Summary of Evaluation
Findings of 10 Projects that Include Indigenous People as Beneficiaries

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EXECUTIVE SUMMARY

A. Purpose
In the Eighth Replenishment the Bank made a commitment to increase its efforts to promote the development of indigenous peoples within the context of poverty reduction and social equity, and to incorporate this issue systematically into regular Bank activities. Complying with this commitment, the Bank stipulated in its Strategy for Poverty Reduction that specific actions be taken in Bank projects and programs to define poverty reduction strategies for indigenous groups based on a better understanding of the linkage between poverty and ethnicity and a genuine dialogue with indigenous organizations. Since 1994, there has been a significant increase in the number of social projects that either aim specifically at indigenous peoples, or that include measures for helping indigenous people because of their inclusion in the population targeted by the project.

With the mandates of the Eighth General Replenishment and the Poverty Reduction Strategy as criteria, OVE conducted this evaluation to identify the elements of Bank programs that have been successful in meeting indigenous needs, and also the issues that must be resolved if Bank projects are to maximize benefits.

B. Background
A review of issues that affect indigenous people reveals the necessity for Bank projects to assume a multi-dimensional approach in projects to benefit them. For instance, indigenous people are often the poorest of the poor in the countries in which they reside, and some issues involved in projects that seek to help them are the same as in all poverty reduction projects. These include (1) proper targeting, (2) ensuring budgetary support, and (3) recognizing potential benefits and costs of decentralization. Other issues in projects that seek to help indigenous people are specific to their social and cultural values and the treatment they receive by the dominant society. These include: (1) inequalities in service to the Indigenous, (2) effectively meeting the needs of the Indigenous, (3) ensuring sustainable community participation, and (4) ensuring that indigenous women receive equal treatment.

Another dimension to designing and implementing projects to benefit indigenous people is that the indigenous themselves are not a single group. Important differences divide urban indigenous people from those living in rural areas. In the cities, the main problems more closely match those of the urban poor, although additional problems arise if the indigenous want to attend bilingual schools or face exclusionary practices. In rural areas, isolation brings its own dimensions, such as lack of infrastructure and service personnel.

Considering that the issues are so varied, the Bank and its member countries need a broad overall strategy for helping to resolve both problems related to poverty per se, and issues that are specific to Indigenous populations. Programs that work on one set of issues without addressing the other set may alleviate some problems in the short term. However, in the long run,
satisfactory solutions to both poverty and cultural issues need to be found to assure sustainability of (often-costly) efforts.

C. Findings

1. Issues relevant to all poverty reduction projects, which may include both indigenous and non-indigenous people as beneficiaries.

   a) Targeting

   Targeting to reach the poorest of the poor is always difficult: special provisions usually have to be made to ensure that promoters educate communities about Bank projects and help them to organize in order to get project benefits. For the indigenous, targeting is made even more difficult because there is little agreement on how to define and enumerate them, and communal organizational capacity, although high, may differ from those needed to prioritize and implement a menu of projects received from an outside organization.

   The projects evaluated for this study use a variety of targeting techniques that are generally appropriate. However, the evaluations reveal that it is not just in the initial design that targeting must take place. Rather, targeting should be a continuous effort during project implementation, particularly if those indigenous who are most distant from the dominant culture are to be reached. For instance, executing agencies, particularly social investment funds (SIFS) have not had sufficient promoters who speak indigenous languages to explain and discuss the project with potential beneficiaries. The result of this has been that some of the most isolated communities are often not served.

   b) Budget Support

   The most common problem of the projects reviewed in this report is that they have been designed with long-term goals without ensuring that sufficient budgetary support exists to sustain them through the long-term efforts that are required to harvest their full impact. For instance, all of the evaluated projects will need considerably more time than a single project cycle to achieve their intended results. However, all are experiencing funding difficulties either during the first project cycle, or when they must be expanded and/or sustained by either a second project cycle or by the borrowing country itself.

   This is particularly unfortunate, because the projects reviewed generally delivered very positive results. A TC project in Argentina (ATN/SF-AR: TC9704166) trained indigenous communities in agricultural technology and helped communities to receive legal recognition from their governments. In Peru, the WaWa Wasi program (1144/OC-PE) promoted services and actions across the country to foster the integrated development of children under three. UNESCO recognized it as one of the world’s 10 best programs of its type. In Bolivia, beneficiary evaluations of a Program of Attention to Minors (995/SF-BO) showed very positive results in both children’s learning capacities, and parental attitudes. These programs, and others reviewed, need continuous support to fully accomplish their intended goals.
c) Decentralization
Decentralization of programs to the state and municipal levels may be of assistance in making project activities more concurrent with local needs and may help reach isolated communities not ordinarily serviced by central governments. However, the financial and institutional constraints of sub-national governments pose limits to a program’s outreach, and threats to the sustainability of results. The evaluated projects demonstrate how decentralization can exaggerate inequalities unless there are sufficient federal programs directed towards equalizing financial resources between and within regions. In addition, they show that there are financial, political, and social consequences of decentralization that should be considered in project design and implementation.

2. Issues relevant to indigenous people as members of a separate group, rather than as members of the poor, generally.
   a) Inequalities in service for indigenous
Two projects were evaluated for this report, which demonstrate that when governments offer services to indigenous and non-indigenous communities, they are often unequal in quality/funding/impact than similar services offered to non-indigenous. The reasons for this are varied, and not always clear. Some reasons appear to be (1) not enough decentralization of funding to the community level, (2) discouragement by government of broader civil society forces, (3) in the case of education, poorer facilities, text books, teachers, and expectations for the indigenous. It is clear that when services are offered to indigenous and non-indigenous, great care in monitoring and evaluation are required to understand why differences in impact occur and what can be done to equalize results.

   b) Effectively meeting the Needs of the Indigenous
A primary weakness in many of the projects reviewed is that they do not respond to the need that was expressed most often to the evaluation missions by the communities visited: paid work. In fact, reviewing the evaluated projects, one finds little recognition of this premier priority. The low evolvement of the productive component of many projects impairs the establishment of self-sustainable community groups capable of assuming an active role in their own development.

   c) Ensuring sustainable community participation
All of the evaluated projects depend on community participation for some part of design and implementation. Generally, communities were consulted (if not always listened to) during project design and played a role in project implementation. Some of the problems that arose were that the projects did not encourage communities to make ties with political entities, such as municipalities and states, that would be needed in the future to sustain projects. Other problems were that projects failed to train communities in the necessity for long-term action, and so community organizations only lasted while project funds were available.
d) Ensuring that indigenous women receive equal treatment

Indigenous women in Latin America have a somewhat contradictory role. Although they receive less schooling and are not encouraged to participate in community decision-making, they are often responsible for substantial parts of the family income. This is even more the case now; in the villages visited for this evaluation, many of the men were either unemployed or underemployed and many others had left the indigenous village to look for work. This left the women responsible for meeting daily expenses.

The projects evaluated for this report brought great benefits to women, including literacy and child rearing training. However, many social projects targeted to indigenous women are based on the premise that they have considerable time to do volunteer work, such as purchase and prepare meals for schools, and participate in communal meetings where the men that do attend often dominate discussions. In fact, more sensitivity on the part of project designers to the actual schedules of indigenous women, their need for paid work and for training to assume leadership roles would improve projects.

D. Conclusions

Reviewing the evaluations, the IDB and its members can take some pride in the fact that they have developed techniques for targeting projects to specific geographic and economic strata. On the whole, it can be said that projects that were designed to benefit the poor and/or most poor are succeeding, although not in the numbers and amount that can be desired. In addition, projects are delivering very important benefits, such as helping communities to obtain legal recognition, constructing important infrastructure, providing day care and education to young children, educating parents, delivering water and sanitation systems to isolated areas, and developing cultural resources, such as bilingual education.

However, as shown in this summary, serious problems continue to exist. Many of the problems can only be resolved with additional funding for more projects for indigenous people. However, in face of budgetary constraints, the following recommendations are made in order to use the funding that is allocated to these important projects more efficiently and effectively.

E. Recommendations

1. In order to ensure long-term budgetary commitment of funds to projects that benefit indigenous communities, the Bank should design projects by tranches of approximately 3 years, so that if the project is implementing successfully, a second tranche of 3 years (or even a third 3-year tranche) will be available. In addition, the borrowing country should designate these projects as “budget protected”, meaning that if it is necessary to decrease government spending during the implementation of these projects, the allocated funds will be preserved.

2. If decentralized delivery is to be part of the project, the design should include a separate institutional analysis of how this will effect project implementation and sustainability. This should not be a generalized statement, but rather an in-depth
review of the communities in which the project is to take place, and the political economy of such communities. It should also include actions to avert any foreseen problems. For instance, women are not full participants in many indigenous communities. In such cases, special care should be taken to ensure that indigenous women and girls (1) attend school, (2) participate in community meetings, and (3) are paid for their work*.

3. When designing projects to improve the lives of indigenous people, the Bank should consider how the indigenous are being effected by other Bank projects. In addition, because this is such a rich and varied group, the Bank should not take a “one size fits all approach.” Rather, the Bank should recognize that designing and implementing projects with indigenous people is a long-term effort, which calls for considerable time to:

(i) work with communities while the project is being designed so that the project meets the priorities of the indigenous people (including productive projects),

(ii) train communities during implementation, and

(iii) build institutional arrangements that can effectively address the concerns of indigenous peoples.

Therefore, the Bank should allow for appropriate staff and budgetary allocations to allow for consultations with communities during project design, sufficient interaction during implementation and careful monitoring to ensure that all of the project components receive equal attention.

4. When designing projects that either include indigenous peoples as part of the general population of beneficiaries to be reached, or distinctly target indigenous peoples as beneficiaries, Management should include the following baseline information and information to be monitored:

a) Percentage of indigenous vs. non-indigenous beneficiaries compared to the overall demographic profile.

b) Percentage of indigenous vs. non-indigenous served by the program

c) Percentage of funding received by indigenous vs. non-indigenous.

d) Indicators for measuring the quality of benefits received.

e) Indicators for measuring the impact of benefits received.

5. The Bank and its borrowing countries should consider using agencies other than the Social Investment Funds for carrying out long-term projects to build social capital in indigenous communities. This will not only enrich the variety of competent institutions in the countries, but allow the Social Funds to do what they do best which is working with communities to build small infrastructure. In addition, implementing agencies should be strongly encouraged to hire indigenous staff who

* See footnote 38 on page 31.
both speak the language and have knowledge of indigenous customs when working on projects that include indigenous people as beneficiaries.

6. The Bank and its borrowing countries are presently designing and implementing a “new generation” of indigenous participatory community development projects that seek to incorporate many of the lessons learned from past projects. These projects should be evaluated for both short and medium term impacts to ensure that they are achieving their goals and they teach new lessons when they have reach a sufficient level of execution.
I. INTRODUCTION

A. Purpose

1.1 With the mandate from the Eighth Replenishment (document AB-1704), the Bank assumed a specific commitment to increase its efforts to promote the development of indigenous groups, in the context of poverty reduction and social equity, and to incorporate this issue systematically into regular Bank activities.

" Indigenous groups, who comprise a distinctive and significant segment of the population of the region, are endowed with a rich cultural and linguistic heritage and have developed social and economic practices that are well suited to the fragile ecosystems they inhabit. Indigenous groups typically belong to the poorest economic strata. Accordingly, project design and execution mechanisms should seek to strengthen the capacity of indigenous groups to undertake and implement development projects. In recognition of the important role of indigenous groups as both contributors to and beneficiaries of future development efforts in the region, the Bank has played a catalytic role in the recent creation of the Fund for the Development of the Indigenous Peoples of Latin America and the Caribbean. This initiative will be instrumental in defining Bank poverty alleviation strategies and action in support of indigenous development. The Bank will step up its efforts to obtain additional financing for programs benefiting indigenous groups in order to adequately address their needs."

1.2 Although the Bank does not have a policy on indigenous people, it does have a Strategy for Poverty Reduction (GN-1894-5) which says that:

"Although estimates vary, indigenous groups comprise about ten percent of the population of the region, representing over 400 different ethnic groups, each with its own language, culture and strategy of adaptation to the natural environment. Recent studies have demonstrated high degrees of correlation between poverty indicators and ethnic affiliation: with very few exceptions indigenous people belong to the poorest strata of the population and are disproportionately represented among the poor. Given that in socio-economic terms indigenous groups represent such an important sector of the poor and extremely poor, it is paramount, especially in countries with large indigenous populations, to address the socio-cultural dimension of poverty and to define poverty reduction strategies that are based


4 In addition to the 8th Replenishment mandate and the poverty reduction strategy, there are other strategic documents and guidelines, such as the 1990 Environmental Committee’s “Guidelines on Socio-cultural issues as related to the Environment, several IND technical studies, best practice studies and working papers on indigenous development issues (for a detailed list see the SDS/IND website).

5 Although the IDB does not have a specific policy on indigenous people, there are other strategic documents and guidelines, such as the 1990 Environmental Committee’s “Guidelines on Socio-cultural issues as related to the Environment”, several IND technical studies and best practice studies and working papers on indigenous development issues.
on a better understanding of the linkage between poverty and ethnicity. Projects should be based on a genuine dialogue with indigenous organizations so that they include indigenous views, aspirations and potential contributions in the design of social service delivery strategies, especially in the areas of health and education. Such projects should incorporate and strengthen indigenous health concepts and practices and recognize bilingual multicultural education as an important vehicle for improving the effectiveness of education and training programs for indigenous groups.” (GN-1894-5: February 1997. Pp. 13-14.)

1.3 Since 1994, there has been a significant increase in the number of social projects that are aimed at indigenous peoples, or that include special measures for helping this population. For instance, the Year 2000 Annual Report says that:

“Progress in terms of systematically incorporating indigenous and other minority issues into the design of projects supported by the Bank was especially notable in the social sectors, particularly for primary education, social investment funds, and other poverty-targeted initiatives. In countries with significant indigenous populations, most basic education projects now include bilingual intercultural education as a standard feature. This important development not only improves the effectiveness and quality of primary education, but also has important benefits in terms of strengthening cultural identity and community involvement in education activities. A number of social investment or community development projects included specific measures to ensure access by indigenous and other minority groups. Approximately 12 percent of Bank operations in 2000 affected or targeted indigenous groups and half of those projects included ethno-specific components or activities to facilitate participation of indigenous groups in project design or benefits.” (Year 2000, Annual Report, P. 24.)

1.4 With the 8th General Replenishment and the Poverty Reduction Strategy in mind, OVE began this evaluation to identify the elements of Bank programs that have been successful in meeting indigenous needs, and also the issues that must be resolved if Bank projects are to maximize benefits. In early 2001, the World Bank also began an evaluation of its projects dealing with indigenous peoples. The evaluation departments in both Banks decided to collaborate in their studies in order to broaden the perspective of both Banks. Therefore, the two Banks are reviewing projects in Guatemala and Peru separately⁶, but will discuss each other’s conclusions and recommendations and brainstorm to find solutions to common problems.

1.5 Projects in five countries were chosen for this Bank study: Argentina, Bolivia, Guatemala, Mexico, and Peru. The last four countries represent countries where indigenous peoples constitute large parts of the population and are a considerable presence in country statistics on poverty, lack of access to services, etc. Programs that are designed to benefit the poor in these countries will almost automatically benefit the

⁶ The World Bank is reviewing 2 projects in Peru, (1) the Sierra-Natural Resources Management and poverty Alleviation Project, and (2) the Program for Rural Roads (funded jointly with the IDB). In Guatemala it is reviewing 2 projects: (1) the Integrated Financial Management Project, and (2) the Social Investment Fund (funded jointly with the IDB).
indigenous to some degree. By contrast, Argentina is a country where indigenous people constitute about 1% of the population. Therefore, Argentine programs have to be more specifically targeted to the indigenous poor, if they are to reach them.

1.6 Reflecting the numerical composition of the indigenous population in the countries, most of the evaluated projects were targeted to the poor generally, with the understanding that the indigenous, who make up a large proportion of the poor and very poor population, would receive benefits from the projects. The project in Argentina, however, was a Technical Co-operation targeted specifically to the indigenous population, within a much larger project targeted to the poor, in general.7

1.7 The evaluated projects are mostly in the social sectors (see Table 1.2. below), except for a project dealing with water and sanitation in Mexico and the two small projects dealing with productive sectors in Mexico and Peru. These two latter projects will not be discussed in this paper because they are too small a sample from which to draw lessons on these types of projects. However, the evaluations of the two projects are included in the evaluations of the Mexico and Peru projects and are on-line (OVE intranet web page) for those who wish to review them.

1.8 The evaluated projects were all approved in the 1990’s, a period during which the Bank’s efforts at working with indigenous peoples became more proactive than previously. For instance, during the 1980’s the Bank’s efforts to work with indigenous people were mainly focused on mitigating any negative environmental impacts its projects might have on them. In the 1990’s, as a result of the 8th Replenishment, the Bank began to look for opportunities to promote economic and social programs for indigenous people. Many of the projects in this review were efforts to deepen concern for indigenous peoples’ cultural identity in social projects meant for poor people generally. By including components such as bilingual education and sensitivity to cultural norms the Bank sought to target indigenous people among the general population. In addition, the Bank is currently designing and executing a “new generation” of indigenous participatory community development projects that seek to incorporate many of the lessons learned from past projects.

1.9 To serve as a focus point for this new emphasis on indigenous peoples’ cultures and rights, the Bank created the Indigenous Peoples and Community Development Unit in 1994. The unit is particularly involved in policy related work, systematic quality review as a member of the Committee on Environmental and Social Impact (CESI), and above all, in operational support to projects for indigenous people that are innovative or unusually complex.

1.10 This document presents a summary of the 10 evaluation findings (see Table 1.2 below) and is organized around a number of issues that should be resolved if Bank projects are to improve. Chapter 2 includes discussions of targeting, budgeting, and decentralization issues in projects. Chapter 3 discusses the issues of service inequality, priorities, community participation, and gender. Finally, Chapter 4 contains conclusions and

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7 1021/OC-AR: 996/SF-AR
recommendations. Detailed summaries of each of the 10 evaluations of indigenous projects discussed in this report can be found in Annex I, and the case studies themselves will be on-line.

1.11 Methodology: The overall guiding question of the evaluations is whether the projects are being successful in reaching the intended ethnic/racial target groups and if so, what are the results and impacts? The projects were selected because they generally represent large projects that were designed and funded to have impact on large numbers of poor people, including indigenous peoples. These projects have not been targeted explicitly towards indigenous, but the project documents make clear that they are included as intended beneficiaries. The Argentine project, which is a small project targeted specifically towards an indigenous population, may have had deeper impact on its beneficiaries, but the population served by the project is small. More recent projects, which may demonstrate further refinements in the Bank’s efforts to promote cultural political and economic characteristics of indigenous peoples, could not be evaluated because they are not far enough along in implementation. Each individual project evaluation had at least two weeks of field visits where project officers of the Bank and of the Borrowing country were interviewed, on-site visits made, and beneficiaries interviewed as to their opinion of the project. During the field visits interviewees were questioned both as members of a community, and as individuals. In addition, consideration was given to both the position of people interviewed (community leaders, working men, married women, unmarried women, widows, children, teachers, etc.) as well as non-indigenous bureaucrats when responses were evaluated. Although the report does not desegregate responses in this manner, it tries to reflect the overall success of projects in reaching goals held by intended beneficiaries.

