and financial assistance to the Estanzuela COMUSAN to prepare its work plan based on the Food and Nutritional Security Plan of the *municipio*. The draft includes concurrent actions of other organizations working in the *municipio*, such as the ministries of health, agriculture, and education. (Ver LLR2.1.5).

Indicator 6. USG FACTS 2.2: Number of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization

According to the LGP M&E Plan, the Project will train a total of 1,772 persons (688 women, equivalent to 30%, and 1,034 men) during Year 3.

During the first quarter of Year 3, LGP trained a total of 1,140 persons (27% women), as the following table shows. From October 1, 2011 to date, LGP has trained 2,223 people (463 women).

LGP Indicator 6 USF FACTS 2.2: Number of individuals who receive USG-assisted training, including management skills and fiscal management, to strengthen local government and /or decentralization (January- March 2012)

Training No.	Name of the training program/Field of study	Target group	Start and end dates/ Place	Women	Men	Total of participants (male/ female)
1	Planning as a tool for development.	Municipal officers	Chiquimula, Feb. 22	21	31	52
2	Municipal public services and customer service		Jalapa, Jalapa, Feb. 23	4	20	24
3			Concepción Las Minas, Feb. 16	15	5	20
4	Municipal finances and own source revenue		San Juan Ermita, Chiquimula, March 7	24	26	50
5	Orientation training for municipal officers		Jutiapa, March 13	10	39	49
6			Jalapa y Santa Rosa, March 14	33	73	106
7			Chiquimula y Zacapa, March 13	21	60	81
8			Izabal y El Progreso, March 14	18	47	65
9			Alta Verapaz y Baja Verapaz, March 16	33	175	208 ienta
10			Petén, March 16	20	54	74
11			Quiché, March 20	19	71	90
12			Retalhuleu y Suchitepéquez, March 22	42	110	152
13			Escuintla, Guatemala, Sacatepéquez and Chimaltenango, March 27 and 28	45	124	169
TOTAL				305	835	1140

LGP carried out 13 training workshops during the January-March 2012 quarter. All workshops were evaluated using a pre- and post- survey which provided information on women participation, effectiveness, relevance, and satisfaction of participants, as the following table shows.

Table 1: Results from LGP surveyed training workshops held January to March 2012

Training workshop*/	Total Attendance (average) 1/	Female participants 1/	% women	% of previous knowledge		% of applicability 3/		User satisfaction 4/	Total participants		
				Pre 2/	Post 2/	Pre 3/	Post 3/		Pre	Post	
LGP Surveyed training workshops											
1	Planning as a tool for development. Chiquimula, Feb. 22	51	22,0	43%	12%	75%	94%	92%	96%	50	52
2	Municipal public services and customer service. Jalapa, Jalapa, Feb. 23	23	5,0	22%	17%	100%	87%	91%	87%	23	23
3	Municipal public services and customer service. Concepción Las Minas, Feb. 16	20	18,0	90%	20%	95%	100%	95%	100%	20	20
4	Municipal finances and own source revenue. San Juan Ermita, Chiquimula, March 7	49	21,0	43%	8%	90%	89%	93%	100%	47	50
5	Orientation training for municipal officers. Jutiapa, March 13	34	8	24%	18%	74%	97%	87%	87%	37	31
6	Orientation training for municipal officers. Jalapa and Santa Rosa, March 14	64	25	39%	13%	83%	97%	86%	95%	65	63
7	Orientation training for municipal officers; Chiquimula and Zacapa. March 13	36	14	39%	22%	87%	94%	100%	96%	49	23
8	Orientation training for municipal officers. Izabal and El Progreso. March 14	42	14	33%	7%	100%	100%	94%	97%	50	33
9	Orientation training for municipal officers; Petén, March 16	45	15	33%	7%	79%	78%	96%	94%	36	53
10	Orientation training for municipal officers. Alta Verapaz and Baja Verapaz. March 16	81	21	26%	10%	79%	87%	91%	95%	104	57
11	Orientation training for municipal officers. Quiché. March 20	57	12	21%	7%	71%	89%	79%	98%	56	58
12	Orientation training for municipal officers. Retalhuleu y Suchitepéquez. March 22	116	42	36%	85%	79%	99%	84%	94%	119	112
13	Orientation training for municipal officers. Escuintla, Guatemala, Sacatepéquez and Chimaltenango. March 27 and 28	161	44	27%	11%	85%	25%	17%	100%	177	144
SUB TOTAL		779	261	34%	22%	81%	94%	86%	95%	833	719

1/This is an average because the number of participants may vary – the number of persons at the beginning of the workshop may not be the same as those by the end; some may leave and others may join.

2/ Adds results in the first two categories: Excellent + Good; Considerable + Good; or Considerable + Some, depending on the case.

3/ Refers to participants' expectations regarding applicability of the training topics.

4/Based on the question: Would you recommend this workshop to other persons?

Source: Prepared by LGP based on pre and post surveys collected after each of the workshops delivered during the January-March quarter.

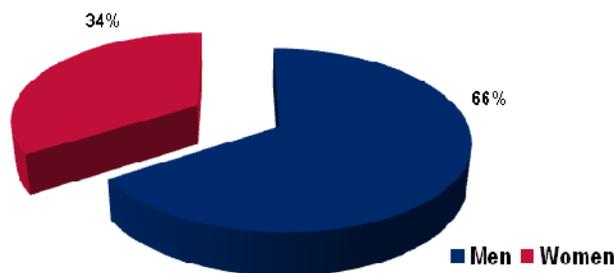
These workshops were the result of an alliance between LGP and a group of institutions that includes: the Ministry of Labor, the Ministry of Public Finance, the Cadastral Information Registry, SCEP, INAP, AGAAI, INFOM, ILO, and ANAM. Training addressed mayors and municipal authorities and officers of Chiquimula, Zacapa, Izabal, El Progreso, Jutiapa, Jalapa, Santa Rosa, Alta Verapaz, Baja Verapaz, Petén, Totonicapán, Quetzaltenango, San Marcos, Huehuetenango, Quiché, Sololá, Retalhuleu, Suchitepéquez, Escuintla, Guatemala, Sacatepéquez, and Chimaltenango. Information related to training delivered in Totonicapán, Quetzaltenango, San Marcos, Huehuetenango, and Quiché will be included in the Feed the Future quarterly report.

The COP and the Legal Advisor of LGP were among the workshop facilitators. They traveled to both the East and the West of the country as members of the facilitating teams. They were in charge of specific topics such as the legal municipal framework, which included the municipal legal system, municipal autonomy, self-sustainable municipal potable water, and self-sustainable quality water service. Other topics within the scope of LGP facilitators included municipal planning, the *municipios* as development agents, climatic change, food and nutritional security, public safety and prevention.

It is important to mention that low schooling and illiteracy among indigenous participants in the workshops accounts for differences in the number of pre- and post- evaluations and the number of attendees, particularly in Alta Verapaz and Baja Verapaz.

Among the 779 persons that completed pre-and post-evaluation forms of the 13 orientation training workshops, 34% were completed by women; 118 participants were mayors (6 of them women).

**Female participation in the training workshops evaluated
January – March 2012**

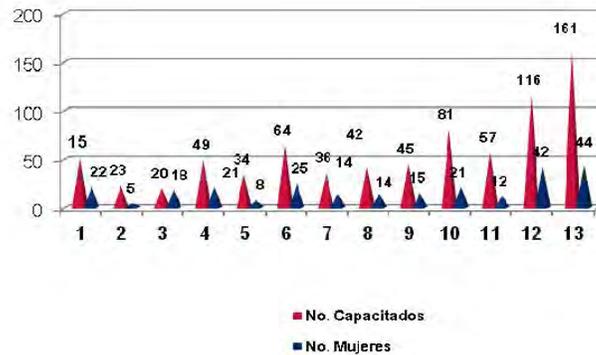


Source: LGP records

Training activities during this quarter specifically focused on the second phase of the orientation training for mayors and municipal authorities and officers. The program was divided into three modules that included the following topics: municipal legal framework, municipal public services, the Procurement State Act, municipal planning, tools for municipal development, the municipal budget cycle (SNIP), and the labor regime.

The following graph highlights female participation in each of the training workshops. See Table 1, where workshops are listed.

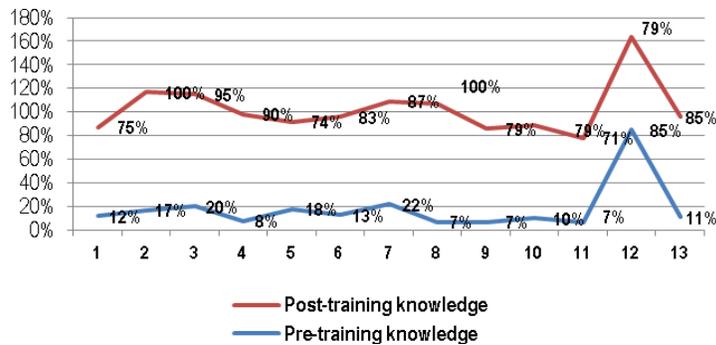
**Women Participation in workshops evaluated
January – March 2012**



Source: LGP pre- and post- training evaluation slips

Survey results were also helpful to determine the level of perceived effectiveness of the training: participants were asked how much they knew before and after the workshop. As a result, for the 13 workshops evaluated, 22% responded they had “considerable or some” knowledge on the subject, compared to 81% that reported that their knowledge had improved by the end of the training. The following table shows results reported for each of the workshops.

