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FOPRIDEH
Federación de Organizaciones
No Gubernamentales para
el Desarrollo de Honduras

Decentralization Enabling Environment (DEE)

SEMI-ANNUAL PERFORMANCE REPORT AGREEMENT NO. AID 522-A-11-00001

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INDEX

- I. Introduction
- II. Progress in the Implementation of Project Results
- III. Training
- IV. Gender
- V. Obstacles / Limitations
- VI. Proposal for improvement in next period
- VII. Projections for next period
- VIII. Budget Implementation
- IX. Annex
 - A. Trainings
 - B. Summary Performance Data Table Indicator Baseline, Target and Actual Values
 - C. Regulatory Framework Route

I. INTRODUCTION

The Federation for Non-Governmental Organizations for Development in Honduras FOPRIDEH, (Spanish acronym for Federación de Organizaciones No Gubernamentales para el Desarrollo de Honduras), presents the Semi-Annual Report for the Decentralization Enabling Environment (DEE) Project, from July to December 2011 in the first year of the Agreement AID 522-A-11-00001.

The report will show the major activities undertaken and progress made in implementing the project results within the framework of the Agreement signed between FOPRIDEH and the United States Agency for International Development (USAID).

II. PROGRESS IN THE IMPLEMENTATION OF THE PROJECT RESULTS

Result 1: Comprehensive legal framework for increased municipal autonomy strengthened.

Indicator 1.1: Total resources managed by local government as percentage of total public resources

The activities for this indicator are not mentioned because the implementation of the same does not correspond to the reporting period; but for the next semester.

Indicator 1.2: Percentage of laws and reforms passed by the GOH and drafted with USG assistance to promote decentralization compared to introduce initiatives.

The result of this indicator is zero because in the semester there weren't any laws and reforms passed by the GOH.

1.2.1 Specific Activity: Workshop with FOPRIDEH's Incidence Commission to review the content and the route of the proposed Decentralized Development Planning Policy and reform the legal framework.

Results: This activity was postponed to the next period because it was not possible to establish a working space with FOPRIDEH's Incidence Commission.

1.2.2 Specific activity: Make alliances with local key players (Mancomunidades, FOPRIDEH's affiliates, other CSOs, Mancomunidades Technical Units and National Commission) to assess in the design of the Decentralization for Development Planning Policy (PDTD).

Results: In August the draft of National Policy for Decentralization Enabling Environment, in behalf of SEIP, was presented to the FTD (space in which FOPRIDEH participates together with other organizations representing the civil society).

This draft was discussed with several forums including the Technical Commission conformed by the FTD in which we also participated as Project/FOPRIDEH and the National Decentralization Commission. In each forum it was advised not to proceed with the draft discussion, until the Ministry of the Interior and Population makes the rectification to include new standards and creates a new level of government for our country.



In November discussions in the public policy subject mentioned above continued. SEIP informed they decided to delete document information regarding the regional government, agreeing on a deadline to send relevant observations and comments to the UTD through different sectors of FND (former *Tripartite* Forum and currently known as National Decentralization Forum).

Since then, the project carried out six workshops with different mayors, technicians and civil society representatives of the project counterpart Mancomunidades. These workshops aim to socialize the PDTD draft proposed by the government, collect observations and influence in the modification of the document, which eventually created a matrix reflecting the participants' opinion regarding the submitted document.



Workshop carried out in the Mancomunidad MANUNCRA

Between the suggestions, opinions and adjustments recommended by the participants in the draft document “Territorial Decentralization Development Policy” they highlighted the following:

- In a large section of the document, specifically in relation to the guidelines and policy measures, there is redundancy of words.
- A third level of government is not accepted as outlined in the document when referring to a Regional Government.
- They suggested deleting the words sub-national, regional governments, and levels of government and entities.
- The whole document needs spell and format check, especially in specific paragraphs.
- Include a bibliography, or references.
- Other observations of form and substance.



Workshop carried out in the Mancomunidad MAMSA

Finally, on December 8th, the final policy document was submitted to the FND for its clearance in order to be presented to the Ministers Cabinet, for its approval.

On December 20th the Minister of SEIP presented the document to the Council of Ministers; however this was not approved because the President of the Republic was not present at the moment. At the



Meeting with the National Decentralization Forum

same time the Minister of Presidency assured that a copy was sent to all the ministers for them to read and discuss the document. In consequence the discussion and follow up are still pending.

1.2.3. Specific Activity: Carry out assessment activities with key actors from national and local associations such as, FORPIDEH’S affiliates, CSOs, and other government branches to socialize the new legal framework related to decentralization

Results: Participated and financed five (5) workshops to reach agreements between FOPRIDEH, AMHON and SEIP on proposed constitutional reforms to the municipal system and the new Municipal Law. We will continue working with the latter on next semester, but there is a consensus to follow the same path as PDTD for the review of such draft in a participatory manner, jointly with the Decentralization Law.

A. Constitutional Reform:

On this subject, discussions took place from a drafted document prepared by SEIP, which is pending for submission to the Minister’s Cabinet and for its approval.



Workshop in Comayagua with Project participation jointly with SEIP and AMHON

In essence, the constitutional reform raises inter alia: renaming Chapters IX and XI of Title V of the Constitution of the Republic which would then be named Functional Decentralization and Policy Division and Territorial Decentralization, respectively, in order to avoid confusion and differentiate the rules applicable to each type of decentralization, recognizing the municipalities legal status and its legal capacity to take any type of actions and contracts; recognize the competence of municipalities to manage themselves; restructure municipal government with independent agencies and roles ; raise to constitutional status with regard to the Municipal Administration Career; establish two mechanisms to transfer resources from central to local governments.