1.12 In addition, other evaluations of the project (usually commissioned by the borrowing country) were reviewed, as were other project documents. Bank policies and strategies were read to review the guiding principles behind the projects. It is important to note that although the evaluation team visited many projects that were in isolated areas, only a few FONCODES projects in the Amazon (Peru) were visited as representative of projects in heavily forested areas. Since these areas produce special environmental and cultural concerns, the conclusions and recommendations in this report would have to be expanded to apply to them.

1.13 To substantiate its findings and recommendations quantitatively, OVE includes, as much statistical and quantitative data in its evaluations as is available. However, in the projects evaluated for this report, quantitative data was lacking on many important issues. These included:

1. The proportion of indigenous vs. non-indigenous beneficiaries compared to the demographic composition of the target area;
2. The difference in cost in project preparation and delivery for indigenous and non-indigenous peoples, compared to the return and impacts of these programs;

3. Percentage of funding received by indigenous vs. non-indigenous peoples.

OVE has made several recommendations to address the above mentioned issues in the new operations.
Table 1.1. Estimation of the Indigenous Population in Latin America in 1999 \(^8\)
(in thousands of inhabitants)

<table>
<thead>
<tr>
<th></th>
<th>National Population</th>
<th>Indigenous Population</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Over 40%</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Bolivia</td>
<td>7,960</td>
<td>5,652</td>
<td>71</td>
</tr>
<tr>
<td>2. Guatemala</td>
<td>10,801</td>
<td>7,129</td>
<td>66</td>
</tr>
<tr>
<td>3. Peru</td>
<td>24,797</td>
<td>11,655</td>
<td>47</td>
</tr>
<tr>
<td>4. Ecuador</td>
<td>12,175</td>
<td>5,235</td>
<td>43</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>55,733</td>
<td>29,671</td>
<td>53</td>
</tr>
<tr>
<td><strong>From 5 to 20%</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Belize</td>
<td>230</td>
<td>44</td>
<td>19</td>
</tr>
<tr>
<td>6. Honduras</td>
<td>6,147</td>
<td>922</td>
<td>15</td>
</tr>
<tr>
<td>7. Mexico</td>
<td>95,831</td>
<td>13,416</td>
<td>14</td>
</tr>
<tr>
<td>8. Chile</td>
<td>14,824</td>
<td>1,186</td>
<td>8</td>
</tr>
<tr>
<td>9. El Salvador</td>
<td>6,032</td>
<td>422</td>
<td>7</td>
</tr>
<tr>
<td>10. Guyana</td>
<td>850</td>
<td>51</td>
<td>6</td>
</tr>
<tr>
<td>11. Panama</td>
<td>2,200</td>
<td>132</td>
<td>6</td>
</tr>
<tr>
<td>12. Suriname</td>
<td>414</td>
<td>25</td>
<td>6</td>
</tr>
<tr>
<td>13. Nicaragua</td>
<td>4,807</td>
<td>240</td>
<td>5</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>131,335</td>
<td>16,438</td>
<td>13</td>
</tr>
<tr>
<td><strong>From 1 to 4%</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. French Guyana</td>
<td>100</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>15. Paraguay</td>
<td>5,222</td>
<td>157</td>
<td>3</td>
</tr>
<tr>
<td>16. Colombia</td>
<td>40,803</td>
<td>816</td>
<td>2</td>
</tr>
<tr>
<td>17. Venezuela</td>
<td>23,242</td>
<td>465</td>
<td>2</td>
</tr>
<tr>
<td>18. Costa Rica</td>
<td>3,841</td>
<td>38</td>
<td>1</td>
</tr>
<tr>
<td>19. Caribbean Islands</td>
<td>8,406</td>
<td>162</td>
<td>2</td>
</tr>
<tr>
<td>20. Argentina</td>
<td>36,123</td>
<td>361</td>
<td>1</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>117,737</td>
<td>2,003</td>
<td>2</td>
</tr>
<tr>
<td><strong>Less than 1%</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Brazil</td>
<td>165,851</td>
<td>332</td>
<td>0</td>
</tr>
<tr>
<td>22. Uruguay</td>
<td>3,289</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>169,140</td>
<td>333</td>
<td>0</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>473,945</td>
<td>48,445</td>
<td>10</td>
</tr>
</tbody>
</table>


\(^8\) This table has been provided by the Indigenous Peoples and Community Development Unit (SDS/PEF).
Table 1.2. Projects Evaluated for the Report

<table>
<thead>
<tr>
<th>Country</th>
<th>Loan Number</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Argentina:</strong></td>
<td></td>
</tr>
<tr>
<td>1. Attention to Vulnerable Groups: geographical targeting. This TC targeted specifically to indigenous people, was part of a larger program generally targeted to the poor. (1021/OC-AR: 996/SF-AR)</td>
<td>ATN/SF-5625-AR: TC9704166: July, 1997</td>
</tr>
<tr>
<td><strong>Bolivia:</strong></td>
<td></td>
</tr>
<tr>
<td>2. Integrated Program for Minors: Targeted to poor children (not necessarily indigenous) under six years of age in a risk situation in terms of growth and development.</td>
<td>995/SF-BO : June, 1997</td>
</tr>
<tr>
<td>3. Educational Reform Program: Targeted to children aged 6-14 years attending public primary schools. Although this project was not only for indigenous children, it led to the change in the law relating to teaching in local languages. From about 1930-1994 it was illegal to teach in an indigenous language in a public school. The project provided for indigenous language teaching, thereby necessitating a change in the constitution.</td>
<td>931/SF-BO: November 1994</td>
</tr>
<tr>
<td><strong>Guatemala:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Mexico:</strong></td>
<td></td>
</tr>
<tr>
<td>8. Integrated Program for Equalizing Education: Grant-in-aid targeted to states. Only a small percentage of the children in this project are indigenous, most are just poor and rural.</td>
<td>846/OC-ME: December, 1994</td>
</tr>
<tr>
<td><strong>Peru:</strong></td>
<td></td>
</tr>
<tr>
<td>10. FONCODES: socioeconomic and unmet basic needs Targeted to poor people.</td>
<td>931/OC-PE: June, 1996</td>
</tr>
</tbody>
</table>

*Projects 9 and 12 on the Table are not included in this report, but the evaluations can be found on the OVE website.
II. TARGETING, BUDGETS AND DECENTRALIZATION

A. Introduction

2.1 An evaluation of projects to benefit indigenous peoples reveals a multi-dimensional issue, some aspects of which are clearer than others. For instance, the indigenous are often the poorest of the poor in the countries in which they reside, and some of their problems are endemic to those faced by all poor people in these countries. Other issues are specific to the social and cultural values of the indigenous and how the dominant cultures in Latin America adapt to the idea of a multi-cultural society.

2.2 Among issues which are not unique to indigenous people, but to all of the poor are:

1. Central governments are often not accountable or effective in delivering social services to the poor.
2. Countries are presently in the process of decentralizing social services without insuring that both sufficient funds and human resources exist at sub-national levels, and without any central system of monitoring the impact of decentralized service provision.
3. The poor are not well represented in the political system and lack institutions to make their voices heard.
4. The economy is not expanding fast enough to create jobs for the poor.
5. The poor aren’t receiving enough education to qualify for jobs that are available.

2.3 Issues that are unique to the indigenous include:

1. The mother tongue may be a language other than the official or national language.
2. The economic and social orientation may be focused towards the community rather than individual achievement.
3. Pervasive racial discrimination may be part of dominant culture.
4. Indigenous people frequently have a special relationship to the land which is not seen as a commodity but as part of a holistic concept in which the individual and the community belong to their land a natural environment.
5. Separate institutional mechanisms, such as judicial systems, medical practices, and leadership selection.

2.4 Another dimension to designing and implementing projects that seek to help indigenous peoples is that the indigenous themselves are not a single group. Important differences divide urban indigenous people from those living in rural areas. For instance, in the cities, indigenous people are more likely to speak Spanish and have access to social services, even if they are not very satisfactory. Urban indigenous women are more likely to work outside the home and the traditional social structure (such as the counsel of the elders) is more likely to have broken down. However, there are still ties to traditional roots in the form of urban organizations that unite people from a particular ethnic background. In the

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10 Other important issues include depletion and degradation of the natural resource base, minifundization, erosion of subsistence based rural economies, and rural to urban migration.
cities, the main problems more closely match those of the urban poor, although additional problems arise if the indigenous want to attend bilingual schools or face exclusionary practices.

2.5 It is in the rural areas that the indigenous, although not homogenous, have a fairly unique set of problems. Perhaps the most pressing of these is the isolation in which many communities exist, which can set the stage for many disadvantages. Isolation often means:

1. Poor, or no, roads. Additionally, lack of other basic infrastructure such as potable water, electricity, and drainage.
2. Poor, or no, schools. Infrastructure has not been built and experienced teachers don’t want to live in such isolated areas.
3. Poor, or no, health facilities in the community and lack of access to better health facilities within reasonable distance.
4. Mini-fundia: Large tracts of land have been taken from the indigenous and what is left has been subdivided many times until there is rarely enough land for anything but the most subsistence farming.

2.6 It is in these isolated areas where non-Spanish/Portuguese, English etc. speaking indigenous people most commonly live, and where traditional ties to the land and indigenous customs are most strong. However, evaluation findings reveal that even in the most isolated areas, indigenous cultures are being stressed by large numbers of communities whose inhabitants migrate to other parts of the country or to other countries, to find work for at least part of the year. These migrations often expose indigenous communities to new ways of viewing the world.

2.7 Considering that the issues are so varied, the Bank and its member countries need a broad overall strategy for helping to resolve:

(i) the poverty problem (i.e. allocating a larger portion of the national budget to social services, creating more efficient ministries, improving productive capacities, and assuring more equal access to political power) and,

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11 It is particularly in communities living in the isolated jungles that land and cosmic viewpoint differ from the dominant culture.
12 An interesting example of the changes in Indigenous communities comes from the Peruvian evaluation (see on-line study). The evaluation says that “The equation of indigenous peoples with rural agriculture may be ignoring Peru’s increasing urbanization. Evidence suggests there is a growing presence of indigenous people in Peru’s cities. According to the World Bank, for example, this development can be seen in the some 9,000 clubs in larger urban centers, particularly along the coast, which have strong links with their district, town and hamlets. During the mission, however, many of those interviewed in the Department of Puno noted that people have also been returning to their homes and villages in the last five years (To note is that the displaced or returning population targeted by the government’s Resettlement and Development Program is some 1.6 million people). After having lived for years in differing areas, the returnees represent and are introducing a new dynamic to the traditional face of rural Peru. Depending on the degree to which indigenous peoples can be identified within it, the country’s next census (slated for 2001) may shed greater light on the movements which have occurred over the past decade. P.6
(ii) specific programs to alleviate the problems faced by the indigenous. 
(Agricultural enhancement programs efforts to combat social, cultural and political exclusion.)

2.8 Programs that work on one set of issues without addressing the other set may alleviate some problems in the short term. However, in the long run, satisfactory solutions to both poverty and cultural issues need to be found to assure sustainability of (often-costly) efforts. The following are the results of the evaluations.

1. **Targeting the Indigenous Population**

2.9 There is much debate and little agreement on how to define and enumerate indigenous populations. Auto-identification is one way of determining the indigenous population. Other methods use criteria such as close attachment to ancestral territories and to natural resources in the area or, an indigenous language often different from the official national language. The presence of customary social and political institutions and primarily subsistence-oriented production is sometimes used. Table 2.1 illustrates how selected countries in Latin America define the indigenous.

<table>
<thead>
<tr>
<th>Country</th>
<th>Definition of ethnicity</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>Geographic area</td>
<td>Socioeconomic information¹⁴</td>
</tr>
<tr>
<td>Bolivia</td>
<td>Language spoken</td>
<td>1976 census and 1988 survey of population and households</td>
</tr>
<tr>
<td>Colombia</td>
<td>Auto-identification and geographical location</td>
<td>Census of 1973 and 1981</td>
</tr>
<tr>
<td>Mexico</td>
<td>Language spoken</td>
<td>Census of 1988 and 1990</td>
</tr>
<tr>
<td>Peru</td>
<td>Mother’s language and language spoken</td>
<td>Census of 1972 and 1981</td>
</tr>
<tr>
<td>Venezuela</td>
<td>Auto-identification and language spoken</td>
<td>National census of 1981 and indigenous census of 1982</td>
</tr>
</tbody>
</table>

Source: Latin American Demographic Center (CELADE) ¹⁵

¹³ “Most particularly in the countries with large indigenous populations, the discrepancy between official and many independent estimates of their numbers tends to be quite wide. This is often attributed to deficiencies in the measures used at the national level for measuring ethnic identity.” Roger Plant, “Issues in Indigenous Poverty and Development “, Inter-American Development Bank, 1998. P. 5. However, there is an emerging consensus on how to define indigenous people, based on the ILO Convention 169 of 1989 on the “Rights of Indigenous and Tribal Peoples” which has been adopted by many countries in the region and has shaped many of the new constitutions and legal frameworks recognizing the rights of indigenous people within pluricultural and multiethnic societies. In fact, in many countries the Bank is supporting the improvement of census and household survey instruments.

¹⁴ See Argentina Case Study

2.10 Knowing who and where the indigenous are can be very important when designing projects that are meant to benefit them. In countries where the indigenous population is high, generalized socioeconomic criteria may suffice to “target” projects to intended beneficiaries. However, even in those countries, specific information about geographic location may be necessary to reach the highest proportion of indigenous. However, in countries where the percentage of indigenous is much smaller (Table 1.1. - countries 14-29), indigenous identification, socioeconomic data and geographic information becomes essential.

2.11 The Bank and its member countries have had considerable experience targeting programs to particular sectors of the population, especially in programs which are designed to benefit the poor. There are several targeting methodologies, which can be used singularly or in combination with each other. One methodology is to use a household census of unmet basic needs (UBNs) as a way of defining the desired beneficiaries. Another method is to target programs to the population in the lowest income quintile. Beneficiaries can be targeted on an individual basis i.e. they demonstrate their economic position and may receive a card to identify them as potential service recipients. Projects can also be aimed at a particular geographic area where “poverty maps” created for the purpose, show that either the income in the area is very low and/or basic needs are not being met.

2.12 Various problems have emerged from these targeting methods. First, household surveys are expensive, as are national censuses. Because of this, they are often not done for long periods of time (or not at all) and so do not contain timely information. In addition, they are difficult to do, and countries may not use “indigenous” as a category in the census For instance, in Argentina, various surveys show the Indigenous accounting for anywhere from 250,000 people to a million. In addition, the Argentine national statistics system does not consider ethnic membership to be relevant. (Argentine case study, Chapter 1). Problems in geographic targeting arise because although geographical targeting may be quite effective in rural areas, in urban areas (which may actually contain more poor and/or indigenous people than rural ones), there may be a mix of income levels, thus including unintended beneficiaries in projects.

2.13 Reaching the very poor is particularly difficult. The Social Investment Funds (SIFs) which the Bank has funded in most Central and Latin American countries, are based on a “demand driven” strategy which relies on poor communities to organize and select their own small infrastructure projects. However, evaluation studies show that while the SIFs are improving their record in reaching the poorest, communities in the 4th (rather than 5th) quintile still tend to generate and receive more projects. This is partially because the poorest of the poor have a difficult time organizing, prioritizing, and articulating their demands.
Box 2.1: Targeting in the Guatemalan FIS

Despite a generally satisfactory distribution of funds in geographical terms, the targeting criteria generated some problems. In order to correct them, the IADB/FIS program recommended that at least 20% of the IADB loan proceeds were targeted to group A municipalities and that at least 50% of these funds were targeted to group A and B municipalities. According to the Progress Report (September 30, 2000) these criteria were fully met concerning the municipalities in the A category (extreme poverty) which received 24.29% of the FIS projects. However, the total amount executed in A and B municipalities (extreme and severe poverty) was slightly below the targeting criteria, reaching only a 47.41%.

2.14 In the case of indigenous communities, which are often well-organized to train and promote members into traditional leadership roles, such training may not include prioritizing and implementing a menu of projects received from an outside organization. In such cases, unless promoters who speak the language and understand community organization are available, the actual priorities of these communities may be overlooked. In addition, indigenous people may hesitate to identify themselves as such. For instance, in the case of Peru, as a result of legislative norms, indigenous peoples may describe themselves as belonging to a “comunidad campesina” or “comunidad nativa” rather than as being indigenous per se or as having a specific indigenous ethnicity (i.e. Ashaninka or Quechua). So, in countries where 30-40% of the population could be categorized as “indigenous” because of language or customs, only 20% self-identify themselves as “indigenous”.

Box 2.2: Information collection on Indigenous sometimes unclear (Peru Case Study)

A review of FONCODES and Wawa Wasi sub-project proposals (‘expedientes’) indicate that information pertaining to ethnicity is or has been gathered at the community level. The information being gathered is, however, somewhat confusing. Check-off questions in the FONCODES expediente address language usage and an ‘Indigenous Group’ category where the list of possible responses mixes affiliation with comunidades campesinas with others pertaining to ethnicity (i.e., C. Campes, Shibibo, Ashaninka, Uros, Otros). No mention is made on the form of comunidades nativas. Wawa Wasi’s community diagnosis form raises questions pertaining to the existence of community organizations; the accompanying check off responses include comunidad campesina, indicating that, at least in Cajamarca, the program does not view affiliation with comunidades campesinas as an ethnic marker. (As a result of legislative norms in Peru, indigenous peoples may describe themselves as belonging to a “comunidad campesina” or “comunidad nativa” rather than as being indigenous per se or as having a specific indigenous ethnicity).

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16 Among these problems, it may be cited: i) ceilings on investments in each municipality resulted in FIS projects being interrupted in some of the poorer municipalities which had effective community organizations but whose social needs continued to be urgent, even after the FIS investments; ii) the ceilings in some cases were less than US$ 20,000, which was too low for some FIS projects; and iii) since FIS investments cannot be subdivided, in some cases it has been difficult to find investments whose size matched the funds assigned to a given municipality. (Guatemala. Social Investment Fund (GU-0071) Loan Proposal. IADB 1996).

17 While the issue of self-identification and underreporting is certainly important in Peru (because Andean indigenous communities including the prevailing Quechua and Aymara people are not legally recognized as indigenous, but rather as “campesinos”-only the Amazonian indigenous peoples are recognized as “nativo” or indigenous- this is no longer the case in some other countries. Significant demographic growth rates have been reported among indigenous people in many countries, to a large extent because of increased confidence and sense of identity that has accompanied processes of social and political organization and legal reforms.
2.15 The projects evaluated for this study use a variety of targeting techniques that are often a combination of geographic, socio-economic statistics, and ethnic criteria.

2.16 In Argentina, the TC for Attention to Vulnerable Groups (Atención a la Población Indígena: CAPI) is targeted to areas with high concentrations of indigenous peoples, primarily in the northwestern region, involving 12 departments in the provinces of Salta, Jujuy, Formosa and Chaco. The project serves some 40,000 indigenous people in all. Targeting also concentrates on the population with the highest indices of UBNs and other indicators of poverty and exclusion. Other information used is participation in provincial and municipal social programs, such as the Agricultural Social Plan, or Participatory Social Investment Fund. CAPI projects are proposed by indigenous communities, and are coordinated within the National Institute of Indigenous Affairs (INAI). Approval of proposed projects by INAI, depends on them benefiting the indigenous population.