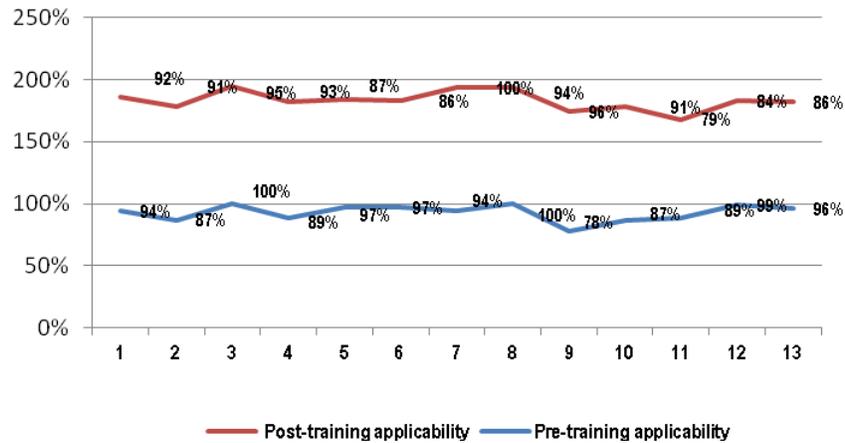
**Perceived effectiveness of LGP training workshops
January – March 2012**



Source: LGP pre- and post- training evaluation slips

Similarly, participants evaluated applicability of knowledge acquired during the workshops. They were asked to indicate their expectations in pre-and post- evaluation slips. Results showed that 94% of participants responded before the workshop that they would apply acquired knowledge in their jobs. At the end of the workshop, 86% of respondents ratified they would use acquired knowledge in their jobs.

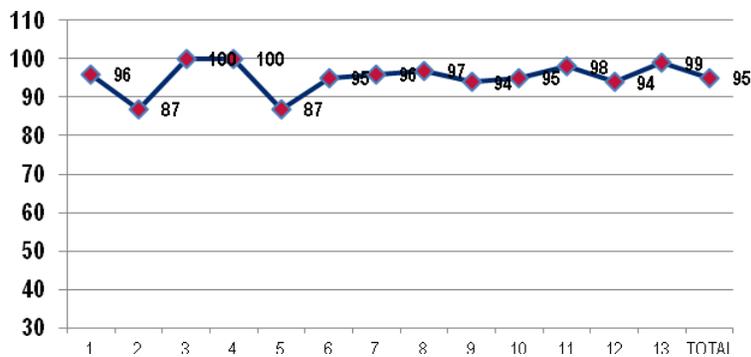
**Relevance of LGP training workshops
January - March 2012**



Source: LGP pre- and post- training evaluation slips

Another aspect assessed in all 13 workshops was the level of satisfaction of participants. 95% of respondents of post-evaluation slips would recommend the workshops to other people.

**Level of satisfaction, expressed in percentages
January – March 2012**

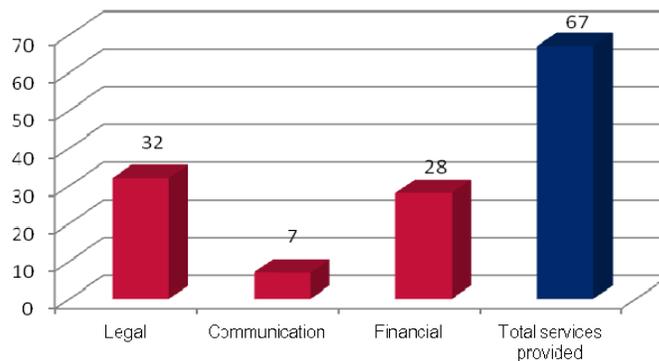


Source: LGP pre- and post- training evaluation slips

Indicator 8. Number of service actions provided by ANAM to its members

The Project’s target for Year 3 is to assist ANAM in providing 300 service actions (consultations) to its members. During the first quarter of Year 3, ANAM provided 67 service actions to its members, classified as follows: 32 legal, 7 communication, and 28 financial in nature.

Indicator 8
Types of service actions provided by ANAM to its members
January - March 2012



Source: LGP records

The following table details all service actions provided by ANAM during the quarter.

LGP Indicator 8 Number of services provided by ANAM to its members January- March 2012			
No.	Date (Spanish format)	Description of service	Municipality
Legal assistance			
1	20/12/2011	Legal advice to the mayor	Alotenango, Sacatepéquez
2	21/12/2011	Legal advice to the President of ANAM	ANAM
3	04/01/2012	Legal advice to the Municipal Affairs Judge	Palestina, Quetzaltenango
4	04/01/2012	Legal advice to members of the newly elected municipal corporation	Santo Domingo Xenacoj, Sacatepéquez
5	04/01/2012	Legal advice to the mayor	San Mateo, Quetzaltenango
6	09/01/2012	Legal advice to the DMP	San Jose Ojetenam,
7	11/01/2012	Legal advice to the Board of Directors of ANAM	ANAM
8	13/01/2012	Legal advice to the internal auditor	Jalapa, Jalapa
9	16/01/2012	Legal advice to the municipal secretary	Santa Maria Visitación, Sololá
10	18/01/2012	Legal advice to the Municipal Manager	Ipala, Chiquimula
11	18/01/2012	Legal advice to the mayor and members of the Municipal Council	Santo Domingo Xenacoj, Sacatepéquez
12	19/01/2012	Legal advice to the Third Councilor of the Municipality	San Luis Jilotepeque, Jalapa
13	20/01/2012	Legal advice to the mayor and members of the Municipal Council	Escuintla
14	23/01/2012	Legal advice and technical assistance to the Executive Secretary and the Technical Manager of ANAM	ANAM

15	23/01/2012	Legal advice to the mayor and the financial director	Concepción, Sololá
16	24/01/2012	Legal advice to the mayor and members of the Municipal Council	La Gomera, Escuintla
17	26/01/2012	Training to support personnel prior to the National Assembly	ANAM
18	27/01/2012	Advice to members of the Electoral Commission of ANAM	ANAM
19	28/01/2012	Coordination of the National Assembly of Mayors	ANAM
20	09/01/2012	Advice on how to obtain settlements	Santiago Sacatepéquez y San Antonio Aguas Calientes
21	10/01/2012	Preparation of the Legal Accreditation Project	Executive Secretary
22	10/01/2012	Technical assistance to the Executive Secretary during a meeting held in the Municipality of Guatemala	Executive Secretary
23	11/01/2012	Legal advice during meeting of the Board of Directors	Secretaría Ejecutiva
24	12/01/2012	Settlements	San Pablo La Laguna, San Juan Ostuncalco y Comalapa
25	12/01/2012	Legal advice in a case of unconstitutionality against Escuintla	Executive Secretary
26	21 Y 22/01	Legal advice in a meeting held in Panajachel among mayors of several municipalities	Executive Secretary
27	23/01/2012	Legal assistance to prepare the electoral roll, the Association's by-laws and election regulations.	Executive Secretary
28	24/01/2012	Legal assistance during board meeting	Executive Secretary
29	25/01/2012	Legal assistance for ANAM's General Assembly	Executive Secretary
30	26/01/2012	Support during the organization process of ANAM's General Assembly	Executive Secretary
31	27/01/2012	Meeting with ANAM's Electoral Commission	Executive Secretary
32	28/01/2012	General Assembly of ANAM	Executive Secretary
Financial assistance			
33	19/12/2011	Advice regarding Agreement 118-2011 of the Comptrollership of Accounts	Concepción Las Minas
34	19/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution	San Lorenzo, Sibilia, San Antonio la Paz El Progreso, Puerto Barrios, San Antonio Ilotenango
35	19/12/2011	Financial advice to councilors regarding the appointment of municipal commissions and their duties.	Miembros del Concejo Municipalidad e Escuintla, Escuintla
36	19/12/2011	Integration of contributions by municipality for 2010 and 2011.	ANAM
37	20/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution	Zaragoza, San Manuel Chaparrón, Totonicapán.
38	20/12/2011	Prepare a special presentation for the Board of Directors	ANAM
39	21/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution.	El Rodeo, Teculután, San Gaspar, Chicamán Quiché, Nueva Santa Rosa, San Lorenzo
40	21/12/2011	Advice regarding registration and approval of cash balances	Chiquimula, Chiquimula

41	21/12/2011	Prepare a special presentation for the Board of Directors	ANAM
42	22/12/2011	Integration of contributions by municipality for 2010 and 2011	ANAM
43	22/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution..	Santa María Ixguatan.
44	26/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution.	ANAM
45	26/12/2011	Financial advice to the Municipal Council regarding compliance with legal and mandatory provisions of the different units of the municipality	Escuintla.
46	27/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution.	San Juan Sacatepéquez
47	27/12/2011	Financial assistance for a meeting of the Board of Directors	ANAM
48	28/12/2011	Financial advice regarding the 2012 calculation and the monthly constitutional contribution.	Esperanza, San Lucas Sacatepéquez.
49	28/12/2011	Prepare a special presentation for the Board of Directors	ANAM
50	28/12/2011	Calculation of the complement for the 2011 constitutional government contribution	Teculután, San Jose Rodeo.
51	29/12/2011	Information regarding the complement for the 2011 constitutional government contribution	Alta Verapaz, Retalhuleu, Huehuetenango, Suchitepéquez Zacapa.
52	28/12/2011	Integration of contributions by municipality for 2010 and 2011	ANAM
53	29/12/2011	Report on the contributions by municipality for 2010 and 2011	ANAM
54	29/12/2011	Monitoring of the complement to the constitutional government contribution and calculation of the 2012 contribution	San Cristóbal Totonicapán.
55	02/01/2012 al 10/01/2012	Comparison of the 2010 and 2011 municipal contributions and calculation of the 2012 corresponding contributions	Barberena, San Diego, Quetzaltenango, San Pedro Quiché
56	11/01/2012	Technical assistance to write the minute item needed to determine cash balances	Camotán
57	11/01/2012	Presentation to the Board of Directors	ANAM
58	12/01/2012 al 20/01/2012	Calculations and comparisons of constitutional contributions	Sibilia, San Miguel Panám, Zaragoza, Chimaltenango, Zacapa, Patzún, Teculután.
59	23/01/2012 al 26/01/2012	Technical assistance to write the financial section of the Annual Report and to write the minute item regarding payments to suppliers.	Iztapa, ANAM.
60	27/01/2012 al 28/01/2012	Assistance during the ANAM 2012 General Assembly	ANAM
Communication assistance			
61	1/1/2012 al 31/1/2012	Reviewing of media monitoring reports	Board of Directors and Advisory Council
62	4/1/2012 al 11/1/2012	Writing news, selecting pictures, diagramming and mailing the bulletin	Board of Directors and Advisory Council
63	1/01/2012 al 31/1/2012	Writing and diagramming information considered relevant by ANAM	Board of Directors and Advisory Council