B. New Municipal Law

On this subject, to date, there are two drafts, one prepared by SEIP and another by AMHON. As project we participated in two meetings, one with AMHON in which preliminarily released a likely content of this new law and a course for discussion and socializing. The other meeting convened by the SEIP, where AMHON also participated, discussed that both institutions should combine efforts and work together. This issue was raised at the last meeting of the National Commission and it has been taken into consideration

The discussion will continue in the next semester 2012, as well, with the Decentralization Law and the Municipal Financial Administration Law.

1.2.4 Specific Activity: Hold meetings to plan the design of advocacy to promote legislative reforms concerning decentralization in coordination with strategic partners. (This activity belongs to the POA ended in September 2011).

The first workshop was held on August 12th, managed to define the major assessment issues, as well as, identify, formulate and prioritize problems related to decentralization and municipal autonomy, including the following:

1. Failed attempts on behalf of the government and other key players to make a decentralization policy.
2. Citizens are not identified with the reform; decentralization is understood as privatization, and the priorities/needs are others.
3. Short-term institutional memory.
1. Uncertainty of decision makers on the scope of the political will at *different* institutional and territorial *levels*.
2. Permanence of a centralist culture and lack of education on the subject.
3. Institutional and regulatory framework as tools of power.
4. Models and pilot projects for decentralization are not surpassed.
5. Non-fulfillment, contradictions and limitations of the legal framework.
6. Lack of coordination of efforts and inconsistencies in the agendas of civil society organizations.
7. Difficulties in building consensus in the country.

The second workshop was held on August 22nd, its purpose was to analyze important environmental elements, such as, defining threats/disadvantages and opportunities/advantages that are present for each of the themes found in the previous workshop, as shown in the following tables.

DECENTRALIZATION POLICY	
Opportunities / Advantages	Threats / Disadvantages
1. Relatively favorable environment / opening	1 Unions against the subject due to ignorance on the issue
2. Existing policy proposal for discussion and socialization	2 Internal resistance in some Ministries
3. Country Plan includes the subject	3 Limited knowledge on the subject
4. Existing resources	4 Fear of socializing the

	subject
5. Mayors Incidence	5 Little experience in the subject on the part of some officials
6. Several spaces for discussion and dialogue	6 Non-compliance and disrespect of the state policy
7. Agenda theme and in force	7 Distrust in the public sector
8. Cooperation in favor	8 High degree of dependence
9. CSOs become interested	9 Tendency to centralize
10. Some CSOs have an interest	
11. Ongoing decentralization initiatives	

DECENTRALIZATION LAW	
Opportunities / Advantages	Threats / Disadvantages
1. Relatively favorable environment / opening	1. Associations against the subject due to ignorance on the issue
2. The development of the law is subject to decentralization policy	2. Internal resistance in some Ministries
3. Country Plan includes the subject	3. Limited knowledge on the subject
4. Existing resources	4. Distrust and fear of socializing the subject
5. Cooperation in favor	5. Lack of ability and experience to build agreements of some officials
6. Some CSOs have an interest	6. Non-compliance and disrespect of the state policy
7. Ongoing decentralization initiatives	7. Misappropriation of funds and corruption
	8. Distrust in governing local, decentralized and public sector in general
	9. Tendency to centralize

MUNICIPAL LAW	
Opportunities / Advantages	Threats / Disadvantages
1. Relatively favorable environment / opening	1. Draft from the mayors perspective
2. Existing policy proposal for discussion and socialization	2. Fear of socializing the subject on behalf of AMHON
3. Existing resources	
4. Agenda theme and in force	
5. Cooperation in favor	
6. Some CSOs have an interest	
7. The proposed reform elements of the law in force and relevant decentralization issues	

MUNICIPAL FINANCE LAW	
Opportunities / Advantages	Threats / Disadvantages
1. Law on AMHON and SEIP agenda	1. Little knowledge of the initiative
2. Existing resources	2. Little knowledge of the subject
3. Mayors incidence	3. Little consensus around the issue
4. Agenda theme and in force	

MUNICIPAL ADMINISTRATION CAREER LAW	
Opportunities / Advantages	Threats / Disadvantages
1. Environment for the implementation of the law is uncertain	1. Limited knowledge on the subject
2. Existing policy proposal for discussion and socialization	2. Political traditionalism by many municipalities
3. Country Plan includes the	3. Limited human and financial

subject	resources
4. Existing resources	
5. Several spaces for discussion and dialogue	
6. Agenda theme and in force	
7. Cooperation in favor	
8. CSOs become interested	
9. Some CSOs have an interest	

COMPLIANCE WITH APPLICABLE LEGAL FRAMEWORK	
Opportunities / Advantages	Threats / Disadvantages
1 There are laws in favor of local autonomy	1. Associations against the subject due to ignorance on the issue
2 AMHON has an agenda to defend municipal autonomy	2. Internal resistance in some Ministries
3 Existing resources	3. Limited knowledge on the subject
4 Mayors Interest and Incidence (in some matters)	4. Fear of socializing the subject
5 Several spaces for discussion and dialogue	5. Little experience in the subject on the part of some officials
6 Political will from the President of Congress	6. Non-compliance and disrespect of the state policy
7 Cooperation in favor	7. Distrust in the public sector
8 CSOs become interested	8. High degree of dependence
9 Some CSOs have an interest	9. Tendency to centralize
10 There are studies, systematizations	

The third workshop was held on September 22nd, to establish the mapping of players and develop an understanding of the social forces that have an interest in public decentralization policy. A matrix was built in which it is proposed a classification of the players, their characteristics, strengths and weaknesses, as well as, implications that each player has in the project.

Also, a diagram of institutional relations has been built in order to identify amongst the players who are included in the afore mentioned matrix, which ones are part of the driving force and which other players, with the ability to influence in the public decentralization policies, have potential to establish viable strategies or make adjustments to increase the impact of their actions.

1.2.5 Specific activity: A workshop with stakeholders to identify strategic platform of the decentralization process. (This activity belongs to the POA which ended in September 2011).