2.17 In Bolivia, OVE evaluated three programs that are changing and reforming childcare, education and health services. Since the indigenous make up such a high percentage (70%) of the population in Bolivia, programs that are targeted to the poor (rather than specifically to the indigenous poor) will reach a considerable percentage of indigenous. For instance, twenty percent of the Bolivian population is comprised of children under six years of age and around 70% of those are poor and indigenous. The Program for Attention to Minors targets poor children under six years of age in a risk situation in terms of growth and development, living in municipalities. The Program seeks to reach roughly 13% of poor children under six by 2003 (it now reaches 7% of the children). The Educational Reform Program is more far-reaching in terms of ultimate beneficiaries to be reached, The target group is rural children between 6-14 who are attending public primary schools. It is estimated that approximately 40% of this group should be receiving bilingual education once the project is fully implemented, although only 5.1% were receiving it in 2000. Finally, the Bolivia Health Services Reform Program targets 6 urban and 6 rural districts. To target its benefits, the project uses criteria such as (i) socioeconomic indicators (infant mortality, women’s alphabetization, etc), (ii) percentage working in the informal economy and (iii) percentage belonging to vulnerable groups, such as indigenous.

2.18 Guatemala’s Community Development for Peace Program (DECOPAZ) targets 17 municipalities in the northwestern highlands which, in addition to a population with very low socio-economic indicators were severely affected by the civil war. The Guatemalan Social Investment Fund (FIS) targets poor rural populations using a funding approach based on UBNs. Drawing upon a rural poverty index (RPI), the FIS computes an indicative distribution of its resources by municipality, taking into account each municipality’s RPI and its total rural population.

2.19 Mexico has particular difficulties delivering services to its indigenous population due to large numbers of student-age children and a highly dispersed population which makes it

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18 It takes time to establish this type of program and the process only began in about 1997/8. Materials have to be developed and validated, parents have to be convinced about its effectiveness and the program has to build up gradually year by year from first grade-it is not something that can be introduced in all grades at once. Thus it would take a minimum of 6 years to involve all eligible children.
is very costly to provide conventional education to groups of 2-10 students. Of its 98 million people, 23.5% are between 5-14 years and 25.3% (about 15% of whom are indigenous) live in rural communities characterized by high levels of poverty and marginalization. The principle instrument used by the GOM to target the indigenous population in the two projects evaluated by OVE, *Water and Sewerage in Rural Zones*, and *Integrated Program for Compensatory Education*, is to work through the State system, using grant-in-aid funds to encourage the states to carry out programs designated as national priorities.

2.20 Finally, the two Peruvian projects reviewed, the *Program of Support to the National Fund for Social Compensation and Development (FONCODES, Phase II)*, and the *National Program to Assist Children Under Three (Wawa Wasi) Stage 1*, were both designed to reach and benefit the poorest segments of Peruvian society. Their project documents both emphasize that the indigenous peoples are most disproportionately affected by poverty and that projects cannot just rely on quantitative indicators to target populations. Rather, both projects include specific activities to ensure that programs reach intended beneficiaries.

2.21 In its design, the Wawa Wasi program identifies specific measures to promote the program’s activities and to ensure that project activities are compatible with the socio-cultural and linguistic requirements of indigenous peoples. Promotion activities are a very important part of the program because while the benefits of early childhood care are recognized internationally, such programs are not common in Peru. The program was also to be tailored to the needs of indigenous peoples at a number of levels. In indigenous areas, for example, services are to be provided by local indigenous mothers. All materials for promoting the program and fostering a culture of child nurture are to be adapted to the cultural and linguistic characteristics of each region “in order to increase their acceptance by indigenous communities.” Where necessary, training courses were also to be delivered in native languages.

2.22 FONCODES II was supposed to assign a larger amount of resources for training and promotion than was in FONCODES I. The promotional work was to be primarily carried out in extremely poor districts and in areas which had not yet received financing. FONCODES project documents specified that the personnel in charge of promotion, evaluation and supervision in the branch offices serving that population will be required to speak the local language.

2.23 In summary, the projects were designed to either specifically target indigenous people or to reach them by using promotional and training activities.

2.24 From the above, it can be surmised that, all other factors being equal, targeting was not inappropriate. However, as will be seen when reviewing the impacts of the projects, all other things are not equal. Indigenous people who speak Spanish have an advantage when facilitators do not speak indigenous languages (as often happened despite rules to the contrary). More prosperous indigenous communities have an advantage in getting services when state administrations impose co-payment requirements. Communities that can make contacts with other organizations (such as municipalities) during
implementation have an advantage over those that do not when benefits have to be sustained after the project is completed. **In short, good targeting in project design is a necessary, but not a sufficient condition, for benefiting the indigenous.** Rather, it is the design, plus efforts during implementation that make the difference in reaching and impacting the indigenous community.

2. **Ensuring Budgetary Support**

2.25 When evaluating Bank projects, a noticeable distinction can be seen between results and final impacts. Sometimes there is great synergy between the two and sometimes the bricks and mortar that contribute to successful results, do not combine into complementary developmental impacts. The problem is that the two are constructed from different sources. Results can be measured in the number of schools built, parents trained, or health specialists visited. Impact has to do with how these activities have changed lives by increasing literacy, enhancing the quality of parental attention, or improving health indicators.

2.26 Since the social deficit in many of the borrowing countries is great, and many indigenous need to be served, both results and impacts should be evaluated in terms of (1) the costs of projects, (2) the number of beneficiaries, and (3) how the project is to be financed (central government, sub-national governments, communities, combination of the three). In addition, since these projects are attempting to bring about social change (i.e., education, health, community decision making, community participation in national programs) projects have to be designed over the long term, since it will take more than a normal project cycle (4-5 years) to bring about the desired impacts. This is a big order, and few projects have met these requirements. The most common problem has been that projects are designed with the goal of improving services and community participation, without ensuring that sufficient budgetary support exists at the various levels of government to sustain them in the long run. Since these projects are often politically neutral, or even unpopular, political allies are essential if the projects are to attain their full impact.

2.27 For instance, a project which has had a considerable impact on its beneficiaries already, and which could achieve even greater impact if allocated renewed resources is the Argentine TC to **Help Vulnerable Groups.** This TC was for US$5 million dollars. It gives training and advice to community organizations to help them in their efforts to receive legal status for their organization, and participate in diagnosing, formulating and implementing projects to overcome poverty and exclusion. These projects include areas, such as productive projects, job training, environmental projects, cultural projects, etc. It also helps in the promotion and distribution of materials regarding indigenous rights. All together some 50 small productive projects in agriculture, and a combination of other projects such as scholarships, community health, community infrastructure, etc. (which add up to 100 sub-projects) have been approved.

2.28 This number of sub-projects is small, and the limited amount of funding allocated to the TC means that projects do not reach all the communities that need them. However, the impact upon community pride has been very great. The Argentine project evaluation
conducted by OVE specifically notes that because of their numbers and because of ethnic discrimination, the indigenous have suffered two forms of exclusion. One form has been denial of their existence, the other form ethnic stigmatism, such as uncomplimentary name-calling or exclusion from social events (Argentine evaluation, see OVE Intranet web page).

2.29 During the evaluation mission to Argentina, 12 communities, which participated in this program, were visited. Every community was proud that they had organized and had either received or applied for legal recognition from the state. Because receiving legal recognition was a prerequisite for presenting projects to CAPI (the central organization for the project in the National Indigenous Institute), the technical teams and the indigenous support organizations dedicated considerable time to helping communities receive legal recognition (*persona jurídica*). Communities value legal recognition as an enabling tool that permits them to go before the municipal, state and national governments and negotiate funds, actions and social programs in the community’s name. As one community promoter said: “Before we were like a boy without papers, but now with documentation in our hands, we can begin many new projects” (Argentine evaluation, see OVE intranet web page). Communities are also proud that the program enables them to manage their own funds. For example, one interviewee told the evaluation mission, “Now we have more respect from the municipal government. Because of this we can now participate more in certain decisions of the municipality that are of interest to us.” In fact, members of the communities told OVE that this was the first time that any level of government had done anything for them.

2.30 An unexpected impact (externality) is that communities are now thinking about new ways to earn money. One community has asked the managers of a nearby National Park if it can build an indigenous lodge, sell arts and crafts, and work as tour guides. Others are thinking about how to make regional indigenous food appealing to tourists. The point is that a relatively small amount of funding has generated both cultural pride and entrepreneurship.

2.31 With all of these positive impacts, the Argentine CAPI program should receive very high evaluation marks. However, omissions have been made in planning for long-term sustainability. The program will need refinancing if it is to complete the projects already started and reach new communities with new projects. As of now, there is not a commitment on the part of the GOA to continue the project, and despite the small amount of funding required (US$5 million) the program is in danger. In fact, in its efforts to allow communities to have direct access to funds without going through the state and/or municipal governments, the program actually alienated potential and important allies. Several Mayors told OVE evaluators that they objected to the project for this reason. In addition, the state governors, already in debt, were not anxious to take on an additional expense for groups that are, at best, marginalized, at worst troublesome. As a result of the lack of support from the sub-national units, the fiscally pressed federal government views this as a program that can be terminated if fiscal conditions tighten.

2.32 If the project is not continued, the participating communities, which have gained confidence in both the federal government and their own futures, will grow even more
disillusioned than they were before the project. For this reason, when designing and implementing such sensitive programs, it is very important to include mechanisms to gain a network of alliances before and during implementation. In addition, considering that this is the type of program that has impact on the indigenous, but does not have much effect on the political standing of government officials in Buenos Aires, the Bank should seek up-front commitment from the federal or local government to continue such programs for a number of cycles if project results are positive.

2.33 The results and impacts of other projects have also been very positive, but the projects themselves have also suffered because the conditions which would allow for long-term commitment by the government were not established during the initial project negotiations. For instance, Peru’s **Wawa Wasi** Program’s objective is to promote services and actions across the country to foster the integrated development of children under three, (particularly children at risk) through integrated day care, infrastructure, training and promotion and dissemination. Despite being recognized by UNESCO as one of the world’s 10 best programs of its type, the program suffered a 38% cut for the year 2000. As a result, its goals for including 55,000 children have been reduced to 25,000 for year 2000. Only 12 departments and 70 districts (none of which are rated “extremely poor”) have been reached.

2.34 The **Wawa Wasi** Program (stage 1) was originally intended to be a very expensive program. The full program was to take five years to execute and cost a total of US$148.9 million. Phase I, evaluated for this review, was approved in 1999 to run for three years and is valued at US$66 million. The Bank is contributing US$46.6 million towards this amount, and the Government of Peru, US$20 million. By 1997 the Peruvian economy was already showing signs of weakness. Therefore, it would have been prudent of the Bank to work with the GOP to think through long-term strategies to keep this type of project going.

2.35 For instance, staff at the WaWa Wasi central office told the OVE evaluators that they had been concerned from the start about a one-size fits all service model. They thought that a country with so much diversity, including possible differences in quality and capacities of community organizations and in numbers of needy children in smaller communities, could use a variety of approaches, such as NGOs instead of government employees. Perhaps the use of different approaches could yield acceptable results at less cost.

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19 CAPI is a technical assistance program within a much larger social assistance program.
20 Beginning in late 1997, however, Peruvians were confronted with both natural disaster and external shocks. The 1997-1998 El Niño phenomenon and its fall-out caused six hundred deaths in Peru, Bolivia and Ecuador, with damages totaling US$ 8 billion (IDB, 2000a). In Peru alone, El Niño caused more than US$1,200 million in damages, more than three times original estimates, and slowing down the agriculture and fishery sectors (Bouillon and Yamada, 2000: 33; IDB, 2000:92). Externally, fallout from the Asian and Russian financial crises reduced Peru’s access to external financing, while commodity prices went into a decline. Economic growth was subsequently reduced to about one half of expectations, with both exports and foreign investment declining (IDB, 1999: 87). Ostensibly due to economic conditions and high debt service obligations, the government began cutting back its contributions to investment projects in 1999, development which has affected the execution of the projects under review in this study. P.2 (Peru evaluation study).
Whatever the resolution, the solution should be more rational than severe cut backs on the parts of a project that has the potential of reaching many of those most in need.\textsuperscript{21}

3. Recognizing potential benefits and costs of Decentralization

2.36 Decentralization of programs to the state and municipal levels may be of assistance in making project activities more concurrent with local needs and may help reach isolated communities not ordinarily serviced by central governments. However, the financial and institutional constraints of sub-national governments pose limits to programs outreach, and threats to sustainability.

2.37 All of the projects evaluated for this review were working under some form of decentralization. The Argentine project was decentralizing from the federal government directly to community organizations. The Bolivian projects were being decentralized to the prefectura and municipal levels because the Law of Popular Participation in Bolivia mandates that education and health services be managed and delivered at these levels. Both the Guatemalan and Peruvian projects were partially decentralized from the central government to municipalities and communities. The Mexican projects were grants-in-aid from the Federal Government to States (which later decentralized certain parts to the municipalities). This section will show some of the positive and negative aspects of decentralization.

2.38 For instance, \textbf{The Program of Attention to Minors (PAN)} in Bolivia (US$20 million BID loan, counterpart US$13.5 million) interacts with communities (parents’ associations and community organizations) in a participative manner. The parents’ association and the community educator plan support (including counterpart funding) for the integral child care centers which offer primary health, nutrition, early stimulation, and protection for children, and reproductive health training for parents. Community educators, trained by PAN facilitators, are the primary caregivers.

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\textbf{Box 2.3: PAN SERVICES TO MINORS} \\
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PAN offers integral childcare services through direct and indirect mechanisms. The direct mechanism consists of child centers where children are cared for in a daily manner by community educators who have been trained by PAN facilitators who report to PAN’s Departmental offices. These centers are open from Monday through Friday in urban (8 to 10 hours) and rural (4 to 8 hours) communities. Childcare services are delivered in community centers built or renovated with PAN standards for this purpose. Centers are designed to provide services to groups ranging from 25 to 100 children under six years of age. In some cases, private homes are used to provide childcare. These homes are refurbished to meet the needs of approximately 15 children under the Program. Children attending childcare centers receive early education and supplementary meals. They also benefit from services delivered by the Ministry of Health’s Basic Health Insurance Plan and are referred to the local health posts. \\
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\textsuperscript{21} During the field trip, it was blatantly clear that the program also lacked the capacity to go much beyond the urban cores. Wawa Wasi field offices do not have their own transportation. In a program which requires close attention to community strengthening to get off the ground, this is a critical shortcoming. In many cases, the lack of transport had limited the degree to which Wawa Wasi personnel could attend night assemblies. During the day, staff were taking public transport or hitchhiking to get to their destinations (inter-agency collaboration appears limited, although one mayor visited during the mission, impressed with the Wawa Wasi program, offered to make some transport available). The level of dedication to the program by Wawa Wasi personnel was also made evident in Puno where in order to attend to an indigenous community as required, staff were renting accommodation during the week at their own expense.
Box 2.3 (Cont.)

and centers in case of illness or accidents. They receive protection by means of training given to parents and the community on human rights.

The indirect mechanism \(^{22}\) consists of attaining satisfactory growth and development of children under six by transferring knowledge to parents and older siblings (7 to 14 years of age) of children targeted by the Program and developing their capacities and skills in matters related to integral childcare. These objective are attained by:

(i) advancing processes to increase the value of family and community roles of women so that their self-esteem, cultural identity and psycho-emotional relationships within the family improve, thus benefiting small children;

(ii) carrying out individual monitoring and periodic growth and development controls of children under six years of age at their homes;

(iii) encourage the utilization of local health services, children protection bureaus and other local family services;

(iv) strengthen the participation and organization of families and communities in the administration of integral childcare and of the indirect mechanism.

2.39 Beneficiary evaluations were carried out recently. One evaluation (1999) studied three areas (psychological and physical skills, language and mathematics) in 5 and 6-year old children under the Program.\(^{23}\) The tests’ main results were that in mathematics 64.3% of PAN children obtained satisfactory results. The March 1999 test given to all Bolivian children upon entering first grade showed that 64.8% obtained satisfactory results. In addition, in language 33.7% of PAN children obtained satisfactory versus 43.2% for all Bolivian children. Finally, in Psychological and Physical Skills, 41.2% of PAN children obtained satisfactory results versus 39.9% for all Bolivian children. It is important to bear in mind that PAN children—poor and in a risk situation—are compared to all Bolivian children, poor and non-poor, Spanish speaking and bilingual alike.\(^{24}\) The tests also show that the three areas tested are highly correlated, hence the importance of PAN’s integral approach.

2.40 Another evaluation studied the impact of PAN on indirect beneficiaries. The evaluation’s main findings with respect to mothers was (1) Higher rate of participation; (2) Higher labor stability; (3) Higher probabilities of remaining in labor market; (4) Improved quality of work; (5) Improved probabilities of obtaining training; (6) Additional time to carry out other activities; (7) Decrease in home expenses; (8) Improvement in feeding and hygienic habits; (9) Strengthening of marriage; (10) Trust and satisfaction in services provided by the Program; (11) Positive perception of role of educators; (12) Willingness of mothers to increase resources to ensure sustainability of centers (for more results, see Bolivian evaluation, Annex 1).

2.41 These results demonstrate a very positive impact for the PAN program on children and their mothers. On the other hand, the coverage of PAN is extremely low. As of June 30, 2000, the number of children in risk situations in the 9 Municipalities covered by PAN

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\(^{22}\) The indirect mechanisms is currently in its pilot phase in Cochabamba. Only the Parents’ School is being implemented.

\(^{23}\) 1,614 children attending “4-hour” and “8-hour” urban and rural family and community centers were sampled throughout the country (21.6% of total children). 85.6% of children sampled were actually tested.\(^{21}\) The tests were administered by first grade teachers who had no previous relationship with PAN children.

\(^{24}\) A different evaluation (1998) measured the impact of PAN in terms of academic performance ad adaptability on children currently in primary school who received integral childcare from PAN family centers, children who received integral childcare in PAN community centers; Children who received childcare in preschool institutions other than PAN centers (control group B) and Children who received no integral childcare (Control groups A). Results obtain throughout the entire evaluation show that children from community centers and Control Group B show consistently better academic performance and adaptability skills than their counterparts from family centers and Control Group A. For more information, see Bolivian evaluation, p. 22.
was 990,823. The number of children in the PAN program was 68,870-7% of the potentially eligible population. The reason for PAN’s low nationwide coverage are the following: (i) there exists a high number of children under six in a risk situation; (ii) delivery of services is expensive because of the integral nature of childcare and the lack of suitable infrastructure and equipment; and (iii) there is a lack of counterpart funds on the part of Prefecturas and municipal governments.

2.42 This PAN program also demonstrates that programs should be decentralized to the level where funding and responsibility exists, rather than to a level with no immediate authority, or to a level without the institutional strength to implement activities. For instance, although PAN’s initial design included NGOs and community organizations as the main operators of the program, experience showed that municipal governments were more suited to the task. There are several reasons for this:

(i) under the current participatory planning process, communities prioritize their needs, demand services from their municipal governments and control budget expenditure;

(ii) municipal governments are able to operate the program’s services in a less costly manner than NGOs due to lower overhead and variable costs; and

(iii) the program’s sustainability increases because municipal governments who have participated in the program recognize its importance for their communities and show their willingness to increase their counterpart financing after the first year of participation.