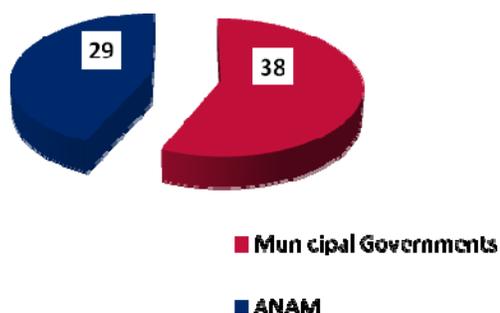
64	1/1/2012 al 31/1/2012	Writing, designing and sending invitations	Board of Directors and Advisory Council
65	1/1/2012 al 31/1/2012	Participation in activities organized by international cooperation agencies and counterparts of ANAM	Board of Directors and Advisory Council
66	1/1/2012 al 31/1/2012	Attention of journalists, by phone or in person regarding municipal matters	Board of Directors and Advisory Council.
67	1/1/2012 al 31/1/2012	Supervising journalism, multi-media and graphic design work	Board of Directors and Advisory Council.

Source: LGP records

During the second quarter of Year 3, ANAM provided 67 service actions to members, of which 29 were meetings with the President to assess a potential pilot project in the municipality of Villa Canales, in a joint effort with the German Cooperation Agency in Guatemala.

Important legal counsel that LGP provided to members of the board and the Advisory Council pertained the new Presidency of ANAM and the integration of the Electoral Commission that would oversee the election of a new Board of Directors. LGP provided legal counsel prior to the National Assembly held on January 28, 2012, including the legal accreditation process implemented for the event, procedures, materials, and other related activities carried out. Attendees included 223 mayors and 25 representatives. The following graph summarizes attendance recorded by ANAM.

Indicator 8
Types of service actions provided by ANAM to its members
January- March 2012



Source: LGP records

Indicator 9. Number of local mechanisms supported with USG assistance for citizens to engage their sub-national government [USAID Guatemala PMP Custom Indicator]

The M&E monitoring plan of LGP has a target of 30 local citizen participation mechanisms to be supported during Year 3.

During the first quarter of Year 3, LGP provided technical assistance to carry out 19 meetings to promote citizen participation. This includes 3 CMM meetings (Camotán, Olopa, and Jocotán), 2 COMUSAN meetings in Estanzuela; 2 meetings of the DMP network and one of Chiquimula CODEDE. Additionally, technical assistance was provided to hold 9 COMUDE meetings (in Olopa, Camotán, and two in Estanzuela – financial assistance as well) in 7 of the thirteen LGP target municipalities in the eastern part of the country. LGP also provided technical assistance to Mancomunidad de Nor-Oriente and Mancomunidad Copán Chortí, as shown in the table below.

Indicator 9 January-March 2012 Meetings supported by LGP mechanisms to engage local citizen participation		Number
Camotán COMUDE		1
Estanzuela COMUDE		3
San Cristóbal Acasaguastlán COMUDE		1
San Jacinto COMUDE		1
San Juan Ermita COMUDE		1
San José La Arada COMUDE		1
Olopa COMUDE		1
Camotán CMM		1
Olopa CMM		1
Jocotán CMM		1
Estanzuela COMUSAN		2
Chiquimula RED DMP		2
Chiquimula CODEDE		1
Mancomunidad de Nororiente LED PARTNERSHIP		1
Mancomunidad Copán Chortí LED PARTNERSHIP		1
TOTAL NUMBER OF MEETINGS SUPPORTED BY LGP		19

During this quarter, LGP provided technical assistance to 15 citizen participation local mechanisms, including: 7 COMUDE: Camotán, Olopa, Estanzuela, San Cristóbal Acasaguastlán, San Jacinto, San Juan Ermita, and San José La Arada; 3 CMM: Olopa, Camotán, and Jocotán; 1 COMUSAN in Estanzuela; the DMP network and the CODEDE in Chiquimula. Additionally, LGP supported LED alliances with Mancomunidad de Nororiente and Mancomunidad Copán Chortí, as shown in the following table.

Indicator 9 January – March 2012 USG FACT Number of local mechanisms supported with USG assistance for citizens to engage their sub-national government	
Type of Mechanism	Number
CMM	
Olopa	1
Camotán	1
Jocotán	1
COMUSAN	
Estanzuela	1
DMP Network	
Chiquimula	1
CODEDE	
Chiquimula	1
COMUDE	
Camotán	1
Olopa	1
Estanzuela	1
San Cristóbal Acasaguastlán	1
San Jacinto	1
San Juan Ermita	1
San José La Arada	1
LED PARTNERSHIP	
Mancomunidad de Nororiente	1
Mancomunidad Copán Chortí	1
TOTAL	15

Source: LGP records

- ✓ The main topics discussed during COMUDE meetings during this quarter include:
 - Estanzuela: Distribution of the PDM
- ✓ Jocotán: accountability report
- ✓ San José La Arada: introduction of new authorities and accountability report
- ✓ San Cristóbal Acasaguastlán: introduction of new authorities and accountability report
- ✓ San Juan Ermita: introduction of new authorities and accountability report
- ✓ Camotan: introduction of new authorities and accountability report
- ✓ Estanzuela: Presentation of COCODE 2012 investment needs and accountability report
- ✓ Olopa: Presentation of COCODE 2013 investment needs and accountability report

4.0 SMALL GRANTS PROGRAM

The evaluation and selection process of the first small grant LGP will award was conducted in November 2011. The project proposal submitted by Mancomunidad de Nor-Oriente, “Encouraging citizen participation following a food security and gender equity approach in *municipios* proposed by Mancomunidad de Nor-Oriente” was selected for this award.

The DCOP and the Financial Coordinator put together all documents required by ARD’s Grants Management Plan and held a meeting with the grantee (Mancomunidad de Nor-Oriente) on February 15 and 16 to validate the information and certifications required. A pre-award survey was completed during the visit and certifications were signed. The compiled file was submitted for approval to both ARD and USAID and official approval by the latter was granted on March 21st.

A follow-up visit is scheduled for April 12 and 13 to sign the negotiation memorandum, review the work plan and schedule of activities, as well as to brief the team on administrative and technical matters pertaining the grant. The first disbursement and initiation of activities are scheduled for mid-April.

LGP’s grant supervising team will be:

1. Sara Carolina García, DCOP
2. Edgar Solórzano, Financial & Administrative Coordinator (financial supervisor)
3. Roberto Rodríguez, Citizen Participation Coordinator (technical supervisor)

5.0 RAPID RESPONSE FUND

On March 8, USAID approved the use of Rapid Response Funds to contract a consultancy service for ANAM related to an evaluation of electricity services that currently impact municipal income. Additionally, on March 29, 2012, USAID authorized to contract Aldo Estuardo García Morales to carry out said consultancy.

6.0 TRAINING AND SHORT-TERM TECHNICAL ASSISTANCE

See Section 3.0 of the Monitoring and Evaluation Plan for Indicator six.

7.0 SPECIAL REPORTING

7.1 PROJECT MANAGEMENT

There is no reporting in this regard for the quarter ending March 31st.

7.2 KEY ISSUES

There are no key issues to report during this quarter.

7.3 BUDGET REALLOCATIONS

There are no budget reallocations to report during this quarter.

8.0 ACTIVITY PLAN FOR NEXT QUARTER: APRIL– JUNE 2012

SUB-IR 2.1: MORE TRANSPARENT SYSTEMS FOR MANAGEMENT OF PUBLIC RESOURCES BY LOCAL GOVERNMENTS

LLR	Main Activities	Responsible
<p>LLR 2.1.1: Municipalities use transparent financial management processes, procedures, and systems</p>	<p>Financial management capacity strengthened in all municipalities</p> <ul style="list-style-type: none"> I. Elaborar Informe financiero de las municipalidades (Ingresos, egresos y deuda) de la situación al cierre del periodo. <ul style="list-style-type: none"> a. Continuar la promoción de la guía de Cálculo de costos por la prestación del servicio de abastecimiento de agua b. Promover la suscripción de acuerdos de gasto focalizado y orientado a la reinversión en operación, mantenimiento y mejoras en la prestación de los servicios c. Difusión y divulgación de los indicadores de gestión financiera que se establezcan ante el Concejo Municipal y el COMUDE 	<p>Fernando Castañaza</p>