Results: This activity has been replaced by other workshops to discuss the Decentralized Territorial Development Policy, although it has not being done with project funds it had the active participation of the coordinator and staff of the program along with representatives from the government, civil society organizations, and AMHON.

In this period and in a meeting between SEIP and AMHON the platform for the decentralization process was defined. This was contracted as National Decentralization Policy Law and submitted for approval to the National Congress, even though the Legislative power doesn't approve policies, but it was decided to introduce it to some extent to give it some law enforcement and it doesn't become a simple policy that any new government can easily eliminate it; Also the elaboration of drafts in the Decentralization Law, the new Municipal Law, the Municipal Financial Management Law and the proposal of a constitutional reform, as well as the implementation of the Municipal Civil Service Law.

1.2.6: Specific Activity Performed meetings to socialize the project with members of FOPRIDEH'S affiliates, CSOs and Municipal Mayors. Also we organized Regional / Local Commissions for Decentralization. (This activity belongs to the POA that ended in September 2011).

Result: The presentation of the project in the last two associate mancomunidades is completed, we signed cooperation agreements with these two mancomunidades

and integrated an equal number of Liaison Committees. About the mancomunidades considered at the beginning of the project, we have accepted the application for a new one (Mancomunidad of Municipalities of Valle de Sesecapa, AMVAS) to replace another mancomunidad in which an agreement has been impossible to reach and sign.

Indicator 1.3: Index of implementation of the Municipal Administrative Career Law (LCAM) by local governments to promote municipal autonomy.

The result for 2011 is 0, because this indicator is about the implementation of a new law that will run until 2012.

Therefore, all activities (from 1.3.1 to 1.3.7) of this indicator are rescheduled and will have a greater impact in 2012. The socialization of LCAM and its regulation, could have been done in 2011, however it has been rescheduled considering a series of evaluations with other partners in the project, especially because in the last quarter of 2011 FOPRIDEH, AMHON and the SEIP have concentrated efforts on other instruments with higher priority scheduled for 2011 (PDTD and new Municipal Law).

However, in all project sessions/workshops at national (Central District) and local levels we have emphasized that governments and municipal local civil society engaged in the implementation of civil service. Because the LCAM will be effective until March 2012, we also agreed with the AMHON- so far, the driving force behind the initiative-rescheduling future meetings in a more opportune time and join forces with SEIP to socialize the regulation draft.

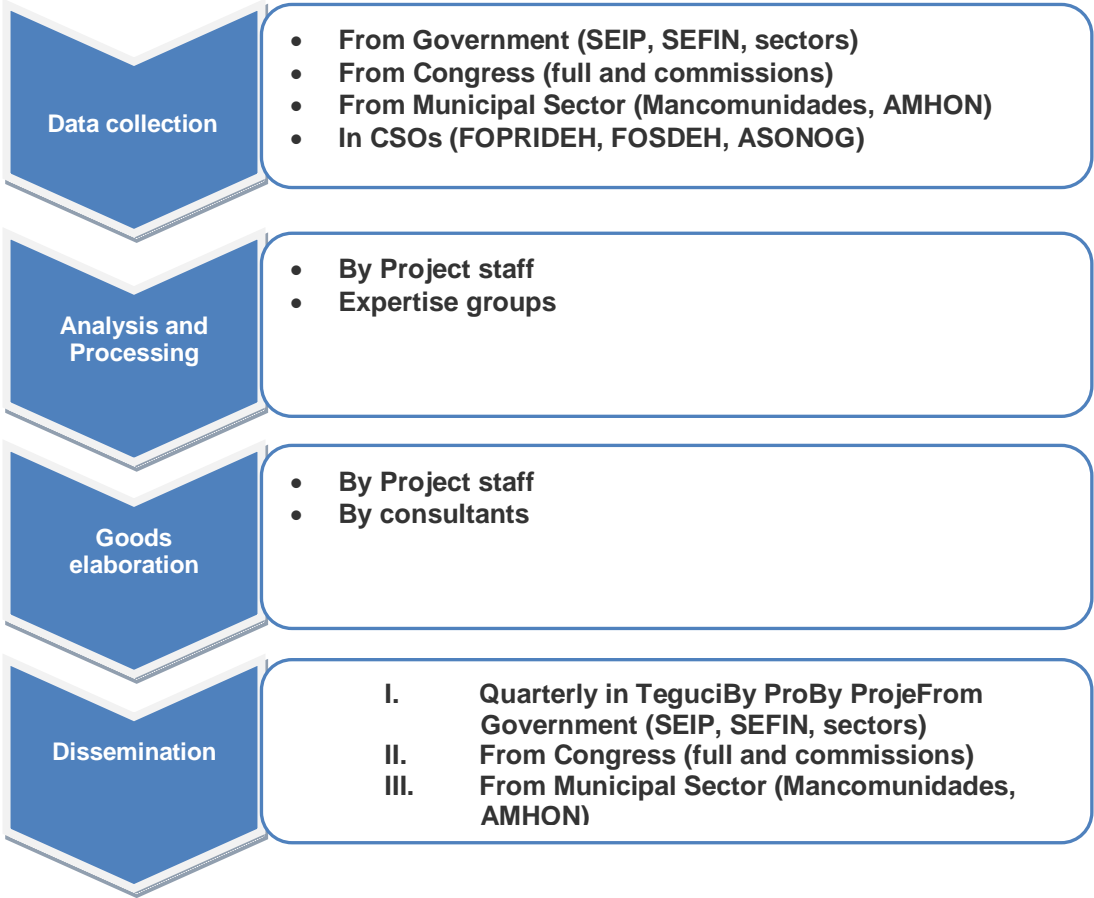
1.3.8 Specific Activity: Operation of Decentralization Observatory (one person part time, equipment, furniture, documents and web site).