2.43 However, the PAN program also must work with the Prefecturas, which are currently the weaker part of the chain in Bolivia’s decentralization process, which began with the approval of the Popular Participation Law in 1994 and the Administrative Decentralization Law in 1995. The Prefecto, the main political officer, is hand-picked by the Bolivian President and usually belongs to one of the political parties of the governing coalition. Since he is not elected by popular vote, he and his team may be replaced at any time. This is the context within which PAN operates in terms of the Prefectura and the Prefecto, who is head of PAN’s Departmental Committee. In spite of this, PAN must negotiate with the Prefectura every year to obtain counterpart financing for personnel fees and administrative and maintenance and operation expenses.25

25 At present, all Prefecturas, except for Oruro, have signed an agreement with PAN. Furthermore, in order for the program to be sustainable in the medium and long term, the Prefecturas are expected to gradually begin co-executing it (supervision, training and regulation) between 2001 and 2003 and to execute the integral childcare model on their own from 2004 onwards. In order to attain this far-reaching goal, the program will have to convince the Prefecturas that the integral childcare model is an essential part of its social policy. The first step is to reactivate the Departmental and Municipal Committees, which have not been meeting regularly. A second step would be to carry out technical activities such as training of facilitators and community educators and monitoring and evaluation with technicians from both institutions. A third step would be to involve the Prefecturas in important activities carried out by PAN such as negotiation with municipal governments, inauguration of centers, supervision of quality of services, etc. These activities impose a considerable institutional burden on the project.
2.44 The two other Bolivian projects have the same problem. Both the **Education Reform Project** and the **Health Services Reform Project** have had very positive results in terms of benefiting indigenous communities. The Educational Reform Program introduced bilingual education to rural children and to areas where Spanish is spoken as a second language.\(^\text{26}\) The project is behind in terms of percentage of schools with new curriculum and other pedagogic resources. However, national tests administered to third and fifth grade students found that students who learn language and mathematics in their mother tongue show a lower percentage of results in the “risk” category. Also, a larger percentage of students who learn language and mathematics in their mother tongue show a larger percentage of results in the “satisfactory” category. The Health Reform Project extended immunization to children under two. It also increased prenatal controls and made a significant increase in tetanus vaccinations and in breastfeeding.\(^\text{27}\)

2.45 Nonetheless, these two successful programs are also at risk because the decentralization of services in Bolivia has not been accompanied by sufficient funding or human resources at the sub-national level. Following the onset of the Popular Participation Law, municipalities are responsible for the maintenance and operation of schools and health facilities. Municipal governments, however, depend almost entirely on Popular Participation resources transferred from the central government. It is the poorest municipalities that have the greatest problems in raising their own taxes. These issues are neither new nor unexpected and should be anticipated when such types of programs are designed and approved if long-term benefits are to be sustained.

2.46 **For Potable Water and Sanitation in Rural Communities** is an example of a program which has had good results and impacts on the communities it has reached but could have even more significant results if there were increased sensitivity to the impact of decentralization. The water and sanitation systems were supposed to target rural communities with less than 2,500 inhabitants. The water systems were of different types, some using energy, others gravity. In certain places, the water systems used stored rain. Between 1995-1999, 56% of the communities reached were considered of high or very high level of marginalization and a little more than 30% of the beneficiaries were indigenous. About 30% of the localities reached were in communities where the homes were very dispersed. In 80% of the cases, the water reached the home of the beneficiaries, while in 20%, it reached public places.

2.47 In the **Sub-program for community participation**, the State Water and Sanitation Commissions made a primary selection of communities that should receive service, and then did a study to determine whether they had the ability and social organization to maintain the service. Communities participated by means of assemblies where they designated water and sanitation committees, made rules for operating the system, including quotas and mechanisms for ensuring payment. In indigenous communities, the program used organizations that already existed and their own forms of community participation. The Program originally envisioned a fund for operation and maintenance,

\(^{26}\) Although only 5.1% of children registered in the public school system in 2000 received bilingual education, it is estimated that approximately 40% of the total population of children 6-14 years of age should receive bilingual education.

\(^{27}\) Less successful were attempts to decrease the levels of respiratory and diarrheic diseases, and to extend the use of modern contraceptives.
including enough for repairs. However, in the case of indigenous communities, it was hard to establish the fund because the people were not used to paying for these services and actually were not used to a money economy.

2.48 The impact of the program can be measured by the enthusiasm of the participants and their desire to maintain the system. Once the work was completed, the program gave technical support to teach the beneficiaries how to maintain the system and keep it clean. At several communities visited by the OVE evaluation mission, the women in the community said that their lives were much easier because of the proximity of the water. On the other hand, at one community the system had not been working properly for some time, and the community had not received the technical help it needed to fix it. An interesting externality was that in one community, the residents asked for a more sophisticated system, because they did not want to have to use the chlorine tablets\(^{28}\) that their system depended on. The state representatives of the Water and Sanitation Commission tried to tell them that more complicated systems would be more costly and could breakdown more often.

2.49 The impact of the project could have been greater if there had been provisions in the project specifically for reaching the poorest rural communities (although this might have made the project less sustainable in the long run and it is already heavily subsidized.)\(^{29}\) The amount of money apportioned for each service in the project constituted an average price. However, in many of the more marginalized communities, the price of bringing the service was higher. In addition, the communities that the Program benefits are in great proportion of high or very high marginalization. Despite this, many states make the communities pay between 10-25% of the cost. When a municipality has to choose between several communities that apply for water service (because the municipality can usually afford co-payment for only a limited amount of new operations), it tends to choose communities that can pay a greater amount of the cost. Other reasons for choosing one community over another are because of personalities and/or amount of prestige of community leaders. This often leaves the poorest communities without the service.

2.50 The Mexican water and sanitation project is illustrative of the complexities of decentralization in a country where there are vast differences in resources between different states and within states. According to the program design, the federal government was to pay half of the cost of installing water and sanitation facilities in the beneficiary communities, while the states were supposed to finance the rest of the costs. The states visited to evaluate the program (Oaxoa and, Chiapas) are two of the poorest states in Mexico. Although Chiapas was originally excluded from this formula, it eventually was supposed to take up its share of costs. In both states, expenses were often pushed to the municipal level (because the states did not have the funds), where there was also insufficient money to fund the program. This is an example of how decentralization can exaggerate inequalities unless there are sufficient federal funds directed towards equalizing financial resources of regions.

\(^{28}\) One representative said that the community did not like tampering with water.

\(^{29}\) The recovery rate for the water service in the country is approximately US$0.10/m³, while the actual cost is US$0.50/m³. This means that the service is highly subsidized. For poor states this bring up the problem of sustainability.
2.51 The two projects in Guatemala have not used decentralization to the municipal level as effectively as the project design envisioned. In the case of the Guatemalan FIS, opportunities for a decentralized administrative approach were visualized and then not carried forward. For instance, the executing agency, FIS, has a concentrated institutional structure, which carries out the majority of the responsibilities related to projects’ review and approval. The departmental units have scarce institutional means and responsibilities concerning project cycle. The concentration of responsibilities in the central units originates delays, impairing the efficiency of the program to give an agile answer to the communities’ demands. Strengthening of departmental units and delegation of responsibilities concerning projects cycle would improve the functioning of the executing agency whose field of activity is located outside the capital.

2.52 In addition, most FIS projects depend upon centralized ministries for service delivery. However, there is often poor co-ordination between constructing infrastructure for services (FIS) and delivering the actual service (Ministries of Health and Education). Although a certain amount of funding was originally supposed to be decentralized so that communities could procure articles such as school equipment themselves, this funding often does not arrive on time nor is it sufficient to meet school needs. More decentralization of central budgets to the community level would aid in timely procurement and decrease the frustration of teachers and parents witnessed by OVE evaluators in many communities.

2.53 In addition to the consultant’s mission, OVE visited several FIS projects in Guatemala with the World Bank on a separate mission. During that visit, OVE was struck by the inflexibility of the FIS menu in meeting the communities’ needs. More particularly, in an extremely isolated area FIS had built a health post several years before. Although a nurse was in attendance on most days, medicines had not been arriving from Guatemala City so there was little the nurse could do if someone very sick came for treatment.

2.54 More importantly, the community was about 18 kilometers away from the nearest medium sized city where a hospital was located. To get to the city, community members had to walk 3 kilometers on a very rough road to get to a main road and get a taxicab to take them to the city for a large sum of money. Community members told OVE evaluators that several people had already lost their lives (particularly pregnant women) because of the hardships of getting to the city hospital. They had asked FIS if it could organize an ambulance service between their community and several other communities in the area. FIS said that it was impossible because it was not part of the FIS menu. Since the Ministry of Health had virtually abdicated its role in dealing with the community, there was little that could be done to alleviate the situation.

2.55 Another examples of where institutional arrangements between various sub-national levels have not been solidified is the Guatemala DECOPAZ program which has lost some opportunities to gain support (and thus strengthen sustainability) from local governments. The program has not promoted a regular collaboration between the ERMs
(Entities that represent micro-regions\textsuperscript{30}) and the local governments. Program developers hoped that such collaboration would contribute to articulating the role of the micro-regions as local development agents and thus overcome the reluctance of local governments. In the absence of formal collaboration, the relationships that have developed between the micro-regions and the municipalities are diverse, and are a function of personalities in the municipal government and the community representations. In some cases, the mayors have seen the political potentiality of the ERM\textsuperscripts{s} and have approached them offering support for some projects. In other cases, the ERM\textsuperscripts{s} have taken the initiative. The more active and educated representatives have seen the advantages of collaborating with local governments and have looked for their support, for instance by mean of helping them during the political campaign (case of Soloma). Also, there are cases in which ERM\textsuperscripts{es} members have successfully competed for local governments. In general, the program has abandoned the establishment of a regular relationship between the municipalities and the micro-regions to the capacity of the ERM\textsuperscript{'s} members, which means that the overall sustainability of the project is reduced.

\textsuperscript{30} DECOPAZ promoted the organization of community groups within the municipal boundaries (micro-regions). Each group of communities elects a micro-regional assembly composed of three members elected for each community. Among its members, the micro-regional assembly elects a committee, made up by a maximum of seven members, that represents the whole micro-region (ERM).
III. WORKING OUT PROBLEMS OF EQUITY, PRIORITIZATION, PARTICIPATION AND GENDER

3.1 The issues discussed in Chapter 2, correct targeting, sustainable budgeting and thoughtful decentralization, are common to almost all Bank social projects. Chapter 3 considers issues that are especially significant in indigenous projects.

FA. Inequalities in service to Indigenous

3.2 Two projects were evaluated for this report which demonstrate that even when governments offer services to indigenous communities, they are often unequal in quality/funding/impact than similar services offered to non-indigenous. The first example of this is Peru’s social investment fund, FONCODES.

3.3 FONCODES is an example of a project with more results than impact. By June 2000 FONCODES II had more than surpassed its original estimate of 9,000 projects, despite the fact that, according to the Bank, the Government had reduced its counterpart in order to meet with IMF requirements related to servicing the country’s debt (IDB/Peru, 2000b). By September, results from the project’s mid-term had been presented.

3.4 Most beneficiaries (indigenous and non-indigenous) interviewed stated that the works being supported by FONCODES were necessary and required, and in the sense that FONCODES was the only agency, which had acted to meet these needs, they were appreciative. However, the mid-term’s study on the impacts of FONCODES projects in indigenous communities raise concerns. (Instituto Apoyo, 2000: Chapter 8). The study examined projects in the education, sanitation, and electricity sectors. Controlling for a range of variables, the evaluators found that benefits were lower for indigenous communities than non-indigenous communities across many impact indicators. (summarized in Table 3.1 on the next page)

3.5 The evaluation study was not able to account for the differences between indigenous and non-indigenous communities receiving FONCODES services, although in the case of educational outcomes, they found that the educational levels of families appeared to be a contributing factor. This rationale, however, would not explain why indigenous communities had not been able to secure the same proportion of additional teachers to their schools following a FONCODES intervention than the non-indigenous communities. In other areas, such as the lack of impact in the potable water and latrine projects, areas that need heavy training and community discussion components, OVE’s evaluation believes that one of the reasons for the poor performance of FONCODES projects is the lack of decentralization framework and discouragement by government of broader civil society forces. In addition, the evaluation found that FONCODEES staff often did not speak the indigenous language nor understand the information obtained about ethnicity. Under such circumstances, the non-indigenous community may have received more training in areas that needed a higher level of technical involvement than the indigenous population.
Table 3.1. Where indigenous communities lagged behind non-indigenous communities, as per FONCODES’ mid-term evaluation

<table>
<thead>
<tr>
<th>Sector</th>
<th>Impact indicators where differences between groups noted</th>
<th>Differences noted between:</th>
<th>Indigenous communities</th>
<th>Non-indigenous communities (General study)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Increase in numbers of teachers for each school served</td>
<td>No positive impacts</td>
<td></td>
<td>1.22</td>
</tr>
<tr>
<td></td>
<td>Increase in probability that the school would have secondary grades</td>
<td>No positive impacts</td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Increase in school rooms per school served</td>
<td>No positive impacts</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Increase in probability that school would have access to potable water</td>
<td>No positive impacts</td>
<td></td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Increase in years of schooling, children 6-14</td>
<td>Positive, but not statistically significant</td>
<td></td>
<td>Positive and statistically significant.</td>
</tr>
<tr>
<td>Potable water</td>
<td>Reductions in diarrhea in children 0-10</td>
<td>Positive impacts where hhld. connection, but not statistically significant</td>
<td>(-3.3%, where hhld. connection)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reductions in diarrhea with blood in children 0-10</td>
<td>Positive impacts where hhld. connection, but only in 82% cases</td>
<td>(-2.7%, where hhld. connection)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reductions in under 5 child mortality</td>
<td>No statistically significant impact</td>
<td>(-2.9%, where hhld. connection)</td>
<td></td>
</tr>
<tr>
<td>Latrines</td>
<td>Reductions for children 0-10 in diarrhea and diarrhea with blood</td>
<td>No impact in either case. Positive impact in reducing diarrhea with blood, but not general diarrhea</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>Increase in self-evaluation of home</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in electrical appliances</td>
<td>0.5 articles more</td>
<td>0.4 articles more</td>
<td></td>
</tr>
<tr>
<td>Probability of having home based business</td>
<td>No increase</td>
<td>No increase</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Abstracted from Instituto Apoyo (2000, Chapter 8 and Executive summary)

3.6 Another project which illustrates the fact that indigenous communities receive unequal treatment in terms of services is the Mexican Compensatory Education Program. According to 1995 census data, 7.4 percent of the Mexican population is culturally indigenous, that is, speaks an Indian language. This represents almost 6,700,000 people. There are fifty-six distinct linguistic indigenous groups in Mexico living across the country. Nine out of thirty-two states concentrate 84.2 percent of the indigenous population. Thirty-eight percent of the indigenous populations (2,600,000) are children under fifteen years of age.

3.7 The government of Mexico has the constitutional obligation to give basic education (9 years: 6 primary, 3 secondary) to all of the population between 6 and 14 years of age.

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31 The information on Mexican Indian Education comes from both the case study evaluation and two chapters in the book, Unequal Schools, Unequal Changes, the challenges to Equal Opportunity in the Americas, Fernando Reimers, Ed. The two chapters are: Education and Indian Peoples in Mexico: An Example of Policy Failure”, Sylvia Schmelkes, and “Function and Evaluation of a Compensatory Program Directed at the Poorest Mexican States: Chiapas, Guerrero, Hidalgo, and Oaxaca”, Carlos Munoz Izquierdo, Raquel Ahuja Sanchez.
Despite this, there is considerable illiteracy, particularly among indigenous people. (see chart below). These high illiteracy figures exist despite the fact that Mexico spends about 5% of its GNP on education. This is partially due to the fact that the country has 97.5 million people, of which 23.5% are between 5-14 years, and 25.3% live in rural communities characterized by low density of population, high levels of poverty, and marginalization, resulting in lack of basic services of education, health, potable water, sewerage, electricity, roads, etc. In the case of the indigenous, who represent about 15% of the total, the lack of basic services is even more pronounced.32

Table 3.2. Comparison of Illiteracy Rates

<table>
<thead>
<tr>
<th></th>
<th>Indigenous</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiteracy</td>
<td>44.27%</td>
<td>10.46%</td>
</tr>
<tr>
<td>Population not completing primary school</td>
<td>75%</td>
<td>36%</td>
</tr>
<tr>
<td>Terminated school in appropriate time</td>
<td>65.88%</td>
<td>85%</td>
</tr>
<tr>
<td>Primary schools with 6 grades</td>
<td>38%</td>
<td>85%</td>
</tr>
</tbody>
</table>


3.8 In 1992, there was a move to decentralize education services. The National Agreement to Modernize Basic Education (ANAM) transferred school administration and operation in all forms of preprimary, primary and secondary, as well as teacher training to the State Secretaries of Education (SEE), which receive federal resources to offer these services. For their part, the states and municipal governments are supposed to use part of their resources for education.

3.9 The Secretary of Public Education (SEP) is now responsible for norms and evaluations. Within SEP, the General Director of Indigenous Education (DGEI) establishes norms for indigenous education including bilingual education. DGEI also helps to deliver some preschool and primary education to indigenous students, integrate the federal and state indigenous education systems, and gives technical assistance to the SEE.

3.10 The principal instrument used by the GOM to develop compensatory education programs is CONAFE (National Council of Educational Promotion), which is part of SEP and SEE. A decentralized agency whose objective is to broaden educational coverage for marginalized populations, CONAFE primarily runs two alternative education models—Rural Community Education, which places instructors in the rural schools (non-formal education), and the Compensatory Education Program, which supports teachers in the formal school system. CONAFE and DGEI work together: CONAFE takes care of communities with less than 20 children; DGEI handles communities with more than 20 children. In addition, CONAFE does not have a specific mandate for indigenous education; its’ schools take rural students from both indigenous and hispanic homes, whereas DGEI works in villages which are solely indigenous.

32 Of the total indigenous population (49.8% male, 50.2% female, monolingual population is 11.3% male, 20.3% female, illiteracy:29.6% male, 48.1% female, attendance at school; 73% male, 67.5% female, without primary instruction: 28% male, 45.8% female, with post primary instruction; 15.8% male, 8.9% female.

33 INEGI, 1995
3.11 Since 1992, the IDB and the World Bank have had a series of compensatory initial and basic education programs for rural indigenous and marginalized urban students. Since 1999, CONAFE has channeled the resources from a program to combat poverty called Program of Education, Health and Food (PROGRESA) into its own programs. This program of the federal government gives scholarships to children between 3rd and 6th grade of primary school of $108 pesos monthly, who are living with families in conditions of extreme poverty. In the educational area, PROGRESA tries to support these children to attend and remain in school until completing primary education.