<p>LLR 2.1.2: All selected municipalities sustainably increase own-source revenues</p>	<p>IUSI Project Continue technical assistance focused on expanding the tax base as a key strategy to increase municipalities' own source revenue.</p> <ol style="list-style-type: none"> 1. Complete the updating of the SIAF user and taxpayers' registry in the municipalities served by the IUSI project. 2. Promote the use of a single Municipal Identification Number (NIM) applicable to both registries of users and taxpayers. 3. Promote registration of new users of municipal services and taxpayers. 4. Provide technical and financial assistance to design and implement a communication strategy that will support updating of records and payment of services and taxes (local consultancy). 5. Provide technical assistance to prepare and apply collection policies in selected municipalities (possible alliance with SAT). 6. Provide technical assistance to municipalities to strengthen their local legal framework in order to ease the application of a collection policy. 7. Assist and train Municipal Affair Courts in the collection of IUSI, as well as ordinary and delinquent taxes. 8. Promote and support the implementation of a municipal solvency certificate <p>Implement in selected municipalities a multi-use geographic information system, as a basic tool for the graphic administration of municipal services</p> <ol style="list-style-type: none"> 9. Provide technical assistance in generating and digitizing information Overlays of issues related to municipal management <p>Provide training on how to use the GIS to support collection policies, planning, resource allocation, and municipal decision making.</p>	<p>Hector Solis</p>
<p>LLR 2.1.3: Municipalities practice responsible indebtedness</p>	<p>Promote responsible municipal indebtedness practices.</p> <p>Assist ANAM in advocating for the restructuring of municipal debt and changes in current legislation.</p>	<p>Jorge Escoto and Fernando Espina</p>

<p>LLR 2.1.4: Selected municipalities/mancomunidades improve basic services (Good quality water is available for users at all times)</p>	<p>Promote improvement in water chlorination systems in order to comply with the legislation in force.</p> <ul style="list-style-type: none"> • Provide technical assistance to improve the stages prior to chlorination ("clean water"). • Provide technical and financial assistance to purchase and install chlorine dispensers (in 4 municipios), including a stock for a full semester, and water quality meters (in all 13). • Prepare and implement at least eight municipal operation and maintenance plans for water services. • Train operators of production, distribution, and treatment systems in best operation & maintenance practices, (emphasizing chlorination, control, and monitoring). <p>Promote improvement in coverage of the water systems in order to achieve satisfactory levels of pressure and continuous flow.</p> <ul style="list-style-type: none"> • Encourage municipalities to prepare digitized blueprints of the water distribution network in the selected municipalities. • Provide technical assistance in selected municipalities intended to improve operational efficiency (pressure and uninterruptedness) of water systems in urban areas of the selected municipalities (local consultancy). <p>Develop water management models that will suit the characteristics and needs of each selected municipality.</p> <ul style="list-style-type: none"> • Carry out a workshop on Best Practices and Lessons Learned regarding Municipal Water Management in each of the selected municipios. <p>Promote financial sustainability of water services provided by selected municipalities.</p> <ul style="list-style-type: none"> • Provide technical assistance in updating water regulations and the water rate plan. • Provide technical assistance to selected municipalities to make collection of water service fees more efficient. <p>Providing technical assistance for the improvement of other basic municipal services.</p> <p>Provide technical assistance to selected municipalities to improve delivery of other municipal public services.</p>	<p>Marco Vinicio Ochoa Fernando Castañaza</p>
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<p>LLR 2.1.5: Municipalities improve the enabling environment for local economic development</p>	<p>Assist selected municipalities in designing economic development plans</p> <p>Integrated development plans completed in each selected municipality/mancomunidad.</p> <p>Increase public and private capabilities for the promotion of an integrated LED/SAN approach.</p>	<p>Roberto Rodriguez</p> <p>Jorge Escoto</p>
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SUB-IR 2.2: MORE EFFECTIVE ADVOCACY OF MUNICIPALITIES FOR LOCAL CITIZEN PRIORITIES WITH NATIONAL GOVERNMENT

LLR	Tasks	Responsible
<p>LLR 2.2.1: Municipal associations effectively represent their constituencies</p>	<p>Provide technical assistance to ANAM in developing the agenda and methodology, as well as finance the Extraordinary Assembly.</p> <p>Provide technical and financial assistance for ANAM's and AGAAI's permanent Board meetings.</p> <p>Assist ANAM in the implementation of the Mesas Regionales de Diálogo, in coordination with AGAAI and other donors on municipal matters.</p> <p>Provide technical and financial assistance for the permanent meetings of the <i>Instancia Municipalista</i> in coordination with other donors.</p> <p>Support the <i>Instancia Municipalista's</i> advocacy before the Commission for Municipal Affairs at Congress regarding fulfillment of the Municipal Agenda.</p> <p>Support the <i>Instancia Municipalista's</i> advocacy before the new government (Executive Branch) regarding fulfillment of commitments assumed during the 2011 electoral process.</p> <p>Support the inclusion of gender and indigenous people's issues in the national dialogue through the roundtables the <i>Instancia Municipalista</i> participates in.</p> <p>Provide technical assistance to the <i>Instancia Municipalista</i> in developing the agenda and methodology for the National Conference of Elected Authorities, as well as finance it.</p> <p>Advise the <i>Instancia Municipalista</i> in the signing of cooperation agreements, letters of understanding, etc. with national key actors (MinFin, Contraloría General de Cuentas, INFOM, CAM, SCEP, SEGEPLAN, etc.)</p>	<p>Fernando Espina, Jiny Moreno & Jorge Escoto</p>
<p>LLR 2.2.2: ANAM is financially capable to carry out its mission</p>	<p>Provide technical and financial assistance to ANAM in completing its management reorganization as approved by the Board, as part of the reengineering proposal financed by the Project (purchase order to ANAM).</p> <p>Advise regarding the development and approval of manuals and internal regulations of ANAM intended to consolidate its administrative structure. (Internal Regulations, Job Description Manual, Per diem Regulation Manual, and Recruitment and Selection Manual).</p> <p>Support the implementation of a policy to reduce arrears of ANAM members, as recommended by the business plan.</p> <p>Provide technical assistance to ANAM to promote a legal reform that transfers tax funds to ANAM.</p>	<p>Fernando Espina, Jiny Moreno & Jorge Escoto</p>

LLR	Tasks	Responsible
<p>LLR 2.2.3: ANAM improves service delivery capacity</p>	<p>Continue to provide technical and financial assistance to strengthen ANAM's capacity to provide legal and judicial representation services (purchase order to ANAM).</p> <p>Provide technical and financial assistance to ANAM in the implementation of financial advising services to municipalities (purchase order to ANAM).</p> <p>Provide technical and financial assistance to ANAM in strengthening the Public Information Units of municipalities, emphasizing those served by the Project (purchase order to ANAM).</p> <p>Finance for ANAM advisory services for the implementation of communication strategies of municipalities (purchase order to ANAM).</p> <p>Provide technical assistance in developing ANAM's capacity to promote best practices (identification of best practices, peer to peer exchange programs, and workshops).</p> <p>Provide technical assistance to ANAM in the development of workshops or lectures on reforms to the municipal legal framework.</p> <p>Improve ANAM's capacity to inform municipalities about activities it holds, issues affecting municipal activities, and relevant municipal news (purchase order to ANAM).</p> <p>Improve ANAM's capacity to provide advisory services to the <i>mancomunidades</i> by creating a client service department for that purpose.</p>	<p>Fernando Espina, Jiny Moreno & Jorge Escoto</p>

SUB-IR 2.3: MORE OPPORTUNITIES FOR CITIZEN PARTICIPATION AND OVERSIGHT OF LOCAL GOVERNMENT DECISION MAKING

LLR	Main Activities	Responsible
LLR 2.3.1: Mechanisms for citizen participation strengthened in each selected municipality	Strengthen citizen participation mechanisms and capacity of local organizations to implement such mechanisms	Roberto Rodriguez
LLR 2.3.2: Improved public communication mechanisms at the local level regarding municipal processes	No activities are scheduled next quarter for this LLR.	
LLR 2.3.3: Increased participation of women and indigenous people in selected municipalities	Increased participation of women and indigenous people in selected municipalities.	Roberto Rodriguez

9. ANNEXES/OTHER REPORTS

In compliance with Contract No. EPP-I-00-04-00035-00 Section F.5 H “Other Reports”, the Project must submit the following Annexes and/or Other Reports for the reporting period from January through March 2012:

Annex	Name	Prepared by
1	Analysis of municipal own source revenue	LGP technical staff
2	FAQs pertaining to Ley de Contrataciones del Estado y su Reglamento	LGP technical staff

ANEXO 1

PROCEDIMIENTO DE ANALISIS DE INGRESOS MUNICIPALES

A continuación se describe el proceso de análisis realizado:

PASO 1:

Del Portal de Gobiernos Locales se descargó el presupuesto de ingresos para el período 2008-2011, de cada municipalidad atendida por PGL.

PASO 2:

Se obtuvieron los totales para rubros de ingresos específicos, los totales de ingresos propios y el total de ingresos para cada año.

PASO 3:

Luego se relacionó el monto recaudado o ingresado por cada rubro de ingreso específico seleccionado, respecto del total de ingresos propios. Por diferencia se obtuvo el total de otros ingresos propios.

PASO 4:

Se estableció la variación interanual de cada uno de los rubros de ingreso seleccionados.

PASO 5:

Se estableció la variación interanual del total de ingresos propios.

PASO 6:

Se complementó el análisis de la información obtenida, identificando rubros de ingresos con potencialidad o bien que necesitan atención inmediata por parte de las autoridades.