Result: There is a defined conceptual framework with the main guidelines for the operation of the observatory.

During the period agreed the Observatory will be a tool for Honduran society to monitor public policies and regulatory frameworks at national and local levels that promotes or limit the exercise of decentralization and municipal autonomy in its different dimensions: political, administrative and fiscal.

The observation in the process of decentralization is a process led by civil society so they can influence in the design and monitor the implementation of public policies and rules that pass the state institutions. Its usefulness is based on the

information available to the public interested in these processes, both those who are part of civil society organizations as decision makers in government, Congress, the municipalities and mancomunidades. It may also be of interest to academics, donors and media.



The synthesis scheme shown above presents the minimum process design that has been reached in each stage of the products that have the observatory. It has now been revised with the Executive Director of FOPRIDEH and the terms of reference to have a professional working at the observatory website have been approved. We also defined the main products of the observatory for the next quarter and tasks of the technical staff that will support their development for 2012.

1.3.9 Specific activity: Consulting on civil society agendas on issues of local management (decentralization, autonomy, citizen participation, utilities, etc.).

Results: Since the socialization of PDTD has involved collecting inputs from civil society organizations at national and mancomunidad level, this consultancy is postponed for the next quarter in order to reflect this new scenario and other changes that are taking place in the country in the political and social context.

1.3.10 Specific Activity Operation of a radio program with both national and regional coverage, to keep the public informed influencing on municipal management, participation and decentralization processes.

Results: A guideline for conducting radio programs at the territorial level, based on experience in their own project partner mancomunidades, of which Inter-municipal Technical Units have agreed in this semester on the contents and commitments to carry out the radial space.

The agreements reached during this period with some of the partner Mancomunidades, establish that the UTIs will have primary responsibility and leadership for the operation of the radio program, under some minimal standards and guidance previously defined by the project. In this regard, it has been agreed with the associated UTIs that such program is a space of social participation at each municipality level of the mancomunidades, in order to inform, educate and facilitate issues related to decentralization and political, administrative and financial municipal autonomy.

Right now, working teams have been formed in the Mancomunidades for the implementation of the radio program and pre-selected broadcasting radio stations for two regional programs.

1.3.11 Specific activity: Supporting participatory processes promoted by citizens commissions and municipal commissioners networks in at least three (3) pilot mancomunidades.

Results: Communication has been kept with some Transparency Citizen Commissions and certain municipal commissioners to explore potential activities in the next quarter (January-March 2012).

Result 2: Legal framework for municipal fiscal autonomy strengthened

Indicator 2.1: Index of fiscal municipal autonomy of municipalities (own source revenue/total income)

This summary assessment is in relation to the target of this indicator: We have covered a good range of activities aimed to promote this indicator in a positive way, although according to the PMP the objective or goal for 2010, which was to be determined (TBD), was left pending, which is consistent with the baseline which for this semester is not yet risen. So we can conclude that the quantitative term in this period can't measure the valuable progress in relation to the objective/goal proposed

2.1.1 Specific activity: Accomplish assessment actions in fiscal decentralization matters and financial autonomy to benefit FOPRIDEH's members present in the project Mancomunidades.

Result: In this matter we held workshops of Fiscal and Municipal Autonomy: on the premises of the Technical Unit of the Intermunicipal MUNASBAR, another workshop was held in private premises in the city of Comayagua to benefit MANSUCOPA and a third workshop was place in private premises in the city of Talanga, to benefit MANOFM.

It is important to establish that with the completion of these workshops a climate of greater interest in the issue of fiscal decentralization was generated and that we provided all the basic knowledge on the issue where roles and competitions at local government, central government, civil society, NGOs and other actors in the decentralization process were clearly defined. Each of the events had an acceptable participation of civil society and local government representatives. The trained participants belong to the associations of MUNASBAR, MAMSUCOPA and MANOFM including representatives of the Municipal Corporation, municipal technical staff, representatives of civil society organizations and FOPRIDEH's affiliates.

2.1.2 Specific activity: Technical assistance through consulting services to assess drafting and/or updating of the annual operating plan 2012 for the project's mancomunidades tax collector units.

Result: According to the Budget priorities, this activity is kept pending. The same consists in hiring a facilitator's service who will give workshops during the first semester of 2012.

2.1.3 Specific activity: Working meetings for drafting and/or updating the annual operating plan 2012 for the tax collector units for the benefit of the project's mancomunidades.

Results: This activity was transferred / rescheduled to the first semester in 2012.

2.1.4 Specific activity: Working meetings with all the Board of Directors Chairmen and Coordinators of the Inter-municipal Technical Units (UTIs) of the seven mancomunidades for promoting the organization, operation and/or recovery of the Financial Unit of the Mancomunidd (UFIM).

Results: Derived from the activities in the budget priorities, the work meetings have not been performed as planned, however, it can be concluded that related actions have being performed in a positive way and that 30% of the result is reached.

For example in the MUNASBAR we created a great impact through the coordinator of the Intermunicipal Technical Unit (UTI). The Board meetings of the Mancomunidad discuss the possibility of hiring a technician that will be responsible of the Mancomunidad Financial Unit (UFIM), all this is part of the projects' management model to promote tax management, and improve the participation of the municipalities' own revenues.

On the other hand, we have developed the terms of reference for the technician that will be responsible for the (UFIM) whether they were sent to the coordinator of the MUNASBAR's UTI and with this there is evidence that the process of organization and operation of the UFIM in this mancomunidad, considered as a pilot one, takes a very positive direction.

The activities 2.1.5; 2.1.6; 2.1.7; 2.1.8; 2.1.9; 2.1.10 y 2.1.11, doesn't belong to this semester.