3.12 Some very positive results have come from the program. The sub-program for Formal Primary Education in indigenous rural areas has: a) Elaborated tests, guides, and manuals for both indigenous students and teachers. b) Distributed books as well as school packages (notebooks, pens, geometry games) to 4.4 million children, which included all of the indigenous primary schools. c) Delivered intensive courses to the teachers with emphasis on teaching in multi-grade schoolrooms. d) Constructed, rehabilitated, and equipped many school, to adapt them to indigenous conditions. e) Given incentives to teachers to teach in rural schools. f) Helped to establish parents associations to control student and teacher attendance and receive $5000-$7000 pesos per year to buy education materials and maintain schools. g) Delivered 23,000 student breakf asts, about 35.5% of the children in first and second grades, in Chiapas.

3.13 The non-formal education program (Sub-program of community education) strengthened preschool, primary and post primary and literacy training in indigenous rural communities of from 100-500 inhabitants with between 5-20 children of school age. During 1999-2000, the community primary education program (non-formal) instructed 155,769 students, in 15,760 communities. It also developed an educational program for the children of migrant workers in 19 states, which attends to about 12,000 children, 70% of whom are indigenous. In addition, the program has organized pre-primary school programs where, during 1999-2000 124,202 children for about 4 hours received instruction from community educators who teach in indigenous languages. There were also programs for mothers that lasted about 8 months with an educational promoter.

3.14 In terms of impact, the program enabled many children to go to school in their own language. Bilingual materials were produced in 33 indigenous languages. The process of decentralization of infrastructure permitted localities to do their own construction and acquisitions. This reduced the price of new buildings and materials by about 40%. The community instructors, who are very young and living in precarious economic conditions, are given opportunities to go on to college after several years of teaching. In addition, the mothers in the program who were interviewed in their villages during the OVE evaluation, about the quality of the literacy program for adults, were all very enthusiastic.

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34 This program is not funded by external sources. 35 In 2 of the states visited on the evaluation mission (Chiapas and Yucatan) the attendance figures are Chiapas: potential demand from indigenous rural children is 472,647, all were attended by CONAFE in the compensatory programs. Of the 472,647 children, 166,769 received school breakfasts from the SEDESOL (PROGRESA) program. In Yucatan, the potential demand from rural indigenous students was 166,864, all of whom were part of the CONAFE program. Of these, 41,792 received breakfast as part of SEDESOL.
3.15 Nevertheless, Table 3.3 below offers some indicators of inequality between non-indigenous and indigenous schools. It is clear that the facilities in small rural and indigenous schools are substantially inferior to those of other schools.

3.16 Perhaps even more important than figures showing the inequality in school facilities and teacher experience, are the results in a national assessment exercise recently carried out in Mexico, with a national sample of different types of schools. The study found a significant difference in the learning outcomes of indigenous schools with respect to all types of schools: private urban schools, public urban schools, public rural schools, and students from the non-formal indigenous schools (community courses/cursos comunitarios). Two tests based on national standards in reading comprehension skills and mathematics skills were given to children who had finished third and fifth grade. The numbers show the percentage of students who meet the national standards in these two subject areas. The disadvantage of the indigenous schools is clear. Students are far from reaching the national standards in primary schools (see table 3.4, below).  

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36 Sylvia Schmelkes, “Education and Indian Peoples in Mexico: An Example of Policy Failure”, in Unequal Schools, Unequal Chances, The Challenges to Equal Opportunity in the Americas, ed. By Fernando Reimers, Harvard University, Press, Cambridge, Massachusetts, 2000. P. 331. The study also cites another test, the Puebla Study, which shows an enormous difference with respect to the knowledge obtained by students in urban middle-class schools compared to students in the to Urban Marginal, Rural Developed and Rural Marginal, and Indian. In this study, although the urban middle class schools were 20-25 points higher than in the Indian schools in the communication skills test, and 11-14 points higher in the mathematics skills test, there was not much difference between Indian schools and schools in other rural or marginal contexts.
Table 3.3. Differences between Indigenous Schools and other schools

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Urban Middle Class %</th>
<th>Urban Marginal %</th>
<th>Rural Developed %</th>
<th>Rural Marginal (%)</th>
<th>Indian (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking water</td>
<td>81.3</td>
<td>50.0</td>
<td>60.0</td>
<td>7.1</td>
<td>37.5</td>
</tr>
<tr>
<td>Electricity</td>
<td>87.5</td>
<td>87.5</td>
<td>86.7</td>
<td>57.1</td>
<td>37.5</td>
</tr>
<tr>
<td>Bathrooms or Latrines</td>
<td>87.5</td>
<td>87.5</td>
<td>93.3</td>
<td>78.6</td>
<td>31.3</td>
</tr>
<tr>
<td>Sports Court</td>
<td>75.0</td>
<td>37.5</td>
<td>40.0</td>
<td>42.9</td>
<td>50.0</td>
</tr>
<tr>
<td>Teacher’s house</td>
<td>43.8</td>
<td>37.5</td>
<td>26.7</td>
<td>78.6</td>
<td>6.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of classrooms in good condition</th>
<th>Urban Middle Class %</th>
<th>Urban Marginal %</th>
<th>Rural Developed %</th>
<th>Rural Marginal (%)</th>
<th>Indian (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walls</td>
<td>74.2</td>
<td>46.7</td>
<td>53.6</td>
<td>76.5</td>
<td>33.3</td>
</tr>
<tr>
<td>Door</td>
<td>73.3</td>
<td>16.7</td>
<td>53.6</td>
<td>41.2</td>
<td>21.7</td>
</tr>
<tr>
<td>Floor</td>
<td>77.4</td>
<td>50.0</td>
<td>60.7</td>
<td>47.1</td>
<td>29.2</td>
</tr>
<tr>
<td>Ceiling</td>
<td>80.6</td>
<td>53.3</td>
<td>64.3</td>
<td>41.0</td>
<td>33.3</td>
</tr>
<tr>
<td>Light</td>
<td>86.39</td>
<td>43.3</td>
<td>57.0</td>
<td>52.9</td>
<td>58.3</td>
</tr>
<tr>
<td>Ventilation</td>
<td>80.6</td>
<td>50.0</td>
<td>64.3</td>
<td>47.1</td>
<td>70.8</td>
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</table>

<table>
<thead>
<tr>
<th>Availability of Textbooks</th>
<th>Urban Middle Class %</th>
<th>Urban Marginal %</th>
<th>Rural Developed %</th>
<th>Rural Marginal (%)</th>
<th>Indian (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrive on time</td>
<td>81.6</td>
<td>35.5</td>
<td>50.0</td>
<td>14.3</td>
<td>75.0</td>
</tr>
<tr>
<td>Arrive complete</td>
<td>81.3</td>
<td>56.3</td>
<td>66.7</td>
<td>71.4</td>
<td>68.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Teacher’s Schooling</th>
<th>Urban Middle Class %</th>
<th>Urban Marginal %</th>
<th>Rural Developed %</th>
<th>Rural Marginal (%)</th>
<th>Indian (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 years or less</td>
<td>1.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>20.9</td>
</tr>
<tr>
<td>10-11 years</td>
<td>4.3</td>
<td>3.3</td>
<td>1.4</td>
<td>0.0</td>
<td>9.3</td>
</tr>
<tr>
<td>12-13 years</td>
<td>33.9</td>
<td>35.9</td>
<td>45.1</td>
<td>64.0</td>
<td>58.1</td>
</tr>
<tr>
<td>14-15 years</td>
<td>6.3</td>
<td>22.9</td>
<td>18.3</td>
<td>12.0</td>
<td>9.3</td>
</tr>
<tr>
<td>16 years or more</td>
<td>54.0</td>
<td>38.0</td>
<td>35.2</td>
<td>24.0</td>
<td>2.3</td>
</tr>
</tbody>
</table>


Table 3.4. Percentage of Students Meeting National Standards in Reading and Math Tests

<table>
<thead>
<tr>
<th>Type of School</th>
<th>Test and Grade</th>
<th>Urban Private</th>
<th>Urban Public</th>
<th>Rural Public</th>
<th>Community Courses</th>
<th>Indian</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading, Third</td>
<td>Reading, Third</td>
<td>38</td>
<td>20</td>
<td>15</td>
<td>11</td>
<td>8</td>
<td>20</td>
</tr>
<tr>
<td>Reading, Fifth</td>
<td>Reading, Fifth</td>
<td>50</td>
<td>21</td>
<td>12</td>
<td>8</td>
<td>6</td>
<td>19</td>
</tr>
<tr>
<td>Math, Third</td>
<td>Math, Third</td>
<td>30</td>
<td>17</td>
<td>15</td>
<td>17</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Math, Fifth</td>
<td>Math, Fifth</td>
<td>11</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: “Education and Indian Population in Mexico”, Sylvia Schmellses, in Unequal Schools, Unequal Chances, Fernando Reimers, editor. Harvard University. P. 328
3.17 An evaluation has been made of whether the program helps children complete primary school on time. In Chiapas, for example, in 1994-1995, only 40.9% of the students completed primary education in the normal time. By 1998-99 (using compensatory education) this had risen to 66.4%. However, the expectation of the parents that their children’s lives will improve once they receive a basic education has not been met. This is because there are not enough secondary schools to accommodate primary school graduates and jobs are not available for children who have only completed the basic education.37

3.18 With all of this information, it is extremely important that programs be evaluated in depth to understand exactly what is going wrong with the education being offered to indigenous students and to change programs to remedy specific parts of programs.

B. Effectively meeting the Needs of the Indigenous

3.19 A primary weakness in many of the projects reviewed was that they do not respond to the need that is uppermost in almost all indigenous communities: paid work. During the evaluation missions this was the request that was most often heard. Considering the economic state of most of the indigenous, this is not an inappropriate demand38.

3.20 However, reviewing the evaluated projects, one finds little recognition of this fundamental need. The Argentine project, small as it is, has responded to this need with productive projects in both the agricultural sectors and non-agricultural sectors. But even in this project, workers are expected to donate labor to construction and other activities. A small stipend would make a great difference.

3.21 Reviewing the evaluated projects demonstrates that most have been in sectors where services are delivered rather than jobs created. The education programs evaluated have created a certain amount of paid work: the Wawa Wasi program pays caregivers who assist in the classroom, and the Mexican compensatory education program pays a small stipend to the young teachers who teach in isolated villages. However, these two programs probably cost the community more in scarce money and time resources than they contribute: the mothers in the Wawa Wasi program donate countless hours to shopping and cooking food, attending meetings, and running the program. In the Mexican program, the (often desperately) poor parents of the students are expected to house and feed the young teachers.

37ME-0052 Distance Education Program (PR-2246, approved November 7, 1997 was aimed at providing formal secondary schooling to small Indigenous communities. However, that project is scheduled to be cancelled.

38 In response to this document, Management expresses the following point: “Although productive and income generating projects are extremely important for indigenous communities, given that for this evaluation the selection of projects focused on social projects, the stated weakness of these projects not providing productive work is not entirely correct. If project selection had included productive projects, this conclusion could have been very different. While agreeing that the creation of local job opportunities is very important in many social service delivery projects, depending on the specific socio-cultural characteristics of indigenous communities, direct individual cash payments is not necessarily the best option. In many projects with indigenous communities, such as the Honduras Nuestras Raices Program, compensation for participation in construction is channeled via community managed savings and loan associations, which provide loans for individual and community initiatives. In isolated communities with a largely subsistence economy and incipient cash circulation, the influx of relatively large amounts of cash to certain groups within the communities (e.g. young males) may cause conflict and strain on community relations and result in increased alcoholism and violence rather than improvements in nutrition or other socially desirable outcomes.”
3.22 Perhaps the most disappointing in terms of job creation (and meeting other areas of need) are the two FIS projects. The evaluation of FONCODES says that:

“The most pressing priorities identified by community members – indigenous and non-indigenous alike- concerned their need for jobs, income and/or productive activities. While FONCODES supported some work in this area during Phase II, it was not examined in depth during the mission. According to the Bank sector specialist in Lima, a recently completed evaluation of this line of work was leading the Bank to believe that FONCODES might not be the best mechanism for delivering productive activities. A recent World Bank report would seem to concur, finding that such projects needed to be ‘re-thought.’ The main problems identified were the need to promote agricultural diversification and to help communities identify markets” (Peru evaluation, see OVE intranet web page).

3.23 The evaluation of the Guatemalan FIS also brings up this weakness. It says:

“‘The productive projects represent a very small amount (2.22%) of the total number of projects financed by the program’. The gross part of the loan has been concentrated in infrastructures, mainly in education. The FIS has adopted a social assistance perspective focused in relieving immediate basic needs. The scarce productive projects have been directed to support productive capacity that was already installed in the communities. Given the low level of development of the communities, those productive capacities are very limited aimed in many cases at covering survival needs”.

3.24 The low evolution of the productive component impairs the establishment of self-sustainable community groups capable of assuming an active role as local development agents. In these communities, the low levels of productive activities limits the opportunities of the communities to generate and ameliorate their incomes, and make them highly dependent on social assistance funds (Guatemala Evaluation, see OVE intranet web page).

C. Ensuring sustainable community participation

3.25 All of the evaluated projects depend on community participation for some part of design and implementation. Generally, communities were consulted (if not always listened to) during project design and played a role in project implementation. A few of the activities in the projects will be described here, noting advantages and disadvantages.

3.26 The Argentine project used community participation to prioritize, design, and implement projects. As said above, the emphasis on the community was a principal

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39 From January 1, 1994 to September 30, 2000, the FIS has committed a total of 42 productive projects including: micro irrigation (17 projects), temporal hiring of instructors (10 projects); storage centers (5 projects); construction of facilities for workers training (6 projects). Progress Report. September 30, 2000

40 Through the “Communal Bank Projects”, the FIS transfers funds for credit purposes to groups of beneficiaries, mainly indigenous women organized as EFIs. The credits may be use to finance productive activities (small animal husbandry) aimed at improving familiar income
means of bringing latent pride and assertiveness to isolated and neglected peoples. The project also unites communities together in training sessions and other meetings. However, without ties to more organizations, such as municipal and state governments, the indigenous communities may become more isolated in their strength, rather than learning how to effectively co-operate with local institutions to their advantage.

3.27 In the Bolivian **Attention to Minors Project**, community organizations are an essential part of the municipal participative planning process used to include PAN centers in the municipality’s annual budget. The project gets in touch with these organizations after the PAN annual planning process has been completed. Parents’ associations and community organizations are strengthened by means of training sessions which are held regularly and cover aspects related to early education, health, nutrition and protection of children, as well as management and operation of centers. Mothers are the main targets of training, even though all community members are encouraged to participate.

3.28 Community participation is monitored through indicators such as number of parents’ associations and Boards established, number of dissemination and fund raising events, insertion of centers in social demands of community organizations, compliance with counterpart financing requirements, and number of parents who participate in meetings. However, one of the independent evaluations done on the project concluded, “Commitment to the Program on the part of parents is insufficient. Participation is erratic and ineffective. Parent associations do not possess the necessary leadership skills to integrate individual interest and collective interests.”

3.29 In the Bolivian **Educational Reform** project, school boards’ rights and responsibilities have been greatly expanded in line with rights and responsibilities assigned to communities by the Popular Participation Law. The underlying belief is that the transfer of oversight and supervision from the central government to local governments and communities will greatly improve the delivery of services because municipal governments own education assets and are responsible for maintaining, operating and outfitting schools. In addition, communities have a vested interest in obtaining quality education for their children.

3.30 During field visits, talks were held with community leaders, members of School Boards (schools, clusters of schools and districts), presidents and members of the Education Councils of Indigenous Peoples, teachers, directors, pedagogic advisors and district directors. They all ratified that communities have become increasingly involved in monitoring and supervising the delivery of educational services in their communities. They also play a support role in curricular and extra curricular activities. In some school districts, parents pay transportation costs for teachers, directors and pedagogic advisors to ensure their permanence during the entire school year.

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41 See Evaluation of Bolivian Projects, p. 19.
42 The Program assumes that the parents will closely monitor: (i) condition of infrastructure, equipment and materials in schools; (ii) compliance of teachers, directors and pedagogic advisors with ER guidelines; (iii) presence of teachers, directors and pedagogic advisors during entire school year; (iv) behavior of teachers and directors; (v) correct use of financial resources transferred to municipal governments by the central government; and (vi) selection of directors and teachers.
3.31 In Guatemala, one of **DECOPAZ’s** main aims has been to contribute to rebuilding social capital in one of the areas most adversely affected by the war. For this, it has relied upon rebuilding (or building) community organizations. However, the associations promoted by DECOPAZ present several shortcomings as community participation entities capable of acting as local development agents. Most micro-regions have a low organizational capacity, scant self-sustainability, weak instruction in democratic values and environmental subjects and low participation of women and non-Spanish speaking groups in their representative organs. Training has failed to adequately address the special needs of the communities.

**Box 3.1: COMMUNITY DEVELOPMENT IN DECOPAZ**

One of DECOPAZ’s objectives is to contribute to rebuild social capital in one of the country’s areas most severely affected by the war. The reestablishment of community participation networks and the restoration of collective trust in government institutions were considered as essential pieces of the process aimed at reaching that goal.

In this regard, the program promoted the organization of community groups within the municipal boundaries (micro-regions). Each group of communities elects a micro-regional Assembly composed of three members elected for each community. Among its members, the micro-regional Assembly elects a committee, made up by a maximum of seven members, that represents the whole micro-region (Entity that Represents the Micro-region, ERM). The ERMs have legal status as non-profit organizations, and are responsible for identifying community needs, determining priorities, formulating and managing investment projects, and administering the resources transferred by the program for those purposes. To accomplish these tasks the ERMs received constant support from the FTIs. These were in charge of promoting the program among communities, helping to the establishment of the micro-regions, training and providing technical assistance to communities representatives (ERMs) in developing the tasks delegated by the program. DECOPAZ required that community representatives were instructed not only in participative planning, administration and management of projects but also in subjects concerning organization and functioning of representative organs of the association, Peace Agreements, human rights, gender and environmental issues.

To promote the program and the establishment of the groups of communities (micro-regions), the FTIs contacted traditional community leaders. Some traditional leaders were elected as members of the ERMs. Others stayed outside of the new organization, whether by their own decision or by decision of the communities which took advantage of the establishment of ERMs to renew their leaders.

The interviews with the members of the ERMs show a positive valuation of the organization promoted by DECOPAZ. The legal recognition of the ERMs, and the attached capacity to manage funds, have contributed very positively to foment the credibility in the program. Also, the representatives value the organization as an instrument that legitimate them to confront public and private institutions and negotiate community demands. The possibility of deciding investments in the communities, managing funds and the knowledge on how funds are used are also highly rated. These factors contribute to improve the vision of government programs among members of the ERMs. In some representatives it has rooted the idea that their opinions are taken into account by government institutions. At the community level, women have seemingly participated more in identification of community needs, prioritization of projects, and “working committees” related to projects that specifically benefit women (for example, improved stoves, water supply).

However, despite a general positive valuation of the organization promoted by the program among community representatives, its practical effectiveness is very limited. The role of the ERMs as local development agents and its sustainability is restricted to those micro regions in which representatives have a medium level education, there is certain tradition of community organization and where the economic conditions would allow the

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43 First Tier Institutions hired by program to work with the communities.
Box 3.1. (Cont.)

Maintenance of the organization without the financial support of the program. Those micro-regions represent less than 3% (less than 3 micro-regions) of the total. The sustainability of most micro-regions depends on the financing of DECOPAZ. In this sense, in opinion of the FTIs’ Coordinators if the execution of the program ends this year most of the micro-region would disappear.