Cuadro No. 1 Pasos 1 y 2 del proceso de análisis de ingresos

PASO 2	2008	2009	2010	2011
TRANSFERENCIAS	Q16,429,316.39	Q19,738,819.21	Q22,895,497.10	Q22,063,957.61
INGRESOS PROPIOS	Q6,832,367.51	Q7,093,774.59	Q7,606,271.58	Q11,797,355.28
DEUDA PUBLICA	Q434,994.83	Q26,172,000.00	Q3,768,000.00	Q5,526,000.00
PASO 1				
ESQUIPULAS	Q23,666,678.73	Q63,004,593.80	Q34,269,763.68	Q89,387,312.89
10-INGRESOS TRIBUTARIOS	Q684,680.45	Q749,337.69	Q812,719.90	Q994,911.91
11-INGRESOS NO TRIBUTARIOS	Q2,059,812.54	Q2,445,859.62	Q2,454,044.59	Q6,559,626.54
13-VENTA DE BIENES Y SERVICIOS DE LA ADMINISTRACIÓN	Q1,146,385.40	Q825,363.34	Q1,086,903.22	Q1,138,722.96
14-INGRESOS DE OPERACIÓN	Q2,868,672.13	Q2,759,167.23	Q2,631,909.43	Q2,863,378.31
15-RENTAS DE LA PROPIEDAD	Q72,816.99	Q314,046.71	Q620,669.44	Q140,705.56
16-TRANSFERENCIAS CORRIENTES	Q2,874,734.05	Q2,865,473.36	Q3,025,128.56	Q3,356,748.53
17-TRANSFERENCIAS DE CAPITAL	Q13,554,582.34	Q16,873,345.85	Q19,870,368.54	Q18,707,209.08
18-RECURSOS PROPIOS DE CAPITAL	Q0.00	Q0.00	Q20.00	Q0.00
23-DISMINUCIÓN DE OTROS ACTIVOS FINANCIEROS	Q0.00	Q0.00	Q0.00	Q0.00
24-ENDEUDAMIENTO PÚBLICO INTERNO	Q434,994.83	Q26,172,000.00	Q3,768,000.00	Q5,526,000.00

Cuadro No. 2 Paso 3 del proceso de análisis de ingresos

ANÁLISIS DE INGRESOS MUNICIPALES DEL PERÍODO 2008-2011		Esquipulas			
		Porcentajes respecto al total de ingresos propios			
		2008	2009	2010	2011
SUMA DE INGRESOS PRINCIPALES		81%	59%	48%	34%
IUSI		7%	7%	7%	6%
Bono de Oramento		1%	1%	2%	1%
* Alustrado Público		11%	10%	8%	8%
Locales		2%	2%	2%	2%
Multas		0%	4%	8%	4%
Licencias			6%	3%	0%
Agua		11%	10%	10%	8%
Piso de Plaza		1%	1%	10%	7%
SUMA DE OTROS INGRESOS		19%	41%	52%	66%
		PASO 3			
		Esquipulas			
		Tasas de variación interanual porcentual			
		2008	2009	2010	2011
SUMA DE INGRESOS PRINCIPALES		n/a	11%	-5%	11%
IUSI		n/a	4%	-3%	36%
Bono de Oramento		n/a	21%	40%	-7%
* Alustrado Público		n/a	1%	-1%	50%
Locales		n/a	5%	5%	4%
Multas		n/a	3099%	103%	-16%
Licencias		n/a	244%	-37%	-100%
Agua		n/a	2%	2%	40%
Piso de Plaza		n/a	-20%	-14%	1%
SUMA DE OTROS INGRESOS		n/a	-4%	23%	96%
TRANSFERENCIAS		Q16,429,316.39	Q19,738,819.21	Q22,895,497.10	Q22,063,957.61
INGRESOS PROPIOS		Q6,832,367.51	Q7,093,774.59	Q7,606,271.58	Q11,797,355.28
DEUDA PÚBLICA		Q434,994.83	Q26,172,000.00	Q3,768,000.00	Q5,526,000.00
TOTAL INGRESOS MUNICIPALES		Q23,696,678.73	Q63,004,593.80	Q34,269,763.68	Q89,387,312.89
Porcentaje de Ingresos Propios del Total de Ingresos		29%	13%	22%	34%
Variación Interanual Ingresos Propios		-41%	-4%	7%	58%

Análisis del presupuesto de ingresos:

Porcentaje respecto a total ingresos propios: para el año 2008 los ingresos por agua representaban el 11% del total de ingresos propios.

Fuente: Reporte Gobierno Local del Ministerio de Finanzas Públicas. Elaboró: PSL-USAID/Enero 2012.

Cuadro No. 3 Paso 4 del proceso de análisis de ingresos

ANÁLISIS DE INGRESOS MUNICIPALES DEL PERÍODO 2006-2011		Equiquiba			
		Porcentajes respecto al total de ingresos propios			
		2005	2009	2010	2011
SUMA DE INGRESOS PRINCIPALES		37%	33%	43%	36%
IUSI		7%	7%	7%	6%
Boleto de Ornato		1%	1%	2%	1%
- Alumbrado Público		11%	10%	6%	5%
Locales		2%	2%	2%	2%
Multas		0%	4%	3%	4%
Licencias		0%	6%	5%	6%
Agua		11%	10%	10%	9%
Piso de Plaza		17%	13%	10%	7%
SUMA DE OTROS INGRESOS		49%	41%	52%	66%

		Equiquiba			
		Tasa de variación interanual por rubro			
		2005	2009	2010	2011
SUMA DE INGRESOS PRINCIPALES		n/a	11%	-4%	11%
IUSI		n/a	4%	-3%	33%
Boleto de Ornato		n/a	21%	42%	-9%
- Alumbrado Público		n/a	1%	-11%	50%
Locales		n/a	5%	5%	4%
Multas		n/a	3099%	103%	-16%
Licencias		n/a	244%	-37%	-100%
Agua		n/a	2%	2%	46%
Piso de Plaza		n/a	-20%	-14%	1%
SUMA DE OTROS INGRESOS		n/a	-4%	23%	96%

		2005	2009	2010	2011
T transferencias		Q16,428,204.29	Q11,735,819.27	Q22,893,487.14	Q22,043,807.83
Ingresos propios		Q6,832,367.51	Q7,993,774.58	Q7,696,271.54	Q11,750,368.25
Deuda Pública		Q434,994.83	Q25,172,009.00	Q3,785,000.01	Q5,526,000.00
TOTAL INGRESOS MUNICIPALES		Q22,696,672.73	Q51,899,593.86	Q34,269,758.69	Q39,317,176.08
Porcentaje de Ingresos Propios del Total de Ingresos		29%	15%	22%	30%
Variación Interanual Ingresos Propios		541%	4%	7%	55%

PASO 4

Fuente: Portal de Gobiernos Locales del Ministerio de Finanzas Públicas.
Estado: PGL-USAID/Enero 2012

Análisis del presupuesto de ingresos:

Tasa de variación interanual por rubro: para el año 2008 los ingresos por agua representaban el 11% del total de ingresos propios, para el 2011, el 9%

Cuadro No. 4 Paso 5 del proceso de análisis de ingresos

ANÁLISIS DE INGRESOS MUNICIPALES DEL PERÍODO 2006-2011		Equiquiba			
		Porcentajes respecto al total de ingresos propios			
		2005	2009	2010	2011
SUMA DE INGRESOS PRINCIPALES		31%	55%	45%	34%
IUSI		7%	7%	7%	6%
Boleto de Ornato		1%	1%	2%	1%
- Alumbrado Público		11%	10%	6%	5%
Locales		2%	2%	2%	2%
Multas		0%	4%	3%	4%
Licencias		0%	6%	5%	6%
Agua		10%	10%	10%	9%
Piso de Plaza		17%	13%	10%	7%
SUMA DE OTROS INGRESOS		49%	45%	52%	66%

		Equiquiba			
		Tasa de variación interanual por rubro			
		2005	2009	2010	2011
SUMA DE INGRESOS PRINCIPALES		n/a	11%	-4%	11%
IUSI		n/a	4%	-3%	33%
Boleto de Ornato		n/a	21%	42%	-9%
- Alumbrado Público		n/a	1%	-11%	50%
Locales		n/a	5%	5%	4%
Multas		n/a	3099%	103%	-16%
Licencias		n/a	244%	-37%	-100%
Agua		n/a	2%	2%	46%
Piso de Plaza		n/a	-20%	-14%	1%
SUMA DE OTROS INGRESOS		n/a	-4%	23%	96%

		2005	2009	2010	2011
T transferencias		Q16,428,204.29	Q11,735,819.27	Q22,893,487.14	Q22,043,807.83
Ingresos propios		Q6,832,367.51	Q7,993,774.58	Q7,696,271.54	Q11,750,368.25
Deuda Pública		Q434,994.83	Q25,172,009.00	Q3,785,000.01	Q5,526,000.00
TOTAL INGRESOS MUNICIPALES		Q22,696,672.73	Q51,899,593.86	Q34,269,758.69	Q39,317,176.08
Porcentaje de Ingresos Propios del Total de Ingresos		29%	15%	22%	30%
Variación Interanual Ingresos Propios		541%	4%	7%	55%

PASO 5

Fuente: Portal de Gobiernos Locales del Ministerio de Finanzas Públicas.
Estado: PGL-USAID/Enero 2012

Análisis del presupuesto de ingresos:

Porcentaje de ingresos propios respecto al total de ingresos municipales: para el año 2008 los ingresos propios representaban el 29% del total de ingresos municipales.

Del análisis del municipio presentado como ejemplo (PASO 6), se concluye lo siguiente:

- el rubro de ingreso “Canon de agua potable” ha representado entre los 9% y 11% de los ingresos propios totales en los últimos 4 años.
- Los ingresos propios representan el 30% de los ingresos totales para 2011, en términos absolutos.
- Los rubros boleto de ornato, multas y licencias (de construcción) tuvieron bajas considerables entre 2010 y 2011.
- Los rubros, IUSI, Agua y Otros Ingresos, tuvieron un incremento entre 2010 y 2011.
- Existe un potencial en el rubro “Locales”, el cual no se ha aprovechado.¹

El personal del PGL entregó a cada municipalidad el análisis de los ingresos correspondientes.

¹ La Municipalidad de Esquipulas, ha solicitado el apoyo del PGL para la revisión de este rubro para poder establecer alternativas de mejora de ingresos por el mismo.