2.2: Percentage of laws and reforms passed by the GOH and drafted with USG assistance to promote fiscal autonomy compared to introduced initiatives

This summary assessment is in relation to the target of this indicator: The activities undertaken to achieve the desired results for this indicator have been developed in conjunction with the coordinator of the Result 1, in the reported period it is summarized in the political incidence developed and socialized on the Decentralized Territorial Development Policy (PDTD), however, that the derivative on the target and / or target was set to be determined (TBD) so the quantitative assessment attributed to this indicator is zero.

2.2.1 Specific activity: Conduct working meetings with key players for project DEE presentation and the socialization of the project's assessment plan and accomplish a preliminary plan of joint activities to promote legislative reforms in decentralization matters, municipal and financial autonomy. Subsequently, meetings will be held once a month to comply with the joint work plan.

Result: This activity could not be performed in this quarter because it was impossible to include it in the agenda of the project and the key actors (officials and technicians of the SEIP and AMHON). This happened because there were other activities being covered with the same actors with much more priority.

2.2.2 Specific activity: Monitoring consultation on the legal framework of fiscal decentralization in Honduras, comparative analysis of standards in force tending to support fiscal administrative decentralization.

Results: Prepared terms of reference "Consultancy about the Legal Framework of Fiscal Decentralization in Honduras" for its further dissemination through the Internet service of the Sustainable Development Network. Then we received the resumes and the technical and economic proposals from the interested consultants in participating in the selection process for examination leading to the final selection of the most suitable proposal.

Until now the systematic diagnostic process of fiscal decentralization based on the regulatory framework and recent studies conducted by various entities, had being presented and the adjustments suggested by the team work are being taking into account.

It is important to establish that due to the high range of the consultant's activities and the requirements in terms of quality of desired products, there is an extension projected for the consultant to deliver the final products in the month of January 2012.

2.2.3 Specific activity: Conduct working meetings with local players (Mancomunidades, members and CSOs) to socialize the consulting products of the fiscal decentralization legal framework.

Result: Because of delays in product presentation by the consultant this activity was postponed to the January- March quarter

The activities 2.2.4; 2.2.5; 2.2.7; 2.2.8 y 2.2.9; doesn't belong to this semester and about the activity 2.6, it has being explained in the correspondent chapter of the Result 1.

Indicator 2.3: Score of implementation of legislation to promote fiscal autonomy, implemented by the municipalities.

This summary assessment is in relation to the target of this indicator: We have a similar situation as the above indicators for comparative quantitative recovery of the activities undertaken to achieve the desired indicator in relation to the object and / or proposed target which is not defined because the latter is presented in the PMP to be determined (TBD), however, in the next report we have an objective and / or proposed goal and therefore ensures the respective measurement.

2.3.1 Specific activity: Technical assistance for assessment in the taxation legal framework with emphasis on tax recovery via court action.

Results: Due to problems in the availability of budgetary resources as planned during the third and fourth quarter, it was almost impossible to comply with in terms of time schedule with development of some POA activities, it has been necessary

to prioritize some activities. Amongst these activities it stands out the contracting of services for a facilitator to develop a "Recovery of Overdue Taxes" workshop, benefiting the staff working in tax administration units of the partner municipalities, as well as the UTI technical staff of the MUNASBAR pilot mancomunidad.

In this regard, a workshop was held to strengthen skills as regards to recovery of overdue taxes and thus have an impact on the application of the law, particularly in regards to the administrative action of an executive department process to benefit municipal and inter-municipal staff in the cited Mancomunidad.



Workshop held in the MUNASBAR Mancomunidad

The workshop lasted 3.5 days and participants were trained to correctly perform estimate of taxes, fines, interest, surcharges and application of discounts for prompt payment. Also, participants were trained in the process for elimination of taxpayer overdue balances and thus perform the total process of an action of an executive department and fiscal audit.

Training was based on the "Learning by Doing" methodology; from a total of 11 participants the average assessment was 67%, in which a woman from the UTI excelled with 90% and was proposed by the Board of Director of the Mancomunidad as technician in charge of the UFI

2.3.2 Specific activity: Carry out assessment actions for legal proceedings process enforcement according to the Municipal Law for the benefit of the municipalities integrating the seven mancomunidades in line with consulting services and logistical support from FOPRIDEH's members (according to activity 2.3.1).

Results: This activity is related with the previous one and corresponds to the first quarter of 2012 however, as reported in the activity 2.3.1; one of the six planned workshops was performed to benefit MUNASBAR.

2.3.3 Specific activity: Follow-up consulting baseline of "Financial situation and public services provision from partners' mancomunidades."

Results: During the period progress reports of the assessment were received, where it was evidenced the analysis of financial situation and ability to provide public services. Once the documents were received we proceeded to review and make necessary comments.

Finally, the consultant submitted the revised document printed in digital format and, thus, concluded the presentation of the first progress report, equivalent to the second product of the appraisal.

The report reflects the qualitative and quantitative data from municipalities and mancomunidades, in which benchmarks is mainly emphasized at the organizational, functional and institutional level of the 52 municipalities and Technical Units of the seven (7) mancomunidades.

With numerical data collection financial indicators were developed for the first and second quarter of this year showing that 90% of the municipalities have serious weaknesses in been able to improve participation of its own revenues in relation to the total income, reduce running expenses, and allocate more resources to investment programs.

Moreover, the consultant formally presented the appraisal's final report in accordance with the extended time schedule for delivery. This final report includes updated information regarding the financial indicators for the third quarter of the current year as well as the fourth quarter of 2010 making comparisons between quarters.

The activity 2.3.4 doesn't belong to this semester and the activities 2.3.6; and 2.3.7 are explained in the gender section of this report. The activities 2.3.5; 2.3.8 y 2.3.9 refers to activities that are necessary for the fulfillment of all actions of this result.

Result 3: Cross-cutting actions of civil society participation in the decentralization processes increased.

Indicator 3.1 Percentage of initiatives of civil society organization that support strategies for decentralization and municipal autonomy.