As to the impact of projects in improving the living conditions of the beneficiaries, the tendency to carry out works per community to satisfy immediate needs, and the lack of plans to attend the integral development of the micro-regions have reduced the potential effects of the program on the area’s overall development. During its execution, the program has come under pressures to meet the project cycle deadlines established in the methodology guide. The program lacked regular and systematic activities to promote the elaboration of participatory plans at the micro-regional level or even at the inter-microregional level, which could have resulted in projects with a greater impact.

3.32 The Guatemalan FIS started to function as a typical social investment fund, promoting small-scale projects geared toward improving the socioeconomic situation of the country’s poor rural population. During a first period, FIS’s activities were marked by an administrative structure concentrated in the capital. However, this centralized promotion strategy resulted in a scarce number of identified projects. In 1995, the FIS established delegations at the departmental level. FIS’s delegates were in charge of promoting the program among the communities and offering them the FIS’s menu of social projects. This line of action resulted in a substantial increase in the number of projects to be funded.44

3.33 If the project is approved, the interested community group is transformed into an EFI (Social Investment Fund Group). This is a legally established entity45 responsible for the project’s operation and maintenance. The constitution of EFIs was conceived as a means to ensure that funds were channeled to the communities, and involve them in the project cycle. However, given the low level of education and organizational training of the beneficiaries, the establishment of EFIs became a formal requirement to implement FIS projects. In practice, once the EFIs are established they delegate the administration and execution of the projects to the FIS46 which then contracts an executing agency (usually a NGO), to implement the project and provide training and technical assistance to the beneficiaries (EFI’s members). The beneficiaries participate in training activities, mainly oriented to technical aspects of the project’s execution, and contribute labor, materials, or cash to the projects. (See box 3.2 on p. 41.)

3.34 Mexico’s Water and Sanitation Project relied on the communities to apply for, monitor and maintain projects. In the indigenous communities this was very effective because the communities themselves have their own ways of operating, and a “handbook” which established generalized regulations would not have been consistent with indigenous habits. For instance, indigenous communities often have their own methods for organizing work programs and maintaining the community structures. In addition,

44 In promoting the program, the FIS’ personnel contact community leaders who help to identify and gather community groups interested in benefiting from FIS projects. Once the interested group and potential project are identified, an application is sent to the FIS central units. These units are in charge of examining that the pre-selected projects meet the eligibility criteria, checking the project documentation; doing technical analysis; and deciding on projects feasibility.

45 The EFIS are private non-profit organizations (without lucrative purpose).

46 According to the Director of the POCC, this has been a regular practice regarding most of the EFIs.
although not used to paying for services, indigenous communities will usually not penalize poorer families who cannot pay their share: rather, more affluent members pay more to cover those who cannot pay. Finally, in community meetings visited during the evaluation mission, community leaders, such as teachers, often helped the communities understand aspects of the project that were difficult for them. In the face of some bureaucratic stalling on the part of the state agency responsible for repairs, traditional community leaders could be quite effective in insisting that work be done.

**Box 3.2: Guatemalan FIS and Community Development**

The IADB/FIS program included a technical cooperation component, which contemplated specific actions for promoting community empowerment. The goal was to steep up investments in poorest municipalities by strengthening community organizations and boosting productive capacity at the community level. This component would give rise to the “Programa de Organización y Capacitación Comunitaria”, POCC, (Training and Community Organization Program). Actually, the POC works in 23 micro-regions, comprising the poorest communities of 87 municipalities training then to organize into sustainable community-based organizations capable of formulating and managing their own productive projects and basic social and economic services. Among POCC targeted beneficiaries, indigenous population is a majority (67%) from diverse ethnic groups (Q’eqchi, Man, Chortí, K’iché).

During the field work, the consultant visited three areas where the program has been operating: i) C’hortí I area (in the department of Chiquimula); ii) Q’eqchí area (municipality of Livingston in the department of Izalb); and, iii) Mam area (municipalities of Huitán and Cabricán, in the department of Quezaltenango. In the C’hortí I region, there is a Development Association (AD) in each of the four municipalities where the program operates. The community representatives appreciate the association legal status as an instrument that legitimates their organization, and gives them the recognition to negotiate with other institutions. The committees of representatives have received training from the POCC and the Ministry of Agriculture, through its program PROSACHI II, concerning diverse subjects (formulation of projects, basic accounting and administration, soil conservation and environment). From their establishment in 1996, these associations have received diverse FIS funded projects and have acted as executing agency of PROSACHI II. There is not knowledge of the existence of productive projects being implemented in the area. However, the association’s members contribute to the Ads functioning by paying a member fee (allowance). With the support of the Ministry of Agriculture, the four associations have formed a supra-municipal association ASORECH (C’hortí Regional Association) in which all the municipal associations are represented. There is not a regular collaboration among the associations and the local authorities.

In the Q’eqchí region, the visited municipality (Livingsgton) has two Development Associations promoted by the POCC. The associations help to identify community needs whose satisfaction is subordinated to the FIS’s menu, and availability of funds. The ability of community representatives to formulate and operate projects is very low. They have not received regular and systematic training in these aspects. As a result, the associations still do not operate directly projects. FIS funded projects are operated through the establishment of EFIs made of the direct beneficiaries, who are trained in technical aspects related to the execution of the specific projects, by a hired NGO. Most of the FIS funded projects are aimed at improving health services. There are not productive projects in this area. The presence of other governmental programs is scarce, and the associations have not developed a regular collaboration with local authorities.

In the Mam region (Quezaltenango), there is a Development Association in each municipality. The POCC’s delegate contacted traditional leaders (members of local work committees) who were integrated to the associations as community representatives. The associations promoted by the program still do not operate directly FIS’s projects. Communities’ representatives act as intermediaries between the FIS and the communities, identifying...
Box 3.2. (Cont.)

needs which may be satisfied by the FIS menu of projects. The representatives have received some training through the POCC’s delegate. Recently, the program has hired a NGO to capacitate the representatives in diverse subjects as organization, basic accounting and project’s operation.

In this area, there are some productive projects, which are implemented through the establishment of EFIs. Projects’ beneficiaries received technical assistance from diverse NGOs hired by the FIS47. The POCC’s associations have not developed a regular collaboration with local authorities and other public or private institutions.

The executing agency, FIS, has a centralized institutional structure. The strengthening of departmental units and the delegation of project-cycle responsibilities would improve the functioning of the executing agency whose field of activity is located outside the capital. The POCC has not been well enough funded to accomplish its goals of strengthening community organization and promoting sustainable community based groups able to improve local living conditions. The low educational level of the targeted communities and their scant organizational capacity demand systematic training and ongoing technical assistance in key aspects like participatory planning, project’s administration and management. The program has not provided these inputs on a regular basis. The Development Associations promoted by the program have not yet consolidated as local development agents. The Ads help to identify community needs and community groups interested in benefitting from FIS projects. But their ability to prioritize and formulate projects is extremely limited. The priorities set by the associations are conditioned by the FIS’s menu of projects (supply) and the availability of funds. Ads are not able to formulate plans for the integral development of associated communities. Also, they have little awareness of how to seek additional sources of financing, beyond FIS funds.

D. Ensuring that indigenous women receive equal treatment

3.35 Projects that deal with children, education, and health seem naturally to rely on women more than men, since women are the caretakers within the indigenous communities. Even water and sanitation projects have a powerful effect upon women, since they have traditionally been the ones to have to carry the water from its source, sometimes miles away. As one indigenous Mexican husband said during the evaluation, “Bringing water to the house is not a good idea. It will give my wife too much free time to gossip.”

3.36 Indigenous women in Latin America have a somewhat contradictory role. Although they receive less schooling and are not encouraged to participate in community decision-making,48 they are often responsible for substantial parts of the family income. This is even more the case now: in the villages visited for this evaluation, many of the men were either unemployed or under employed, and many others had left the indigenous village to look for work. In Oaxoa, men traveled to other parts of Mexico. In Chiapas, men went to the United States. In Peru and Bolivia indigenous men were migrating to Argentina and in Guatemala, the migration is to Mexico and the United States.

47 The micro irrigation project is operated trough an EFI compose of the project’s beneficiaries who received technical assistance from an NGO. The beneficiaries contribute personal work to the project and will undertake its maintenance once the work is finished. The “Revolving Fund” project is operated by mean of a group of 30 beneficiaries, organized into an EFI. The FIS granted a fund for credits aimed at financing productive activities (basically, acquisitions of agrarian supplies). The annual interest rate is 14%, the reimbursement period is a year, and the members of the group are jointly responsible for the repayments.

48 It should be noted that there are important matrilineal indigenous societies, such as the Wayuu in Venezuela and Colombia or the Mapuche in Chile, in which traditionally power and inheritance was exercised and transmitted through the female line, thus giving women high levels of autonomy and decision making. While some of these societies, and others which highly value female leadership in spiritual or heathier matters, have seen a process of breakdown in these traditional roles, there is also an increasing reaffirmation process of indigenous women’s rights within the last several years, which is positively impacting many communities at the local level.
3.37 This phenomena of unemployment and migration on the part of indigenous men, leaves women in a particularly precarious position: they must do their normal chores, but must also assume a large part of earning the family living, since intra-country or inter-country remittances come irregularly and the whole premise of indigenous culture is regularity. Migration will also eventually change the whole rhythm of indigenous life: it is difficult to believe that living outside the community, with people from other places, with other customs and languages, will not eventually have its effects on indigenous culture. For example, in Argentina, a group of indigenous women asked the OVE evaluator about the possibilities of birth control: their husbands had learned about this from men who had migrated with them to Bolivia. The Argentine women said that they could not afford to have so many children and they thought that birth control was a good idea.

3.38 The projects that OVE has evaluated for this report have brought great benefits for women. Many of them have included aspects of education for women, whether in literacy or child rearing. For example, the Bolivian Health Care Project has a TC component directly effecting maternal and childcare. And, the Wawa Wasi Program has components in integrated child care that create jobs and training in child care for mothers and also builds community houses where training can take place. The water and sanitation services project in Mexico was a particular boon to women. At meetings held in communities throughout the evaluation, the women were the ones that seemed to know most about the project, where it was necessary, and what maintenance was needed. They also participated most effectively in community meetings.

3.39 This is not to say that there are not problems. The Wawa Wasi program has been particularly criticized because it relies too much on volunteer labor, when these poor women have to use their time to earn subsistence for their families. The same criticism was leveled at the Argentine project, since the men were expected to donate time to build infrastructure whereas their wives preferred that they seek paid work somewhere. Designers of projects should think of ways to pay salaries to women who deliver services to schools, health posts, etc. Likewise, FONCODES and the Guatemalan FIS should work on developing productive projects that will give more benefit to women.

3.40 In addition, the faults found in the community participation components of the projects, seriously effect women. Insufficient training in how to organize, how to communicate, and how to prioritize stifle the tendencies of these women to take charge. Certainly, failure on the part of executing agencies to insist that woman be represented in community organizations and to teach lessons in gender equality is a missed opportunity.

3.41 As one Argentine woman explained to the evaluation mission: "I want my daughter to go to high school and then I want her to go to college, because there are no jobs for even high school graduates here. (Chaco). I want her to have a better life than I do."

49 There is much discussion among anthropologists about the net effects of direct individual cash payments in indigenous communities. In this evaluation, OVE is recording the statements that its consultants heard from community members.
IV. CONCLUSIONS AND RECOMMENDATIONS

4.1 Reviewing the evaluations, the IDB and its members can take some pride in the fact that they have developed techniques for targeting projects to specific geographic and economic strata. On the whole, it can be said that projects that were designed to benefit the poor and/or most poor are succeeding, although not in the numbers and amount that can be desired. In addition, projects are delivering very important benefits. They are, among other things:

a) Helping communities to obtain legal recognition.

b) Constructing important infrastructure.

c) Providing day care, education, and health care to young children and minors up to 14 years of age.

d) Educating parents (particularly women) in child raising techniques and also teaching them how to read and write.

e) Delivering water and sanitation systems to indigenous populations living in isolated communities.

f) Developing cultural resources, such as bilingual education, textbooks, and community meeting houses, that help indigenous peoples take pride in themselves.

g) Service delivery in indigenous languages

h) Developing local capacity building

i) Giving the indigenous a feeling that they may be able to influence their own lives and the government

4.2 However, serious problems continue to exist. These include:

a) Lack of long-term strategies to alleviate the many complicated and interrelated issues that exist when preparing projects for indigenous communities.

b) Lack of budgetary planning to support indigenous projects over the long-term.

c) Inadequate recognition of potential problems that may arise when decentralizing services, and lack of sufficient activities included in projects to deal with this area.
d) Insufficient monitoring of projects to ensure that programs, once underway, are working successfully, and if they are not, insufficient flexibility to change them.

e) Lack of productive and other necessary project types that are community priorities.

f) Insufficient time and efforts devoted towards building sustainable communities.

g) Inadequate recognition of the pivotal role that women will play in changing Indigenous communities and the monetary and institutional support they will need to do this.

4.3 Many of the problems that are listed can only be resolved with additional funding for more projects for indigenous peoples. However, in face of budgetary constraints, the following recommendations are made in order to use the funding that is allocated to these important projects more efficiently and effectively.

C. Recommendations

1. In order to ensure long-term budgetary commitment of funds to projects that benefit indigenous communities, the Bank should design projects by tranches of approximately 3 years, so that if the project is implementing successfully, a second tranche of 3 years (or even a third 3-year tranche) will be available. In addition, the borrowing country should designate these projects as “budget protected”, meaning that if it is necessary to decrease government spending during the implementation of these projects, the allocated funds will be preserved.

2. If decentralized delivery is to be part of the project, the design should include a separate institutional analysis of how this will effect project implementation and sustainability. This should not be a generalized statement, but rather an in-depth review of the communities in which the project is to take place, and the political economy of such communities. It should also include actions to avert any foreseen problems. For instance, women are not full participants in many indigenous communities. In such cases, special care should be taken to ensure that indigenous women and girls (1) attend school, (2) participate in community meetings, and (3) are paid for their work.

3. When designing projects to improve the lives of indigenous people, the Bank should consider how the indigenous are being effected by other Bank projects. In addition, because this is such a rich and varied group, the Bank should not take a “one size fits all approach.” Rather, the Bank should recognize that designing and implementing projects with indigenous people is a long-term effort, which calls for considerable time to both work with communities while the project is being designed so that they meet the priorities of the indigenous people (including productive projects), train communities during implementation, and build institutions that can effectively represent indigenous interests. Therefore, the
Bank should allow for appropriate staff and budgetary allocations to allow for consultations with communities during project design, sufficient interaction during implementation and careful monitoring to ensure that all of the project components receive equal attention.

4. When designing projects that either include indigenous peoples as part of the general population of beneficiaries to be reached, or distinctly target indigenous peoples as beneficiaries, Management should include the following baseline information and information to be monitored:
   a) Percentage of indigenous vs. non-indigenous beneficiaries compared to the overall demographic profile.
   b) Percentage of indigenous vs. Non-indigenous served by the program
   c) Percentage of funding received by indigenous vs. non-indigenous.
   d) Indicators for measuring the quality of benefits received.
   e) Indicators for measuring the impact of benefits received.

5. The Bank and its borrowing countries should consider using agencies other than the Social Investment Funds for carrying out long-term projects to build social capital in indigenous communities. This will not only enrich the variety of competent institutions in the countries, but allow the Social Funds to do what they do best which is working with communities to build small infrastructure. **In addition, implementing agencies should be strongly encouraged to hire indigenous staff who both speak the language and have knowledge of indigenous customs when working on projects that include indigenous people as beneficiaries.**