LEY DE CONTRATACIONES DEL ESTADO Y SU REGLAMENTO

Consultando la Ley de Contrataciones del Estado y su Reglamento se ha extraído lo más relevante en relación con las municipalidades.

1. ¿Qué actividades las Municipalidades están obligadas a aplicar las disposiciones de la Ley de Contrataciones del Estado y su Reglamento?

Art. 89 Reglas Generales: Para la enajenación y transferencia de bienes inmuebles, muebles o materiales, propiedad del Estado, o de sus entidades autónomas y descentralizadas, así como para la venta de bienes muebles o materiales, se seguirá el procedimiento de subasta pública, oferta pública, u otros procedimientos en los que los oferentes puedan presentar sus ofertas mediante mecanismos transparentes, previo cumplimiento de los requisitos de publicación y bases elaboradas para el efecto y de lo que en cada caso establece la presente Ley y su Reglamento.

Art. 95 Concesión. Para los fines de esta Ley se entiende por concesión la facultad que el Estado otorga a particulares, para que por su cuenta y riesgo construyan, produzcan, monten, instalen, mejoren, adicionen, conserven, restauren y administren una obra, bien o servicio público, bajo el control de la entidad pública concedente, con o sin ocupación de bienes públicos, a cambio de una remuneración que el particular cobre a los usuarios de la obra, bien o servicio. Son obligaciones mínimas del Estado, obtener los derechos de los servicios concesionados, rescatar el servicio por causas de utilidad pública, tales como servicio deficiente, aumento desmedido de precios o por fuerza mayor o caso fortuito, revisar las tarifas y velar porque sean éstas las que se cobren, y supervisar la ejecución de la concesión hasta su vencimiento. El o los despachos ministeriales, o bien, la autoridad superior de la entidad autónoma o descentralizada bajo cuya competencia se presten o deban de prestarse los servicios en cuestión, deberá emitir una resolución que describa detalladamente el ámbito, características, medios y objetivos de los servicios cuya prestación por terceros, por cuenta del Estado o de sus entidades autónomas y descentralizadas, se pretende efectuar. No podrán concesionarse servicios en los que actualmente el Estado, entidades autónomas y descentralizadas obtengan utilidades. La concesión finaliza por: cumplimiento del plazo, rescisión en los casos que se establezca en el contrato respectivo, o revocación por conducto del Ejecutivo a consideración y eventual aprobación del Congreso de la República.

ARTICULO 96. * Adjudicación y aprobación. *La concesión se adjudicará, previo cumplimiento del procedimiento de licitación que determina esta ley en lo que fuere aplicable, no pudiendo acogerse los casos de excepción que contempla la misma. El contrato será celebrado entre el titular del Ministerio o a la autoridad máxima de la entidad que corresponda y el concesionario. Tanto las concesiones originales como sus prórrogas deberán someterse por conducto del Ejecutivo a consideración y eventual aprobación del Congreso de la República.*

2. ¿Cuáles son las obligaciones de la Municipalidad y las sanciones a las que está expuesta por el incumplimiento de tales disposiciones?

ARTICULO 3. Disponibilidades Presupuestarias. Los organismos del Estado, entidades descentralizadas y autónomas, unidades ejecutoras y las municipalidades a que se refiere el artículo primero, podrán solicitar ofertas aun si no se cuenta con las asignaciones presupuestarias que permitan cubrir los pagos. Para la adjudicación definitiva y firma del contrato, sí se requerirá la existencia de partidas presupuestarias. Solicitadas las ofertas no podrá transferirse la asignación presupuestaria para otro destino, salvo que se acredite que los recursos no serán utilizados durante el ejercicio fiscal en vigor. Cuando el contrato continúe vigente durante varios ejercicios fiscales, la entidad contratante debe asegurar las asignaciones presupuestarias correspondientes. La contravención a lo dispuesto por el presente artículo, hace responsables a los funcionarios o empleados correspondientes de lo establecido en el Artículo 83 de la presente ley, sin perjuicio de las demás responsabilidades a que haya lugar.

ARTICULO 81. Fraccionamiento. El funcionario o empleado público que fraccione en cualquier formal negociación, con el objeto de evadir la práctica de la cotización y licitación, será sancionado con una multa equivalente al dos punto cinco por ciento (2.5%) del valor total de la negociación, se haya o no suscrito el contrato.

ARTICULO 82. Incumplimiento de Obligaciones. El funcionario o empleado público que sin causa justificada no cumpla, dentro de los plazos correspondientes, con las obligaciones que le asigna esta ley y su reglamento, será sancionado con una multa equivalente al dos por ciento (2%) del monto de la negociación, sin perjuicio de su destitución, si fuere procedente.

ARTICULO 83. Otras Infracciones. Cualquiera otra infracción a la presente ley o su reglamento, que cometan los funcionarios o empleados públicos, así como de la que sea responsable quien tenga intervención directa o indirecta en el proceso de la negociación será sancionado con una multa hasta el equivalente al cinco por ciento (5%) del valor total de la negociación, sin perjuicio de otras responsabilidades legales.

Del Reglamento, Artículo 56.- Liquidación. Inmediatamente después que las obras, bienes o servicios hayan sido recibidos, la Comisión en un plazo de noventa (90) días procederá a efectuar la liquidación del contrato y a establecer el importe de los pagos o cobros que deban hacerse al contratista. Igual procedimiento se observará en caso de rescisión o resolución del contrato.

3. ¿Qué significan los siguientes conceptos?

Indique en cada caso el fundamento legal

- Monto o valor total de la negociación
Art. 78 Es el valor de contratación de obras, bienes, suministros o servicios; sin incluir el Impuesto al Valor Agregado (IVA).
- Autoridad Administrativa Superior
Es la autoridad no colegiada que ocupa el orden jerárquico superior en la dependencia o entidad correspondiente.
- Vigencia del contrato
Periodo comprendido de la fecha de aprobación del contrato a la fecha de aprobación de la liquidación del mismo.
- Ley
Ley de Contrataciones del Estado, Decreto 57-92 del Congreso de la República
- Adjudicación definitiva
Es la Adjudicación aprobada.

4. ¿Cuáles son los elementos o condiciones que hacen incurrir en la figura de FRACCIONAMIENTO?

ARTICULO 81. Fraccionamiento. *El funcionario o empleado público que fraccione en cualquier forma la negociación, con el objeto de evadir la práctica de la cotización y licitación, será sancionado con una multa equivalente al dos punto cinco por ciento (2.5%) del valor total de la negociación, se haya o no suscrito el contrato.*

Del Reglamento, Artículo 55. Fraccionamiento. *Se entiende por fraccionamiento cuando debiendo sujetarse la negociación por su monto, al procedimiento de licitación o cotización, se fraccione deliberadamente con el propósito de evadir la práctica de cualquiera de dichos procedimientos.*

5. ¿Con cuales personas, la Municipalidad, no puede realizar compras o contrataciones de ninguna clase?

ARTICULO 80. Prohibiciones. *No podrán cotizar, licitar ni celebrar contratos con el Estado derivados de la aplicación de la presente ley, las personas en quienes concurran cualesquiera de las circunstancias siguientes:*

1. *No estar inscritas en el Registro de Precalificados correspondiente.*
2. *Estar privadas, por sentencia firme, del goce de sus derechos civiles.*
3. *Ser servidor o trabajador público del Estado o de las entidades a que se refiere el Artículo 1. de esta ley, así como sus parientes legales, cuando los contratos deban celebrarse con las dependencias en que tal servidor o trabajador del Estado preste sus servicios o se encuentre bajo su autoridad. Igual prohibición rige para las personas jurídicas cuando dicho funcionario sea socio o representante de las mismas.*
4. *Haber intervenido directa o indirectamente en las fases previas a la compra o contratación.*

Esta prohibición se hace extensiva a los parientes legales, así como a las personas jurídicas de las cuales sean socios o representantes.

6. ¿Cuáles son las competencias fundamentales de las juntas de cotización y licitación?

ARTICULO 10. Juntas de Licitación y Cotización. La Junta de Licitación y/o Junta de Cotización, son el único órgano competente, respectivamente, **para recibir, calificar ofertas y adjudicar el negocio.**

ARTICULO 15. Integración de la Junta de Cotización. La Junta de Cotización se integrará con tres miembros que sean servidores públicos de la entidad contratante, nombrados por la autoridad administrativa superior.

ARTICULO 17. Monto. **Cuando el monto total de los bienes, suministros y obras, exceda de las cantidades establecidas, en el artículo 38, la compra o contratación deberá hacerse por Licitación Pública, salvo los casos de excepción que indica la presente ley, en el capítulo III del Título III. Si no excede de dicha suma, se sujetará a los requisitos de cotización o a los de compra directa, conforme se establece en esta ley y en su reglamento.**

7. ¿A qué persona le corresponde nombrar a los integrantes de la Junta de Cotización?

ARTICULO 15. Integración de la Junta de Cotización. La Junta de Cotización se integrará con tres miembros que sean servidores públicos de la entidad contratante, **nombrados por la autoridad administrativa superior.**

Artículo 14.- Juntas de cotización. Los integrantes de las Juntas de Cotización a que se refiere el artículo 15 de la Ley, **serán nombrados por la autoridad administrativa superior de la dependencia interesada**, misma que aprobará la adjudicación. Podrán funcionar o no varias Juntas de Cotización con carácter temporal o permanente según las necesidades o conveniencia de la dependencia interesada.

8. ¿Pueden funcionar en una Municipalidad varias Juntas de Cotización a la vez? ¿En qué condiciones?