3.1.1 Specific Activity: Conduct workshops to socialize FOPRIDEH's impact plan regarding the DEE project, and define the main actions to be taken during this period

Result: This activity was transferred to the next quarter because of not being able to arrange a date with FOPRIDEH's Impact Commission, prerequisite for the respective socialization.

3.1.2 Specific Activity: Determine with sampling the skills and experiences of NGOs affiliated in decentralization through an investigation conducted by a consultant.

Results: During this period, it was developed through an assessment, the Baseline/Diagnosis reflecting sampling of the skills and experiences of NGOs affiliated in decentralization and local development issues. To this effect, executives from 33 affiliates were interviewed, of which, 30 are linked to the regions and/or mancomunidades, and three who have respectable experience in the aforementioned issues. It is important to emphasize that from all interviewed candidates, 16 have experience in decentralization issues and the total of the candidates (33) in Local Development.

3.1.3 Specific Activity: Schedule a minimum of four meetings in same number of regions, each meeting lasting one day and a maximum of 20 participants (40%/60%), to socialize the Baseline/Diagnosis on NGOs skills and experiences.

Results: Representatives of affiliated and similar institutions are well-informed about the skills and experiences of the affiliates in decentralization and local development issues.

Proposals submitted by FOPRIDEH's affiliates directed to empowering FOPRIDEH in the aforementioned issues through sustainable actions of incidence.

Specific agreements aimed at strengthening the affiliates in the Decentralization and Local Development issues, in order to comply with, inter alia, the role of facilitators.

DEE project technical team is aware of the major aspects of the "Baseline/Diagnosis" document on NGOs skills and experiences, such document received feedback with proposals adjusted to project demands.

III. TRAINING

These are the trainings conducted in this semester. Specifications are in the IN-Country Training in the Annex section.

No.	TRAINING CAMP	AMOUNT OF WORKSHOPS	DATE	Year	QUARTER
1	Discussions on civil society proposals to reform the legal framework.	1	29 th of July	2011	4 th quarter
2	Introductory workshops for municipal and fiscal autonomy.	3	August 10 th August 11 th August 26 th	2011	4 th quarter
3	Workshops to create the assessment plan in the Regulatory Framework for Decentralization and Municipal Autonomy.	3	August 12 th August 22 nd September 22 nd	2011	4 th Quarter
4	Socialization journey of the baseline/diagnosis reflecting the skills and experiences of the NGOs affiliates in issues related to decentralization and municipal development	4	October 18 th October 20 th October 27 th October 28 th	2011	1 st (2012)
5	Political Socialization of Territorial Decentralization.	5	October 19 th October 20 th November 22 nd November 24 th November 30 th	2011	1 st
6	Workshops for final adjustments of the National Decentralization Policy.	2	December 5 th December 7 th	2011	1 st
7	Strengthening Workshop in the process of recovery of overdue taxes.	3	November 16 th November 17 th November 18 th	2011	1 st
8	New Municipalities Law Workshop	1	November 28 th November 29 th	2011	1 st

IV. GENDER

- During this period the different on-going activities had the following quantitative participations which took place according to gender: 245 males and 119 females, which represent approximately 33% of women participation in the events.
- Terms of Reference were developed and the selection process initiated to incorporate the gender strategy to the project. The R1 coordinator will be trained in the subject. We will combine FOPRIDEH's gender policy with the future DEE gender strategy trying to create equitable opportunities, and attend each gender's needs.
- The participation of women, the promotion of equal opportunities, and the sensitization against domestic violence in the municipalities, will be part of the observatory as a regular topic in the radio spots to be promoted in the regions, which will also reflect project activities, especially to encourage tax culture, as well as, those related to city hall meetings among other tools for citizen participation.

V. OBSTACLES/CONSTRAINTS

Among the major constraints encountered during this period, the following can be listed:

1. The financial resources in the period were limited because of the non-approval of the Performance Monitoring Plan and Branding Strategy and Marking Plan within the specified period in the Agreement No. AID Convention No. 522-A-11-0000, signed in February 2011. Because there were technical difficulties developing both plans. The documents were sent several times to the donor agency, but could not meet all the technical requirements under the new arrangements. Finally the documents were approved in December 2011.
2. It was hard to find a qualified person who could develop the gender strategy. That's why we couldn't give the agency the document.
3. Weak political power and technical capacity in some Mancomunidades, especially the UTIs which has not responded as it should when they organized events, to mention some MAMUNCRAC and especially MAMSA.
4. The participation of civil society and particularly FOPRIDEH's Incidence Commission had not a leading role in the Project.
5. Project staff has not achieved a true identity with the organization.

VI. IMPROVEMENT SUGGESTIONS FOR NEXT PERIOD

- With the approval of the Performance Monitoring Plan and Branding Strategy and Marking Plan it is expected that in the next period the flow of resources will increase and that will contribute to a better implementation of the activities.
- A new selection process to select the person responsible to develop the gender strategy for the project, trying to identify in advance a qualified person recommended by someone with vast experience in the topic to send the terms of reference.
- Many meetings will be planned with the Mancomunidades and their UTIs including its respectively chairman and president in January to show the concerns of the staff and to establish the findings and agreements to continue as partners of the project
- Create Impact through meetings and workshops, so that FOPRIDEH's Incidence Committee and FOPRIDEH's affiliates are empowered in the topic and give them a greater role in the decentralization enabling environment. Also these workshops will be useful to socialize the impact of the project plan and strengthen coordination with NGOs not affiliated with FOPRIDEH.
- Continue to strengthen personal and professional relationships between team members and between FORPIDEH's staff. When assessments are made quarterly to the Department requesting the participation of the coordinators R1 and R2 to effect actions and link them to the general problem of the Federation, thereby promoting mutual identity.