6. The Bank and its borrowing countries are presently designing and implementing a “new generation” of indigenous participatory community development projects that seek to incorporate many of the lessons learned from past projects. These projects should be evaluated for both short and medium term impacts to ensure that they are achieving their goals and that they incorporate lessons learned.
<table>
<thead>
<tr>
<th>Country</th>
<th>Project Code</th>
<th>Project Name</th>
<th>Purpose</th>
<th>Impacts</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>ATN/SF-5625-AR: TC9704166</td>
<td>Attention to Vulnerable Groups</td>
<td>Training and advise to communities to receive legal status. Project to overcome poverty. Cultural activities</td>
<td>Highly regarded by community because legal status gives them ability to get other projects from government. Training and assistance led to entrepreneurial activities.</td>
<td>Main weakness is that the project is non-sustainable. No commitment on part of GOA to continue program.</td>
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<tr>
<td>Bolivia</td>
<td>995/SF-BO</td>
<td>Integrated Program for Minors</td>
<td>Targets poor children under 6 years of age in a risk situation. 30% of IDB resources finance projects in 40 municipalities. Objective is to reach 100-130,000 children between 1998 and 2003.</td>
<td>Beneficiary evaluations done in 3 areas (psychological and physical skills, language and mathematics.) 64% of PAN children obtained satisfactory results in Math, 33.7% were satisfactory in Language, and 41.2% were satisfactory in Psychological and Physical skills. This compared favorably to all Bolivian children, except in language.</td>
<td>Program may be at risk of disappearance because financial resources from international organizations are diminishing and a sense of “ownership” on the part of beneficiaries is yet to be generated.</td>
</tr>
<tr>
<td>Bolivia</td>
<td>931/SF-BO</td>
<td>Educational Reform Program</td>
<td>Main objective of Education Reform is to equalize education for indigenous people (including bilingual and cultural aspects in especially rural) schools.</td>
<td>Important progress in new curricular design and guides for human resources and issues such as environment protection, democracy, health, etc. Tests show that students in program show a lower % of results in the “risk category and a larger percentage who learn language and mathematics in the mother tongue show a larger % of results in the “satisfactory” category.</td>
<td>In order to continue expanding coverage and guarantee quality, increased financial resources are needed for teachers’ salaries, incorporation of technical and administrative personnel into Civil Service System and adjustments to program.</td>
</tr>
<tr>
<td>Bolivia</td>
<td>858/SF-BO</td>
<td>Health Services Program</td>
<td>Improvement in health condition of population in socio-economic risk. Three target groups are rural population with low socio-economic indicators, urban population from the informal sector and vulnerable groups.</td>
<td>Many of the indicators, which the PSF established for itself, were met. Larger % of population received vaccinations, health education, oral re-hydration salts, institutionalized childbirth and supplemental feeding. Moderate decrease in fertility rates and significant increase in prenatal controls.</td>
<td>Sustainability is the issue. An important part of the program’s resources are earmarked for infrastructure which as to be maintained and enlarged. Municipalities are responsible for paying for this, and depend almost exclusively on the central government for the funding, which is often insufficient.</td>
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<tr>
<td>Project</td>
<td>Purpose</td>
<td>Impacts</td>
<td>Weaknesses</td>
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<tr>
<td>Guatemala 943/OC-GU Social Investment Fund</td>
<td>FIS targeted its beneficiaries (poor rural population) using UBNs.</td>
<td>The total amount executed in A and B municipalities (extreme and severe poverty) slightly below the targeting criteria. Some community organizations have grown under FIS, but have not developed a regular collaboration with local authorities and other public and private institutions.</td>
<td>The sub-organization of the FIS which was supposed to promote community organization is not well enough funded to accomplish goals. Low education level of targeted communities requires more training.</td>
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<tr>
<td>Guatemala 968/OC-GU 984/SF-GU Community Participation for Peace Consolidation</td>
<td>Conceived to help rebuild physical, human and social capital in those areas of Guatemala. Program promoted the organization of community groups within the municipal boundaries (micro-regions: ERMs) which were to identify community needs and manage projects.</td>
<td>Interviews with ERMS show a positive valuation of the organizations promoted. Legal recognition and the attached capacity to manage funds have contributed very positively to program credibility. Women have been successfully integrated into community organization.</td>
<td>Despite positive valuation, only micro-regions in which representatives have a medium level education and a certain tradition of community organization have sustainability (less than 3% of total micro-regions). Also, projects tend to carry out works to satisfy immediate needs, rather than long-term development goals.</td>
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<tr>
<td>Mexico 1161/OC-ME Water and Sewerage in Rural Zones</td>
<td>Specific objectives are to 1. Apply regulations that guaranty the quality of water and sanitation services: 2. Strengthen decentralization of responsibilities and financing sources, 3. Provide efficient services to rural, marginalized populations, with active community participation.</td>
<td>Between 1995-1999, 56% of the communities reached were considered of high or very high level of marginalization and a little more than 30% of the beneficiaries were indigenous. About 30% of the localities reached were in communities where the homes were very dispersed. In indigenous communities, the program used organizations that already existed and their own forms of organization. The program gave technical support to teach the beneficiaries how to maintain the system and keep it clean.</td>
<td>The recovery rate for the water service in the country is approximately US$0.10/m³ while the actual cost is US$0.50/m³. This means that the service is highly subsidized and for poorer states may not be sustainable. Also, states often mandate that municipalities pay a percentage of the water costs. Since the poorest communities often can not pay their portion of the water services, municipalities chose less poor communities for new service.</td>
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<tr>
<td>Project</td>
<td>Purpose</td>
<td>Impacts</td>
<td>Weaknesses</td>
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<tr>
<td><strong>Mexico</strong>&lt;br&gt;846/OC-ME&lt;br&gt;<strong>Integrated Program for Equalizing Education</strong>&lt;br&gt;Specific objectives are to increase the access of the most disadvantaged at the primary education level in 17 states, give training in child rearing to parents, give access to education to small isolated communities in informal schools, and educate adults in isolated communities.</td>
<td>Because of this program, many children have the chance to go to school in their own language (in states visited, almost all of the targeted children were attended to in either the formal or informal schools), bilingual materials were produced in 33 indigenous languages. The process of decentralization of infrastructure permitted localities to do their own construction and acquisitions, which reduced prices of new infrastructure by about 40%.</td>
<td>In the formal education system, despite the fact that bilingual teachers receive materials and training, they sometimes don’t use them because they are assigned to areas where different languages are spoken. There are no breakfasts for pre-primary students, a lack that is very serious for small children. In the community schools, the infrastructure is very precarious, and often doesn’t have water, light or latrine service.</td>
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<tr>
<td><strong>Peru</strong>&lt;br&gt;931/OC-PE&lt;br&gt;<strong>FONCODES</strong>&lt;br&gt;The program has 2 components: the first to build infrastructure, the second, much smaller part (3% of budget) to develop productive projects.</td>
<td>By June 2000 FONCODES II had more than surpassed its original estimate of 9000 projects. However, a mid-term study on the impacts of FONCODES projects in indigenous communities found that benefits were lower for indigenous communities than non-indigenous.</td>
<td>The extent to which the program’s measures to enhance benefits for indigenous peoples were implement is questionable. There were insufficient funds for promotion, staff often did not speak the indigenous language and not enough productive activities were developed.</td>
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<tr>
<td><strong>Peru</strong>&lt;br&gt;1144/OC-PE&lt;br&gt;<strong>Attention to Minors Under Three Years</strong>&lt;br&gt;Targeted to children in extreme poverty, project promotes services and actions across the country to foster the integrated development of children under three, particularly children at risk. The project is to provide 1. Integrated day care, 2. Infrastructure, 3. Training and 4. Promotion and dissemination.</td>
<td>Program had to be scaled back because of budget restraints. Its goal for reaching 55,000 children during 2000 was reduced to 25,000. The program has been sensitive to indigenous cultural and linguistic norms. Hours of service, if not ideal, at least accommodate the schedules of campesinos. However, because of funding cuts, only 12 departments and 70 districts (none of which are rated extremely poor) have been reached. While the program is facing many hurdles, there is a high level of enthusiasm among participants and the program is considered to be addressing critical needs.</td>
<td>Program doesn’t have funds to go much beyond the urban cores. Issues have been raised regarding sustainability because caregivers receive only small salaries and management committee members (who donate a lot of time) receive no pay. Questions are being raised about a one-size fits all service model for a country with so much diversity, possible differences in quality and capacities of community organizations and in numbers of needy children in smaller communities.</td>
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</tbody>
</table>
Summary of Evaluations

Argentina: (AR-0161): This TC for US$5 million is part of a larger loan (US$16.5 million OC and US$16.5 million in Argentine pesos-FSO). The TC is to support the indigenous population. Its goal is intended to create mechanisms for overcoming the cultural barriers that prevent indigenous groups from accessing social and economic programs operated by State and other organizations. It will do this by reinforcing the operating and management capacity of indigenous organizations at both the grassroots and support level, and of the related government agencies within the management model adopted by the Argentine Government in the national Social Action Plan.50

Background: In Argentina, various surveys show the Indigenous accounting for anywhere from 250,000 people, to a million. The number is difficult to establish because the Argentine national statistics system does not consider ethnic membership to be relevant. The TC is targeted to areas with high concentrations of indigenous peoples, primarily in the northwestern region, involving 12 departments in the provinces of Salta, Jujuy, Formosa and Chaco, serving some 40,000 indigenous people with 17 ethnic identities. Targeting also concentrates on the population with the highest indices of Unmet Basic Needs (the highest in the country) and other indicators of poverty and exclusion (see Annex 3 of the case study). Other information used is participation in provincial and municipal programs, such as the Agricultural Social Plan, or Participatory Social Investment Fund.

Results: The TC was for a relatively small amount of money, (US$5 million in national currency-FOE) yet has substantial impact. The 3 sub-components of the project were to:

1. Give training and advice to community organization in order for them to receive legal status for their organization. Also, training in participation to diagnose, formulate and implement projects.

2. Develop and implements projects that can help overcome conditions of poverty and exclusion, such as productive projects, job training, environmental projects, health, education, culture, community infrastructure.

3. Help in production, promotion, and distribution of materials regarding Indigenous rights.

The first component played a central role in the re-creation of organizational forms that were appropriate to the indigenous communities. The First Semester Report of 2000, said that in the area of San Martin, 12 organization had initiated applications to receive their legal status, while in Jujuy, in the same period, 5 organizations had received legal status. In Formosa, in the second semester of 2000, an intensive process of regularization of legal status had begun between communities and the provincial government. In Chaco, the Association of Meguesoxochi had received legal recognition, while the situation of the rest of the communities was being analyzed.

50 The Plan will (A) Institutionalize the participatory planning process (PPP) as a means of encouraging solidarity and stimulating demand for social services, mobilize and coordinate the efforts of local social actions. (B). Strengthen the operating and management capabilities of participating local and provincial government bodies, (C). Boost the capacity of the Social Development (SDS) and other agencies (national provincial and municipal) so that they are better able to allocate resources under their social programs to population groups most in need.
The project delegated responsibilities directly to the communities for selecting representatives and ways to overcome their poverty. In addition to their own representatives the project let the communities select “support organizations” (SOs) which were local and regional private, nonprofit indigenous organizations, co-operatives, or other indigenous producer organizations. The SOs offer technical support to the indigenous communities and organizations for the design, implementation, monitoring and evaluation of individual projects. The indigenous communities have direct control over administration and funding of the projects.

In the second component, one hundred and eighteen projects\(^{51}\) were presented to the support organizations that then passed them on to technical advisors to ensure that they fulfilled the objectives of the program.

<table>
<thead>
<tr>
<th>Type of project</th>
<th>SO Bermejo</th>
<th>SO San Martín</th>
<th>SO Ramal</th>
<th>SO Formosa</th>
<th>SO Chaco</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Productive/agriculture</td>
<td>13</td>
<td>11</td>
<td>-</td>
<td>11</td>
<td>15</td>
<td>50</td>
</tr>
<tr>
<td>Productive/non-agriculture</td>
<td>-</td>
<td>5</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Housing infrastructure</td>
<td>12</td>
<td>6</td>
<td>-</td>
<td>3</td>
<td>6</td>
<td>27</td>
</tr>
<tr>
<td>Community infrastructure</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Hygiene and sanitation</td>
<td>-</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Water and sewerage</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Community health</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Human development training</td>
<td>6</td>
<td>3</td>
<td>5</td>
<td>-</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>Institutional strengthening</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>32</strong></td>
<td><strong>8</strong></td>
<td><strong>17</strong></td>
<td><strong>29</strong></td>
<td><strong>118</strong></td>
</tr>
</tbody>
</table>

Source: January 2001 CAPI Report

The third component resulted in a series of scholarships and cultural events that strengthened indigenous identification. For instance, in the 13 Guarani communities of Ramal, a project for “Strengthening of identity and scholarships” was implemented. Other projects included training in computers, and workshops in language and culture.

**Impact:** Obtaining legal recognition is perceived by the communities as a tool that permits the organizations to act before the national, provincial and municipal governments to claim resources and social programs. It is also gives the community organizations autonomy and independence and the possibility of obtaining title to land. Administration and direct control by the indigenous organizations over the project funds gives the communities a feeling of self-worth and affirmed their identities. The control over projects and funds also strengthened community leaders and participation because now there is something to work towards. As an interviewee told the evaluation mission” “Now we have more respect from the municipal government. Because of this we can now participate more in certain decisions of the municipality that are of interest to us” (Argentine evaluation, see OVE intranet web page).

\(^{51}\) Of the 118, 100 were approved.
The construction of infrastructure usually included training and assistance to incorporate new techniques. For example, new types of irrigation systems in Yacuy, and management and sanitary control of calves and goats in Pluma de Pato. The construction of community centers also encouraged communities to meet and discuss issues of concern and provided a place for productive enterprises (making of jams in Campo Blanco in the Tartagal area) and training in fields such as sewing and child rearing that the women appreciated. Construction also provided jobs (unpaid) for the generally under employed population.

**Weaknesses:** The main weakness of the project is that it is not sustainable. The project is due to expire in less than a year and the Argentine government has not committed to funding a second stage. If it does expire, it will disappoint communities that are first renewing confidence in their ability to somewhat control their lives. Other weaknesses include: 1. The project is not large enough to include all of the indigenous communities in the area; 2. There were delays in initiating the project; 3 Project funds are transferred to local Banks which are often days away from the communities that manage them, 4. The projects are short-term and do not encourage long-term planning (see evaluation, see OVE intranet web page).

**BOLIVIA:** Three projects were evaluated: 1. Program of Attention to Minors (BO-0130-Sector IS-FMJ) 2. Educational Reform Program (BO-0133-Sector ED-PRI) 3. Program of Health Services (BO-0056-SA-SER)

**Program of Attention to Minors:** In 1996 the GOB and the Inter-American Development Bank (IDB) began preparing a third program (PRONAM-6) for children under six. The main objective of the project is to help improve the growth and development of poor inner city and rural children under six through the delivery of services designed to improve their bodily, psychosocial, cognitive and emotional conditions. The Program also seeks to increase family, community, public institutions and civil society participation. The contract was signed in September 1997. The IDB Program became part of the Government of Bolivia’s Program of Attention to Boys and Girls less than 6 years of age. (PAN).

**Background:** In Bolivia, approximately 20% of the population is comprised of children under six years of age. Around 70% are poor. Most poor children are located in rural areas and belong to Bolivia’s sizeable indigenous population. Most poor inhabitants of inner city neighborhoods are also indigenous peoples who have immigrated from rural areas in search of work.

The Program targets poor children under six years of age in a risk situation in terms of growth and development in municipalities where World Bank financing is not present. Initially, 30% of IDB resources will finance projects in 40 municipalities prioritized during the project’s pre-feasibility stage. After the 40 municipalities have been covered, the remaining resources may be used to finance projects in other municipalities. PAN’s objective is to reach approximately 100,000-130,000 children under six years of age between 1998 and 2003. This amount is roughly equivalent to 13% of poor children under six. The program currently cares for 7% of poor children under six. Even though children under six are the main beneficiaries, the project also aims to have an impact on educators and facilitators as well as parents. Other beneficiaries

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52 See Bolivia evaluation study for PAN coverage as of June 2000. P. 14
include institutions which are strengthened by the project such as community organizations and municipal and Prefecturas.

**Results:** The Program interacts with communities (parents’ associations and community organizations) in a participative manner except in the design of the early education and health mechanisms because in these PAN’s services must be standardized and coordinated with the corresponding ministries, Ministry of Education and Sports (MECS) in the case of early education and the Ministry of Health and Social Security (MHSS) in the case of health and nutrition.\(^5^3\) Parents’ association as well as a Board are formed by educators when centers start functioning. Minutes are taken at each meeting. The local community organization acknowledges the parents’ association. The parents’ association and the community educator plan support for center (including counterpart financing) and management and parent training activities.

PAN offers integral childcare services through direct and indirect mechanisms. The **direct mechanism** consists of child centers where children are cared for in a daily manner by community educators which have been trained by PAN facilitators who report to PAN’s Departmental offices. These centers are open from Monday through Friday in urban (8 to 10 hours) and rural (4 to 8 hours) communities. Childcare services are delivered in community centers built or renovated with PAN standards for this purpose. Centers are designed to provide services to groups ranging from 25 to 100 children under six years of age. In some cases, private homes are used to provide childcare. These homes are refurbished to meet the needs of approximately 15 children under the Program.

Children attending childcare centers receive early education and supplementary meals. They also benefit from services delivered by the Ministry of Health’s Basic Health Insurance Plan and are referred to the local health posts and centers in case of illness or accidents. They receive protection by means of training given to parents and the community on human rights.

The **indirect mechanism**\(^5^4\) consists of attaining satisfactory growth and development of children under six by transferring knowledge to parents and older siblings (7 to 14 years of age) of children targeted by the Program and developing their capacities and skills in matters related to integral childcare. These objective are attained by: (i) advancing processes to increase the value of family and community roles of women so that their self-esteem, cultural identity and psycho-emotional relationships within the family improve, thus benefiting small children; (ii) carrying out individual monitoring and periodic growth and development controls of children under six years of age at their homes; (iii) encourage the utilization of local health services, children protection bureaus and other local family services; (iv) strengthen the participation and organization of families and communities in the administration of integral childcare and of the indirect mechanism.

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\(^5^3\) To this end, agreements were signed with both ministries were signed on May 10, 1999 (MH) and October 1999 (MECS).

\(^5^4\) The indirect mechanisms is currently in its pilot phase in Cochabamba. Only the Parents’ School is being implemented.
Impact: Beneficiary evaluations were carried out recently. One evaluation (1999) studied three areas (psychological and physical skills, language and mathematics) in 5 and 6-year old children under the Program. 1,614 children attending “4-hour” and “8-hour” urban and rural family and community centers were sampled throughout the country (21.6% of total children). 85.6% of children sampled were actually tested. The tests were taken by first grade teachers who had no previous relationship with PAN children. The tests’ main results by area were the following:

1. Mathematics: 64.3% of PAN children obtained satisfactory results. The March 1999 test given to all Bolivian children upon entering first grade showed that 64.8% obtained satisfactory results.

2. Language: Only 33.7% of PAN children obtained satisfactory versus 43.2% for all Bolivian children.

3. Psychological and Physical Skills: 41.2% of PAN children obtained satisfactory results versus 39.9% for all Bolivian children.

It is important to bear in mind that PAN children—poor and in a risk situation—are compared to all Bolivian children, poor and non-poor alike. The tests also show that the three areas tested are highly correlated, hence the importance of PAN’s integral approach.

Another evaluation studied the impact of PAN on indirect beneficiaries. The evaluation’s main findings with respect to mothers was (1) Higher rate of participation; (2) Higher labor stability; (3) Higher probabilities of remaining in labor market; (4) Improved quality of work; (5) Improved probabilities of obtaining training; (6) Additional time to carry out other activities; (7) Decrease in home expenses; (8) Improvement in feeding and hygienic habits; (9) Strengthening of marriage; (10) Trust and satisfaction in services provided by the Program; (11) Positive perception of role of educators; (12) Willingness of mothers to increase resources to ensure sustainability of centers.

The evaluation’s main findings with respect to educators was: (1) 75% of educators received training from the Program; (2) Trained educators are satisfied with training and value its input; (3) Economic stability even though income is considered low; (4) Ability to finance additional training or education; (5) Improvement in self-esteem; (6) Maternity is undertaken in a more responsible manner; and (7) Family problems because of long hours and low pay leads to high rotation of educators.

A third study’s main objectives was to measure the impact of PAN, in terms of academic performance and adaptability, on children currently in primary school who received integral childcare from PAN. The sample consisted of the following four groups of children (1,901): (1) Children who received integral childcare in PAN family centers; (2) Children who received integral childcare in PAN community centers; (3) Children who received integral childcare in

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55 The sample had some deficiencies. First, 4-hour rural community centers are underrepresented because of logistical difficulties related to geographical location in four Bolivian departments: Potosi and to a lesser extent Chuquisaca, La Paz and Tarija. Thus, the percentages resulting from comparing the sample to the universe for Chuquisaca, Potosi and Tarija are considerably lower than the corresponding percentage at the national level (equivalent to 21.6%). This is due to the fact that Chuquisaca, Potosi and Tarija have higher concentrations of 4-hour community centers in rural areas than the other 6 departments.
preschool institutions other than PAN centers (Control Group B); and (4) Children who received no integral childcare (Control Group A).

The evaluation put forward the following results related to academic performance and adaptability:

1. Results obtained throughout the entire evaluation show that children from community centers and Control Group B show in a consistent manner better academic performance and adaptability skills than their counterparts from family centers and Control Group A.

2. Children who had attended family centers and children who had no preschool experience obtained a higher percentage of negative answers or non responses. Developmental skills showed especially low percentages; and

3. All groups performed well in adaptability tests

**Weaknesses:** In spite of the above benefits, discussions held in focal groups (in the Latina study) show that many educators move on to unqualified jobs instead of taking advantage of skills acquired while working for the Program. In addition, there were problems in community organization and participation because of the (1) Low level of participation in management of Centers due to scant knowledge of Program on the part of fathers; (2) low level of integration with other social institutions due to the lack of knowledge of Program; and (3) limited decision making responsibilities delegated to the parents associations.

Finally, one of the evaluations reports that there the program is at risk of disappearance in the medium term: (i) it is not currently sustainable; (ii) financial resources from international organizations are diminishing; and (iii) a sense of “ownership” on the part of beneficiaries is yet to be generated. This sense of ownership will generate demand for the Program’s services that will compel local, departmental and national governments to channel resources to the Program and share technical and political responsibilities.