Artículo 14.- Juntas de cotización. Los integrantes de las Juntas de Cotización a que se refiere el artículo 15 de la Ley, **serán nombrados por la autoridad administrativa superior de la dependencia interesada, misma que aprobará la adjudicación. Podrán funcionar o no varias Juntas de Cotización con carácter temporal o permanente según las necesidades o conveniencia de la dependencia interesada.**

9. ¿El Alcalde, un Síndico o Concejal pueden formar parte de las Juntas de Cotización y/o Licitación?

ARTICULO 11. Integración de la Junta de Licitación. Se integrará con un número de cinco miembros, nombrados por la autoridad administrativa superior, de preferencia entre servidores públicos de la entidad contratante. Si la entidad no cuenta con personal idóneo, podrá nombrarse a servidores públicos de otras dependencias del Estado que tenga experiencia en la materia de que se trate. La junta tomará sus decisiones por mayoría del total de sus miembros, quienes no podrán abstenerse de votar, dejando constancia en acta de lo actuado.

ARTICULO 12. Impedimentos. No podrán ser miembros de las Juntas de Licitación, quienes tengan los impedimentos siguientes:

- a) Ser parte en el asunto.
- b) Haber sido representante legal, Gerente o empleado o alguno de sus parientes, asesor, abogado o perito, en el asunto o en la empresa ofertante.
- c) Tener él o alguno de sus parientes, dentro de los grados de ley, interés directo o

- indirecto en el asunto.*
- d) *Tener parentesco dentro de los grados de ley, con alguna de las partes.*
 - e) *Ser pariente dentro de los grados de ley, de la autoridad superior de la institución.*
 - f) *Haber aceptado herencia, legado o donación de alguna de las partes.*
 - g) *Ser socio o partícipe con alguna de las partes.*
 - h) *Haber participado en la preparación del negocio, en cualquier fase.*

ARTICULO 13. Excusas. *No podrán ser miembros de las Juntas de Licitación, y deberán excusarse, en los casos siguientes:*

d) Cuando el integrante haya intervenido en el asunto que se convoque.

ARTICULO 15. Integración de la Junta de Cotización. *La Junta de Cotización se integrará con tres miembros que sean servidores públicos de la entidad contratante, nombrados por la autoridad administrativa superior.*

ARTICULO 80. Prohibiciones. *No podrán cotizar, licitar ni celebrar contratos con el Estado derivados de la aplicación de la presente ley, las personas en quienes concurran cualesquiera de las circunstancias siguientes:*

4. Haber intervenido directa o indirectamente en las fases previas a la compra o contratación.

Esta prohibición se hace extensiva a los parientes legales, así como a las personas jurídicas de las cuales sean socios o representantes.

ARTICULO 54. Atribuciones y deberes de síndicos y concejales.

Los síndicos y los concejales, como miembros del órgano de deliberación y de decisión, tienen las siguientes atribuciones:

a) Proponer las medidas que tiendan a evitar abusos y corruptelas en las oficinas y dependencias municipales.

b) Los concejales sustituirán, en su orden, al alcalde en caso de ausencia temporal, teniendo el derecho a devengar una remuneración equivalente al sueldo del alcalde cuando ello suceda.

c) Emitir dictamen en cualquier asunto que el alcalde o el Concejo Municipal lo soliciten. El dictamen debe ser razonado técnicamente y entregarse a la mayor brevedad.

d) Integrar y desempeñar con prontitud y esmero las comisiones para las cuales sean designados por el alcalde o el Concejo Municipal.

e) Los síndicos representar a la municipalidad, ante los tribunales de justicia y oficinas administrativas y, en tal concepto, tener, el carácter de mandatarios judiciales, debiendo ser autorizados expresamente por el Concejo Municipal para el ejercicio de facultades especiales de conformidad con la ley. No obstante lo anterior, el Concejo Municipal puede, en casos determinados, nombrar mandatarios específicos.

f) Fiscalizar la acción administrativa del alcalde y exigir el cumplimiento de los acuerdos y resoluciones del Concejo Municipal.

g) Interrogar al alcalde sobre las medidas que hubiere adoptado en uso o extralimitación de sus funciones, y por mayoría de votos de sus integrantes, aprobar o no las medidas que hubiesen dado lugar a la interrogación.

Esta prohibido que puedan participar como miembros de las Juntas de Cotización o Licitación.

10. ¿Pueden familiares del alcalde, síndico, concejal, del secretario, director de la AFIM, o director de la DMP, contratar con la Municipalidad donde laboran sus parientes?

Es prohibido contratar con la municipalidad en donde laboran sus parientes.

11. ¿Puede una empresa contratar con una Municipalidad de la cual uno de sus socios o representantes es funcionario o empleado?

Es prohibido contratar en tales circunstancias.

12. ¿Cuáles son los criterios que establece la Ley de Contrataciones para la calificación de ofertas? ¿En qué caso se debe adjudicar la oferta cuyo precio sea el más bajo?

ARTICULO 28. Criterios de Calificación de Ofertas. Para determinar cuál es la oferta más conveniente y favorable para los intereses del Estado, se utilizarán los criterios siguientes: calidad, precio, tiempo, características y demás condiciones que se fijan en las bases en los cuales también se determinará el porcentaje en que se estimara cada uno de los referidos elementos, salvo que en estas se solicite únicamente el precio, en cuyo caso, la decisión se tomará con base en el precio más bajo. Cuando se trate de obras, la junta tomará en cuenta el costo total oficial estimado.

13. ¿Cuál es el plazo o tiempo mínimo que se puede llevar el proceso de licitación pública?

ARTICULO 23. * Publicaciones. Las convocatorias a licitar se publicaran por lo menos dos veces en el diario oficial y dos veces en otro de mayor circulación, así como en el Sistema de Información y Adquisiciones del Estado de Guatemala –GUATECOMPRAS-, dentro del plazo no mayor de quince (15) días hábiles entre ambas publicaciones. Entre la última publicación y el día fijado para la presentación y recepción de ofertas, deberá mediar un plazo no menor de cuarenta (40) días. En lo relativo a lo dispuesto en convenios y tratados internacionales de los cuales la República de Guatemala sea parte, las disposiciones contenidas en los mismos se aplicarán en forma complementaria, siempre y cuando no contradigan el contenido del presente artículo.

**Reformado y adicionado por art. 5 D.C.R. 11-2006 Publicado 29/05/2006 Tomo 279, Diario 38 Dgarcía.*

ARTICULO 24. Presentación de Ofertas y Apertura de Plicas. Las ofertas y demás documentos de licitación deberán entregarse directamente a la Junta de Licitación, en el lugar, dirección, fecha, hora y en la forma que señalen las bases. Transcurridos treinta (30) minutos de la hora señalada para la presentación y recepción de ofertas, no se aceptará alguna más y se procederá al acto público de apertura de plicas. De todo lo actuado se levantará acta correspondiente en forma simultánea.

ARTICULO 33. Adjudicación. Dentro del plazo que señalen las bases, la Junta adjudicará la Licitación al oferente que ajustándose a los requisitos y condiciones de las bases, haya hecho la proposición más conveniente para los intereses del Estado. La Junta hará también una calificación de los oferentes que clasifiquen sucesivamente. En el caso de que el adjudicatario no suscribiere el contrato, la negociación podrá llevarse a cabo con solo el subsiguiente clasificado en su orden.

ARTICULO 35. Notificación. Dentro del plazo de tres días de dictaminada la resolución razonada, la Junta deberá hacer la respectiva notificación a cada uno de los oferentes.

ARTICULO 36. Aprobación de la Adjudicación. Dentro del plazo de dos (2) días siguientes a que quede firme lo resuelto por la Junta, esta cursará el expediente a la autoridad superior, la que aprobará o improbará lo actuado y en este último caso, con exposición razonada, ordenará su revisión con base en las observaciones que formule. Si se ordenare la revisión, dentro del plazo de

dos (2) días el expediente volverá a la Junta, la que revisará la evaluación y hará la adjudicación dentro del plazo de cinco (5) días de recibido el expediente. La Junta podrá confirmar o modificar su decisión, en forma razonada. Devuelto el expediente a la autoridad superior, ésta aprobará lo actuado por la Junta, quedando a salvo el derecho de prescindir. Tanto la aprobación como la improbación, la hará la autoridad superior dentro del plazo de cinco (5) días de recibido el expediente.

CRONOGRAMA DE GESTIÓN PARA UN PROCESO DE LICITACIÓN

No.	ACTIVIDAD	DÍAS NORMALES	DÍAS MÍNIMOS	DÍAS MÁXIMOS	BASE LEGAL
1	Elaboración de Bases	8	5	10	Art. 18 y 19 L.C.E No hay plazo
2	Dictamen Técnico	3	1	5	Art. 21 Ley y 6 Reglamento No hay plazo
3	Opinión Jurídica (Asesoría Jurídica MFP)	5	3	8	Art. 21 Ley y 6 Reglamento No hay plazo
4	Aprobación de Bases (Despacho Superior)	7	5	10	Art. 20 y 21 de la Ley.
5	Publicación en GUATECOMPRAS y 2 veces en el Diario de Centroamérica y 2 Veces en diario de mayor circulación	5	2	15	Art. 23 L.C.E.
6	Plazo mínimo de espera para la Recepción y Apertura de oferta	40	40	40	Art. 23 L.C.E.
7	Adjudicación	5	3	15	Art. 12 Reglamento
8	Notificación	2	1	3	Art. 35 L.C.E.
9	Elevar al Despacho	2	1	2	Art. 36 L.C.E.
10	Aprobación de la Adjudicación	5	5	12*	Art. 36 L.C.E.
11	Notificación de la aprobación	3	1	5	Art.35 LCE y 142 bis LOJ
12	Espera de Recurso de Reposición	10	10	10	Art. 101 L.C.E.
13	Elaboración y suscripción de Contrato	7	3	10	Art. 47 L.C.E.
14	Presentación de la Fianza de Cumplimiento	3	2	15	Art. 65 L.C.E. y 36 Reglamento
15	Aprobación de contrato	6	5	10	Art. 26 Reglamento
16	Nombramiento de la Junta de Recepción	4	3	5	Art. 55 L.C.E.
	TOTAL	115	90	180	

5 días si lo aprueba

+ 7 días si lo imprueba y lo manda a revisión de la Junta

12 días

14. ¿Las publicaciones de prensa que se realizan con motivo de la aplicación de la ley de Contrataciones del Estado, pueden ser de cualquier tamaño, o hay medidas mínimas que deben tener?