VII PROJECTIONS FOR NEXT PERIOD

The activities planned for next semester (January-June) are covered within the Annual Operating Plan approved by the donor agency in October 2011 to September 2012. The main highlights to develop are to design and operate the social observatory of decentralization, the implementation of the municipal administrative career, the development of the draft law on decentralization, the Municipality Act and technical assistance to influence the revenue by way of judicial compulsion.

VIII BUDGET IMPLEMENTATION

FEDERATION OF NON GOVERNMENTAL ORGANIZATIONS FOR THE DEVELOPMENT OF HONDURAS
 FOPRIDEH
 SUMMARY OF EXPENSES PARTIAL
 PROYECTO: DECENTRALIZATION ENABLING ENVIROMANT (DEE)
 PERIOD: JULY-DECEMBER 2011
 VALUE IN DOLLARS (18.9 de Lps por \$1,00)

Budget Line	Executed July	Executed August	Executed September	Executed October	Executed November	Executed December	TOTAL executed (July-Dec 2011)
Result 1: Comprehensive legal framework for increased municipal autonomy strengthened	7,008.79	15,144.77	225.13	8,539.70	5,243.25	11,266.16	47,427.80
Result 2: Legal framework for municipal fiscal autonomy strengthened	6,502.25	14,430.91	-	9,748.61	5,818.64	10,468.54	46,968.95
Result 3: Cross-cutting actions of civil society participation in the decentralization processes increased	6,301.67	11,614.95	15.87	7,433.16	6,322.63	10,436.68	42,124.97
FOPRIDEH COST SHARE AMOUNT	4,000.05	3,689.40	2,875.15	6,086.59	3,234.81	4,020.28	23,906.29
SUB- TOTAL	\$ 23,812.77	\$ 44,880.04	\$ 3,116.15	\$ 31,808.06	\$ 20,619.34	\$ 36,191.66	160,428.01

Certify that all these expenses have been used according to the agreement and also in concurrence with the manuals of procedures of FOPRIDEH

BY: _____

TITLE: Director General

DATE: 22 de febrero de 2012



IX. ANNEX

Annex A.

A. IN- COUNTRY TRAINING/ DATA REQUERED FOR TRAINET

IN- COUNTRY TRAINING/ DATA REQUERED FOR TRAINET (4th Quarter 2011)

1. Subject area of training: Discussions on civil society proposals to reform the legal framework.
2. Start and end date of training: 29th of July
3. Total trainees per participant group: 11
4. Total number of female participant: 4
5. Total number of male participant: 7
6. Total cost of training for each program that includes: \$ 101.99

a) Instruction services	\$	L
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 101.99	L.1,927.70
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$	L

Total	\$101.99	L 1,927.70
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IN- COUNTRY TRAINING / DATA REQUERED FOR TRAINET (4th Quarter)

1. Subject area of training : Introductory workshops for municipal and fiscal autonomy
2. Start and end date of training: 10th ,11th and 26th of August 2011
3. Total trainees per participant group: 90
4. Total number of female participant: 43
5. Total number of male participant: 47
6. Total cost of training for each program that includes: \$ 2,426.17

a) Instruction services	\$ 60.47	L1,142.86
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 1,868.08	L 35,306.75
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$ 497.62	L 9,405.00
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Total	\$ 2,426.17	L 45,854.61

IN- COUNTRY TRAINING / DATA REQUERED FOR TRAINET (4th Quarter)

1. Subject area of training : Workshops to create the assessment plan in the Regulatory Framework for Decentralization and Municipal Autonomy
2. Start and end date of training: 12th and 22nd of August and 22nd of September 2011
3. Total trainees per participant group: 8
4. Total number of female participant: 2
5. Total number of male participant: 6
6. Total cost of training for each program that includes: \$ 248.92

a) Instruction services	\$ 132.28	L 2,500.00
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 116.64	L 2,204.58
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$	L
<hr/> Total	<hr/> \$ 248.92	<hr/> L 4,704.58

IN- COUNTRY TRAINING / DATA REQUERED FOR TRAINET (1rst Quarter 2012)

1. Subject of training: Socialization working day of the baseline/diagnosis reflecting the skills and experiences of the NGOs affiliates in issues related to decentralization and municipal development.
2. Start and end date of training: 18th, 20th, 27th and 28th of October 2011
3. Total trainees per participant group: 52
4. Total number of female participant: 13
5. Total number of male participant: 39
6. Total cost of training for each program that includes: \$ 1,412.06

a) Instruction services	\$	L
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 1,311.00	L 24,777.90
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$ 101.06	L 1,910.03
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Total	\$ 1,412.06	L 26,687.93

IN- COUNTRY TRAINING / DATA REQUERED FOR TRAINET (1rst Quarter)

1. Subject area of training : Political Socialization of Territorial Decentralization
2. Start and end date of training: 19th and 20th of October, 22nd, 24th and 30th of November
3. Total trainees per participant group: 163
4. Total number of female participant: 38
5. Total number of male participant: 125
6. Total cost of training for each program that includes: \$ 5,884.74

a) Instruction services	\$	L
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 5,188.97	L 98,071.60
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$ 695.77	L13,150.00
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Total	\$ 5,884.74	L 111,221.60

IN- COUNTRY TRAINING DATA REQUERED FOR TRAINET

1. SUBJET AREA OF training : Workshops for final adjustments of the National Decentralization Policy
 2. Start and end date of training: 5th and 7th of December 2011
 3. Total trainees per participant group: 14
 4. Total number of female participant: 6
 5. Total number of male participant: 8
 6. Total cost of training for each program that includes: \$ 239.68
 - a. Instruction services \$ L
 - b. Equipment, supplies, course handouts \$ L
 - c. Maintenance allowance (per diem) \$ 239.68 L 4,530.00
 - d. Health and Accident I Insurance \$ L
 - e. Travel to the training site \$ L
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Total	\$239.68	L4, 530.00
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IN- COUNTRY TRAINING / DATA REQUERED FOR TRAINET (1rst QUARTER)

1. Subject of training : Strengthening Workshop in the process of recovery of overdue taxes
2. Start and end date of training: 16th , 17th y 18th of November 2011
3. Total trainees per participant group: 11
4. Total number of female participant: 8
5. Total number of male participant: 3
6. Total cost of training for each program that includes: \$ 595.89

a) Instruction services	\$	L
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 403.30	L 7,600.00
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$ 192.59	L 3,640.00

Total	\$ 595.89	L 11,240.0
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IN- COUNTRY TRAINING / DATA REQUERED FOR TRAINET (1rst QUARTER)

1. Subject area of training : New Municipal Law Workshop
2. Start and end date of training: 28th and 29th of November 2011
3. Total trainees per participant group: 15
4. Total number of female participant: 5
5. Total number of male participant: 10
6. Total cost of training for each program that includes: \$ 729.37

a) Instruction services	\$	L
b) Equipment, supplies, course handouts	\$	L
c) Maintenance allowance (per diem)	\$ 729.37	L 13,785.00
d) Health and Accident I Insurance	\$	L
e) Travel to the training site	\$	L
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Total	\$ 729.37	L 13,785

B. Summary Performance Data Table Indicator Baseline, Target and Actual Values

AO1 Summary Performance Data Table Indicator Baseline, Target and Actual Value Result 1: Comprehensive legal framework for increased municipal autonomy strengthened

AO, IR or Sub-IR	Indicator	Unit of Measurement	Disaggregation	Base-line Year	Base-line Value	2010	2011	Target Ratings
						Target	Actual	
IR 1.1	Indicator 1.1: Total resources managed by local government as percentage of total public resources	Percentage Points or Percentage Change	Municipalities	Data collected in 2010	Data trends between 2010 and 2015	7%	0	The activities for this indicator are not mentioned because the implementation is correspondent to the
IR 1.2	Indicator 1.2 Percentage of laws and reforms passed by the GOH and drafted with USG assistance to promote decentralization compared to introduced initiatives	Percentage		2010		0	0	The result of this indicator is zero because in the semester there weren't any laws and reforms passed by the GOH.
IR 1.3	Index of implementation of the municipal Administrative Career Law by Local Government to promote Municipal Autonomy	scale	Municipalities	N/A		0	0	Because the indicator is about the implementation of a new law that will run until 2012

AO2 Summary Performance Data Table Indicator Baseline, Target and Actual Values
Result 2: Legal framework for municipal fiscal autonomy strengthened

AO, IR or Sub-IR	Indicator	Unit of Measurement	Disaggregation	Base-line Year	Base-line Value	2010	2011	Target Ratings
						Target	Actual	
IR 2.1	Index of fiscal municipal autonomy of municipalities (own source revenue/total income)	Percentage of fiscal autonomy	Municipalities by quarter	Data collected in	Data trends between 2010 and 2015	TBD	0	Even though we have covered a range of activities aimed to promote the indicator in a positive way, according to the PMP, this objective or goal for 2010 was left pending to be determined (TBD) which is consistent with the lifting of the Baseline reported for the semester which had not yet been lifted. Thus we can conclude that quantitative term in this period can't be assessed by the progress that has been present on the target and / or goal.
IR 2.2	Percentage of laws and reforms passed the GOH and drafted with USG assistance to promote fiscal autonomy compared to introduced initiatives	Percentage of laws or policies approved		2010	0	TBD	0	The activities undertaken to achieve the desired results for this indicator have been developed with the coordinator of the result 1's support. Which in the reporting period is summarized in advocacy conducted under construction and socialization of the Territorial Decentralization Policy development (PDTD), however, the derivative on the target was set to be determined (TBD), so the quantitative assessment attributed to this indicator is zero.
IR 2.3	Index of implementation of legislation to promote fiscal autonomy, implemented by the municipalities	Percentage	Municipalities by quarterly	Application of Articles referred to in this indicator is the municipal law Articles: 109, 111, 112 and 121	Data trends between 2010 and 2015	TBD		Similarly to the above indicators quantitative recovery of comparative form of the activities undertaken to achieve the desired indicator in relation to the object and / or proposed target is not defined because the latter is presented in the PMP to be determined (TBD) however, in the next report it has an objective and / or proposed goal and therefore ensures performance to the respective measurement

AO3: Summary Table Data Baseline , Objectives, Values, Actual

Result 3: Cross-cutting actions of civil society participation in the decentralization processes increased

AO, IR or Sub-IR	Indicator	Unit of Measurement	Disaggregation	Base-line Year	Base-line Value	2011	2011
						Target	Actual
IR 3.1	Percentage of initiatives of civil society organization that support strategies for decentralization and municipal autonomy		Percentage points or exchange rate	2011	0		
IR 3.2	Percentage of civil society perception on decentralization and municipal autonomy	Percentage points or exchange rate	Perception Opinions	2012	0	N/A	

AO4: Summary Table Data Baseline , Objectives, Values, Actual

F Indicator 1: Number of laws or amendments promoting decentralization drafted with USG assistance.

F Indicator 2: Number of individuals who received USG assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization

AO, IR or Sub-IR	Indicator	Unit of Measurement	Disaggregation	Base-line Year	Base-line Value	2011	2011	Target Rating
						Target	Actual	
F Indicator	F Indicator 1: Number of laws or amendments promoting decentralization drafted with	Number	None	2011	Data trends between 2010 and 2015	1	2	The first law is the National Policy of decentralization and territorial development which has been postponed. And the second is the Law of Municipalities which to the date is still in discussion. The situation of both laws is already reported.
F Indicator	Indicator F2: Number of individuals who received USG assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization	Number of Participants	Number of participants by gender	2010	Data trends between 2010 and 2015	140	90	

Annex C.