Artículo 8.- (Reformado por el Artículo 1 del Acuerdo Gubernativo No. 80-2004 Publicado el 23/02/04 y con vigencia del día siguiente de su publicación y nuevamente reformado por el artículo 3 del Acuerdo Gubernativo No. 644-2005. Publicado el 21/12/2005). “Publicación de anuncios y convocatorias Los anuncios o convocatorias a concursos para las modalidades de compra o enajenación de los bienes, suministros, obras y servicios regulados en la Ley contendrán como mínimo, una breve descripción de lo que se concursará, indicación del lugar donde se entregarán a los interesados los documentos correspondientes, condiciones de su entrega, lugar, día y hora para la recepción y apertura de plicas. En dichos anuncios o convocatorias se podrán consignar otros requisitos que se consideren esenciales de los detallados en los artículos 19 y 22 de la Ley. **El tamaño de cada anuncio en ningún caso será menor de seis (6) pulgadas por dos (2) columnas.** Asimismo, los organismos del Estado, sus entidades descentralizadas y autónomas, unidades ejecutoras, las municipalidades, las empresas públicas estatales o municipales y todas las entidades sujetas a la Ley, previamente al procedimiento establecido en la Ley y su Reglamento, publicarán y gestionarán en el Sistema de Información de Contrataciones y Adquisiciones del Estado, denominado GUATECOMPRAS, los anuncios o convocatorias y toda la información relacionada con la compra, venta y contratación de bienes, suministros, obras y servicios que requieran; dicha información será de carácter público a través de la dirección en Internet. El Ministerio de Finanzas Públicas, a través de la Dirección Normativa de Contrataciones y Adquisiciones del Estado, establecerá las fechas, normas, procedimientos y aspectos técnicos, de seguridad y responsabilidad que regulan el inicio y uso del Sistema de Información sobre Contrataciones y Adquisiciones del Estado denominado GUATECOMPRAS.”

15. Si durante un proceso de contratación, en aplicación de la Ley de Contrataciones del Estado, una persona presenta un Recurso Administrativo en contra de alguna resolución municipal. ¿Qué ley procede aplicar para la interposición de tales recursos?

La Ley de Contrataciones del Estado (Título X, Capítulo Unico) y su Reglamento.

TITULO X *
CAPITULO UNICO
RECURSOS

***Reformado por art. 9 D.C.R. 11-2006 Publicado 29/05/2006 Tomo 279, Diario 38 Dgarcía.**
ARTICULO 99. * Recurso de Revocatoria. Procede el recurso de revocatoria en contra de las resoluciones dictadas por autoridad administrativa que tenga superior jerárquico dentro del mismo ministerio o entidad descentralizada o autónoma.

***Reformado por art. 10 D.C.R. 11-2006 Publicado 29/05/2006 Tomo 279, Diario 38 Dgarcía.**

ARTICULO 100. * Recurso de Reposición. Contra las resoluciones dictadas por los ministerios y contra las dictadas por autoridades administrativas superiores individuales o colegiadas de las entidades descentralizadas o autónomas, podrá interponerse recurso de reposición.

***Reformado por art. 11 D.C.R. 11-2006 Publicado 29/05/2006 Tomo 279, Diario 38 Dgarcía**

ARTICULO 101. * Aplicación de los recursos. Únicamente para los casos de contratación pública que provengan de la aplicación de la presente ley, se interpondrán los recursos que anteceden dentro de los diez (10) días hábiles siguientes al de la notificación de la resolución respectiva. Para efectos de la solicitud, trámite y diligenciamiento, se estará a lo dispuesto en la Ley de lo Contencioso Administrativo que se aplicará supletoriamente en esta materia. Las resoluciones de los Recursos de Revocatoria y Reposición deberán ser por escrito, razonadas y fundamentadas en derecho, causando estado y con ellos se agotará la vía administrativa.

***Reformado por art. 12 D.C.R. 11-2006 Publicado 29/05/2006 Tomo 279, Diario 38 Dgarcía**

16. ¿La construcción de un edificio municipal puede calificar como de beneficio social?

ARTICULO 44. Casos de Excepción. Se establecen los siguientes casos de excepción:

1.3 La compra y contratación de bienes, suministros, obras y servicios que sean necesarios y urgentes para resolver situaciones de interés nacional o beneficio social, siempre que ello se declare así, mediante acuerdo, tomado por el respectivo presidente de cada uno de los organismos del Estado, así:

1.3.1 Organismo Ejecutivo, con el Consejo de Ministros;

1.3.2 Organismo Legislativo, con la Junta Directiva;

1.3.3 Organismo Judicial, con su Órgano superior de administración.

No califica como un asunto de interés nacional o beneficio social.

17. ¿Cuáles son las fianzas que la Ley de Contrataciones del Estado obliga fijar, así como los casos en que proceden?

TITULO V

CAPITULO UNICO

GARANTIAS O SEGUROS

ARTICULO 64. De Sostenimiento de Oferta. La firmeza de la oferta se caucionará con depósito en efectivo o mediante fianza, por un porcentaje no menor del uno por ciento (1%) ni mayor del cinco por ciento, hasta la aprobación de la adjudicación y, en todo caso, tendrá una vigencia de ciento veinte (120) días. Sin embargo, con el adjudicatario puede convenirse su prórroga.

ARTICULO 65. De Cumplimiento. Para garantizar el cumplimiento de todas las obligaciones estipuladas en el contrato, el contratista deberá prestar fianza, depósito en efectivo o constituir hipoteca en los porcentajes y condiciones que señale el reglamento. Para el caso de obras, además esta garantía cubrirá las fallas o desperfectos que aparecieren durante la ejecución del contrato, antes de que se constituya la garantía de conservación.

ARTICULO 66. De Anticipo. Previo a recibir cualquier suma por concepto de anticipo, el contratista constituirá garantía mediante fianza o hipoteca por el monto de un cien por ciento (100%) del mismo. La garantía podrá reducirse en la medida que se amortice el valor del anticipo cubriendo siempre el máximo del saldo deudor y estará vigente hasta su total amortización. El reglamento establecerá el procedimiento de reducción y lo concerniente en los casos de rescisión, resolución y terminación de contrato.

ARTICULO 67. De Conservación de Obra o de Calidad o de Funcionamiento. El contratista responderá por la conservación de la obra, mediante depósito en efectivo, fianza, hipoteca o prenda, a su elección, que cubra el valor de las reparaciones de las fallas y desperfectos que le sean imputables y que aparecieren durante el tiempo de responsabilidad de dieciocho (18) meses contados a partir de la fecha de recepción de la obra. Tratándose de bienes y suministros, deberá otorgarse garantía de calidad y/o funcionamiento, cuando proceda. La garantía de conservación de obra, o de calidad y/o funcionamiento, deberá otorgarse por el equivalente al quince por ciento (15%) del valor original del contrato, como requisito previo para la recepción de la obra, bien o suministro. El vencimiento del tiempo de responsabilidad previsto en el párrafo anterior, no exime al contratista de las responsabilidades por destrucción o deterioro de la obra debido a dolo o culpa de su parte, por el plazo de cinco (5) años, a partir de la recepción definitiva de la obra.

ARTICULO 68. De Saldos Deudores. Para garantizar el pago de saldos deudores que pudieran resultar a favor del Estado, de la entidad correspondiente o de terceros en la liquidación, el contratista deberá prestar fianza, depósito en efectivo, constituir hipoteca o prenda, a su elección, por el cinco por ciento (5%) del valor original del contrato. Esta garantía deberá otorgarse simultáneamente con la de conservación de obra como requisito previo para la recepción de la obra, bien o suministro. Aprobada la liquidación, si no hubiere saldos deudores, se cancelará esta garantía.

ARTICULO 69. Formalidades. Las fianzas a que se refiere este capítulo, deberán formalizarse mediante póliza emitida por instituciones autorizadas para operar en Guatemala. Cuando la garantía consistiere en depósitos, deberá hacerse en quetzales o por medio de cheque certificado. Cuando sea hipoteca o prenda a través de Escritura Pública, debidamente registrada. En todo caso quedará a criterio del contratista la garantía a proporcionar.

ARTICULO 70. Garantías. *El contratista deberá garantizar mediante seguro, depósito en efectivo, hipoteca o prenda, que cubran los riesgos a que estén sujetos los bienes, suministros u obras, según se indique en las bases. Tales garantías cubrirán los riesgos que se determinen en el contrato.*

18. ¿Puede un servicio municipal trasladarse a un tercero, aplicando únicamente el Código Municipal o debe aplicarse los procedimientos de la Ley de Contrataciones del Estado?

ARTICULO 73. Forma de establecimiento y prestación de los servicios municipales.

Los servicios públicos municipales serán prestados y administrados por:

- a) La municipalidad y sus dependencias administrativas, unidades de servicio y empresas públicas;*
- b) La mancomunidad de municipios según regulaciones acordadas conjuntamente;*
- c) Concesiones otorgadas de conformidad con las normas contenidas en este Código, la Ley de Contrataciones del Estado y Reglamentos Municipales.*

Además del Código Municipal debe aplicarse lo indicado en los artículos 95 al 98 de la Ley y los artículos del 62 al 70 del Reglamento de la Ley.