**BOLIVIA: Educational Reform Program (BO-0133): IBD lent US$80,000,000 for the project.**

The GOB established a technical groups-ETARE (Equipo Técnico de Análisis de la Reforma Educativa) in 1989 whose proposal was the Education Reform (ER) Law enacted in July 1994. The main objectives of ER were to guarantee an educational system that offered equality and equity and was capable of renewing and evaluating itself. The medium term goal is to solve, with the help of co-financing provided by donors, the main problems encountered in primary education: to increase external and internal efficiency and equity at the primary cycle level of the education system (8 years). The Program supports a series of reforms in teaching methods and in administrative systems and an investment program to provide resources and orientation to disadvantaged students so as to insures that their education bears fruit.

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56 The World Bank, Federal Republic of Germany, Netherlands, Sweden and other lent or granted US$78,823,000 and Bolivian local counterpart funds were US$45,440,000.
Background: The ER Law declares that bilingual and intercultural education are the fundamentals bases upon which education is structured. This declaration is made as a response to the lack of equity in the previous education model that excluded large sectors of the population. Sectors excluded are mainly rural and indigenous populations and women. Most of the indigenous population—whose mother tongue is different from Spanish—is located in rural areas. It is estimated that approximately 58% of Bolivia’s population speak a language other than Spanish at home. Nevertheless, up until 1994, the only language taught in school was Spanish, with the exception of a few pilot experiences carried out by UNICEF (PEIB) between 1990 and 1994. The alphabetization of rural and indigenous populations resulted in an inefficient grasp of Spanish and a total lack of reading and writing skills in their mother tongue as well as low coverage and school years completed and high repetition and dropout rates. Finally, the public education curriculum did not take the different cultures into consideration.

To eliminate these deficiencies, the ER targeted children aged 6 to 14 years attending public primary schools (8 years). The Program’s initial actions were steered in the direction of rural children and to areas where Spanish is spoken as a second language. Although only 5.1% of children registered in the public school system in 2000 received bilingual education, it is estimated that approximately 40% of the total population of children 6 to 14 years of age should receive bilingual education. Initially, there was no clear idea of where to implement the bilingual mode. In some cases, native languages where being taught in schools where children spoke Spanish as mother tongue and vice versa. Consequently, in December 1999, a regulation was issued regarding eligibility criteria for a school to operate in the bilingual mode using the 1992 Census to determine which language to use.

Results: The loan document proposed a tentative set of indicators and goals that would be revised and completed once a year during annual evaluations. The table below shows that ER is behind in terms of percentage of schools with new curriculum (71.5% instead of 100%). ER is also behind with respect to Pedagogic Resource Centers which should be installed and functioning (758 vs. 1800) and with respect to number of schools with new material (92.1% vs. 100%). Performance for other indicators (No. of pedagogic advisors trained and number of schools boards organized) is well above the goal established by the project.

A joint IDB, World Bank, Germany, Spain, Denmark, UNICEF and UNFPA mission which took place in October 2000 said that important progress in the Program included approval of curricular and administrative regulations, new curricular design for teacher education and guides for human resource and other issues, such as environment, intercultural, democracy, health, sexuality and gender. Also noted were the creation of Municipal Education Programs (PREMUs), which promote community participation and local management.

Impact: The Program includes a subcomponent for SIMECAL, the educational quality measurement system. The objective of SIMECAL is to submit periodic, trustworthy and valid information on the levels attained by students with respect to the acquisition and development of competencies needed to succeed in priority curricular areas.
### Year 5: Actual Performance versus Goals

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Actual 2000=Year 5</th>
<th>Goal for Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of schools with new curriculum</td>
<td>71.5%</td>
<td>100%</td>
</tr>
<tr>
<td>No. of municipalities with new curriculum</td>
<td>290 of 314</td>
<td>n.a.</td>
</tr>
<tr>
<td>No. of School Boards organized</td>
<td>13000</td>
<td>6000</td>
</tr>
<tr>
<td>No. of Pedagogic Advisors trained</td>
<td>1324</td>
<td>900</td>
</tr>
<tr>
<td>No. of schools with new material</td>
<td>12894</td>
<td>100%</td>
</tr>
<tr>
<td>(92.1%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of school with sports equipment</td>
<td>13069</td>
<td>n.a.</td>
</tr>
<tr>
<td>No. of schools with classroom libraries</td>
<td>13695</td>
<td>n.a.</td>
</tr>
<tr>
<td>No. of Pedagogic Resource Centers</td>
<td>758</td>
<td>1800</td>
</tr>
</tbody>
</table>

Source: MECS—Vice ministry for Initial, Primary and Secondary Education

In March 1997, SIMECAL tested 1,328 3rd grade students from bilingual schools and in October 1998, as part of a nationwide test, SIMECAL tested 1,135 5th grade students, also from bilingual schools in rural areas. The test results were compared to those of children attending monolingual schools (Spanish only) in the same linguistic rural areas. Grades obtained were divided into three categories: risk, average and satisfactory. The tests found that students who learn language and mathematics in their mother tongue show a lower percentage of results in the “risk” category and a larger percentage of students who learn language and mathematics in their mother tongue show a larger percentage of results in the “satisfactory” category. These differences are larger in language than in mathematics and in the specific case of mathematics in guaraní, average results are slightly lower for students from the bilingual mode than for students from the monolingual mode. Hence, if education objectives are taken into consideration, students from similar rural contexts who learn language (functional communication instrument) and mathematics (daily use instrument) in their mother tongue obtain better results than children who are taught and learn in Spanish. Students in the monolingual mode show less writing skills, a lesser capacity to understand messages and a tendency to learn mathematics in a mechanical manner (for other test results, see evaluation study).

Education services which until recently had been highly centralized are now being transferred to regional and local levels. Training is being provided to these different government levels on administrative, financial and technical aspects. Popular participation is one of the four main structures of the Education Reform Law, which includes the structures of community and municipal organizations and instruments to interact directly with the educational system. Parents interviewed for this evaluation confirmed that they had been trained in aspects related to the ER and to bilingual education by the Education Councils of Indigenous Peoples. This training has helped overcome the initial resistance to the bilingual mode. All levels of School Boards oversee attendance and performance of school personnel and the application of the bilingual mode. They also make recommendations on hiring and firing of personnel. In one school, parents pay for transportation of personnel to guarantee compliance with school calendar, Although no special programs are currently being implemented to ensure that girls register and attend school, a project to address access and permanence of girls in school is currently being prepared.
Weakness: In order to continue expanding coverage and guaranteeing quality, increasing financial resources are needed. That is the main issue that must be discussed at all levels. The main issues are teachers’ salaries that are low and do not reward performance, permanence of technical and administrative personnel through its incorporation into the Civil Service system, consolidation of achievements at regional and local levels and adjustments based on feedback received from SIMECAL operations.

BOLIVIA: Health Services Reform Program (PSF). Originally US$39,100,000, Bank’s share being US$33,900,000-86.7% and Bolivia’s share US$5,200,000-13.3%.

The GOB requested financing from the IDB for PSF in August 1990. The loan was approved by IDB’s Board in May 1991 and execution began in March 1992. PSF is the first health sector project that IDB financed in Bolivia.

The objective of the PSF is to cooperate with the GOB in its efforts to adequately organize its health sector to improve the population’s health conditions by: (1) Strengthening the development of promotional programs in priority prevention areas; (2) Increasing and improving coverage of basic healthcare services; (3) Improving the operating system of the health services network through the strengthening of technical and administrative support programs, personnel and management; (4) Contribute to the development of the public sector’s decentralization process through strengthening of health districts (DILOS)-the basic unit of the local (municipal) health system, and (5) Assist the Bolivian health services system to evolve into a sanitary model based on primary health care.

Background: The GOB had taken the decision to reform its health system because it was not contributing to alleviate poverty through an improvement in the health condition of population in socio-economic risk. Hence, it decided that the reformed health system must at the very least meet the needs of population at risk due to its socio-economic situation. Therefore, PSF operated in 6 urban (Sucre, Potosí, Tarija, Oruro, Trinidad and Cobija) and 6 rural districts (Padilla, Yacuiba, Uncía, Challapata, Reyes and Riberalta) plus 12 adjacent districts (Chuqui Chuqui, Azurduy, Puna, Sacaca, San Lorenzo, Villamontes, Eucaliptus, Huanuni, San Ignacio de Moxos, Santa Ana de Yacuma, Guayaramerin and Puerto Rico) in six Bolivian Departments: Beni, Pando, Tarija, Chuquisaca and Oruro. 49% of the population of these departments benefited from PSF.

Three target groups were established: (i) rural population whose socio-economic indicators (infant mortality, women’s alphabetization, child malnutrition, access to basic sanitary services and access to productive infrastructure) are located beneath the national average; (ii) urban population from the informal sector of the economy with income below the national average; and (iii) vulnerable groups, such as indigenous peoples, with socio-economic indicators below the national average. PSF’s goal is to cover approximately 477,140 inhabitants, corresponding to 77% of the population in 12 health districts.

Results: Many of the indicators which the PSF established for itself were met. For instance, one indicator was to achieve a larger participation of communities and their leaders in vaccination and health campaigns, utilization of oral rehydration salts, development of school health
programs in rural areas, institutionalized childbirth and nutrition deficiency and supplemental feeding programs. In fact, inputs and supplies were purchased for programs and 72 Nutritional Centers were established. Nurses were trained in Epidemiological Vigilance. Other training included Environmental Health. Bi-annual reports show that some community members (“responsables de salud”) were trained to assist health personnel in vaccination campaigns. During 1999-2000 only health personnel was trained even though coordination efforts were made with local authorities and communities. However, school health programs were not developed during 1999-2000. Some efforts were made to increase institutionalized child births by identifying and training community leaders. No further efforts were made during 1999-2000 to establish nutrition centers and training women in care and feeding of children.

In terms of institutional strengthening, a consulting company was hired to train health personnel in clinical and surgical cases in the four basic specialties and in all services provided by health establishments. Health establishment personnel also received training in use of equipment. The same consulting company gave management and administration training courses.

The Health Services Network was strengthened. When PSF closed operations at the end of 2000, 101 health establishments had been refurbished, enlarged or constructed. In addition medical and hospital equipment was purchased starting in 1994 and ambulances and other vehicles were purchased. As of December 2000, 701 health establishments had received the first stock of medicines to establish a Rotating Fund.

**Impact:** A survey was made in 1997 to collect information from 2,741 women located in PSFs 24 health districts on themselves, their health situation and that of their children. Results in PSF were compared to results in five other districts in the same six Departments where socio-economic conditions were similar. The results of the survey were as follows:

1. Coverage of immunizations in children under two is acceptable. This result reflects the MHSS’s support of this component. PSF results compare well with comparison districts.
2. Levels of respiratory and diarrheic diseases are still unsatisfactory. Nevertheless, there is a more positive and correct attitude towards the treatment of these diseases and more use are made of health establishments. Especially noticeable is the use of oral rehydration salts. PSF results are somewhat lower than comparison district results.
3. There has been a significant increase in prenatal controls and pregnant women begin controls earlier in the pregnancy so number of controls has increased. PSF results are somewhat lower than comparison district results.
4. There has been a significant increase in tetanus vaccinations and in the number of women who breastfeed within the next few hours after childbirth.
5. There is a moderate decrease in fertility rates, especially in rural areas. This reflects the moderate use of efficient contraceptives.
6. The use of modern contraceptives is higher in comparison districts (18.5% vs. 23%).

**Weaknesses:** An important part of PSF’s resources are earmarked for infrastructure. According to the revised financing structure, 33.1% of IDB funds are to be used to finance infrastructure. The community had no say in choosing the infrastructure because of the technical nature of
health establishments. Final architectural and engineering designs were financed by a project preparation facility before the onset of PSF. Currently, health establishments refurbished, enlarged and constructed by PSF are being transferred to municipal governments who must provide resources for future maintenance and operation. Communities play an important role in this aspect. Following the onset of the Popular Participation, communities have a direct say—through grass roots organizations—in the utilization of funds transferred to municipalities by the central government. They also supervise—through Vigilance Committees—the use of such funds which must correspond to the municipal government’s annual operating plan developed according to guidelines set forth in the participative planning process. PSF has signed a 10-year agreement with municipal governments regarding maintenance and operation of PSF health establishments. Under this agreement, municipal governments must submit yearly reports to MHSS and IDB.

Sustainability is the issue that should be addressed as PSF operations come to an end. All health establishments constructed, repaired or enlarged by PSF belong to municipalities in areas where the generation of income from taxes and other services is improbable in view of the level of poverty of the population. These municipalities depend almost entirely on Popular Participation resources transferred from the central government. Municipal governments must maintain, operate and outfit health establishments within their jurisdiction. Tariffs collected from patients covers only a small fraction of expenses. They must also supply hospital supplies, including medicines and medical supplies. During field visits to hospitals and district offices, doubts were expressed as to whether municipalities will be able to maintain and operate health establishments which are currently new but which will require additional maintenance as they grow older.

GUATEMALA: Two Projects were evaluated: 1 Community Development for Peace Program, DECOPAZ (GU0099), and 2. the Guatemalan Social Investment Fund, FIS (GU0071).

The DECOPAZ program (total cost of DECOPAZ is US$ 55.6 million, of which IADB financing is US$ 50 million (90%) and local contribution is US$ 5.6 million (10%) was conceived to help rebuild physical human and social capital in those areas of Guatemala most harmed by the armed conflict. To achieve its objectives, the program promoted the organization of communities into micro-regions, to which were transferred funds and responsibilities for identifying community needs, selecting and prioritizing projects, and contracting and monitoring suppliers of goods and services for investment projects in their communities.1 Parallel, the program set up a process of training in project management through practical experience, and participative planning with communities. The method of the program is to cultivate a collaborative work ethic in a climate of peace, promoting, by this means, community based organizations able to act as local development agents.

Background: DECOPAZ targets 17 municipalities in the Guatemalan northwestern highlands. The population of these municipalities is distributed over numerous isolated communities characterized by a low level of development. Only 23% of households have electricity, and 66% do not have water supply. The average illiteracy rate is approximately 65%, and coverage of education services is inferior to 44%. About 80% of the targeted population lives in rural communities, devoted to agricultural activities, mainly at subsistence level. Most of the
population is indigenous from diverse ethnic groups. Also, around half of the area’s population is composed of women.

**Results:** One of DECOPAZ’s objectives is to contribute to rebuild social capital in one of the country’s areas most severely affected by the war. The reestablishment of community participation networks and the restoration of collective trust in government institutions were considered as essential pieces of the process aimed at reaching that goal.

In this regard, the program promoted the organization of community groups within the municipal boundaries (micro-regions). Each group of communities elects a micro-regional Assembly composed of three members elected for each community. Among its members, the micro-regional Assembly elects a committee, made up by a maximum of seven members, that represents the whole micro-region (Entity that Represents the Micro-region, ERM). The ERMs have legal status as non-profit organizations, and are responsible for identifying community needs, determining priorities, formulating and managing investment projects, and administering the resources transferred by the program for those purposes. To accomplish these tasks, the ERMs received constant support from the FTIs. These were in charge of promoting the program among communities, helping to the establishment of the micro-regions, training and providing technical assistance to communities representatives (ERMs) in developing the tasks delegated by the program. DECOPAZ required that community representatives were instructed not only in participative planning, administration and management of projects but also in subjects concerning organization and functioning of representative organs of the association, Peace Agreements, human rights, gender and environmental issues.

To promote the program and the establishment of the groups of communities (micro-regions), the FTIs contacted traditional community leaders. Some traditional leaders were elected as members of the ERMs. Others stayed outside of the new organization, whether by their own decision or by decision of the communities which took advantage of the establishment of ERMs to renew their leaders.

Regarding physical reconstruction, the program assigned resources to finance social infrastructure (US$16.6 million), basically aimed at improving the access of the beneficiaries to education and health services. In addition, the investment category included funds (US$8.3 million) to finance projects chosen by the communities (25% free allocation), and that may consist of infrastructures.

**Impact:** The interviews with the members of the ERMs show a positive valuation of the organization promoted by DECOPAZ. The legal recognition of the ERMs, and the attached capacity to manage funds, have contributed very positively to foment the credibility in the program. Also, the representatives value the organization as an instrument that legitimate them to confront public and private institutions and negotiate community demands. The possibility of

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57 According to the 1994 Census, out of the 17 municipalities in which the program is being executed, 14 have a percentage of indigenous population that ranges from 75.17% to 98.09%. In the municipality of Ixcán, in the Department of Quiché, the indigenous population makes up 67.71% of the total. Only two municipalities out of the 17 have a percentage of indigenous population lower than 21% (Santa Ana Huista 17.50%, and San Antonio Huista 20.97%). However, even in these two municipalities, some communities have an indigenous population superior to 50%.

58 First Tier Institutions hired by program to work with the communities.
deciding investments in the communities, managing funds and the knowledge on how funds are used is also highly rate. These factors contribute to improve the vision of government programs among members of the ERMs. In some representatives it has rooted the idea that their opinions are taken into account by government institutions.

At the community level, women have seemingly participated more in identification of community needs, prioritization of projects, and “working committees” related to projects that specifically benefit women (for example, improved stoves, water supply).59

**Weakness:** However, despite a general positive valuation of the organization promoted by the program among community representatives, its practical effectiveness is very limited. The role of the ERMs as local development agents and its sustainability is restricted to those micro-regions in which representatives have a medium level education, there is certain tradition of community organization, and where the economic conditions would allow the maintenance of the organization without the financial support of the program. Those micro-regions represent less than 3% (less than 3 micro-regions) of the total. The sustainability of most micro-regions depends on the financing of DECOPAZ. In this sense, in opinion of the FTIs’ Coordinators if the execution of the program ends this year most of the micro-region would disappear.

As to the impact of projects in improving the living conditions of the beneficiaries, the tendency to carry out works per community to satisfy immediate needs, and the lack of plans to attend the integral development of the micro-regions have reduced the potential effects of the program on the area’s overall development. During its execution, the program has come under pressures to meet the project cycle deadlines established in the methodology guide. This circumstance has led to a focus on committing the funds on time, by executing works and facilities aimed at satisfying communities’ immediate needs with the resources available. The program lacked regular and systematic activities to promote the elaboration of participatory plans at the micr-regional level, or even at the inter-microregional level, which could have resulted in projects with a greater impact on the integral development of the targeted area.

**Social Investment Fund** The objective of the IDB/FIS program is to improve living conditions among Guatemala’s poor rural population. To achieve that objective, the program set two lines of action: i) strengthening the organizational capacity of poor communities to manage their productive activities and basic social and economic services by encouraging community-based initiatives aimed at forming sustainable civil society organizations, and ii) providing additional support by means of socially oriented investments in community-based organizations, in order to enable them to make broad-based and long lasting reforms.

**Background:** FIS targeted its beneficiaries (Guatemala’s poor rural population) using a funding approach based on unmet basic needs. First, a rural poverty incidence index was calculated for each of the country’s municipalities according to: i) housing quality; ii) access to basic services such as water supply and sanitation; iii) access to basic education; and iv) access to economic

59 Information is not available for all municipalities covered by the program. In the 5 municipalities of UNDP (one of the FTIs), women’s participation at the community level is approximately 13.66%. Source UNDP, Office of the Department of Huhuetenango.
conditions that allow for an acceptable level of consumption\textsuperscript{60}. A rural poverty index (RPI)\textsuperscript{61} was then calculated for each municipality. Based on this RPI, the municipalities were sorted into five groups, with a group A comprising those suffering the most acute rural poverty. For targeting purposes, the FIS computed an indicative distribution of its resources by municipality, taking into account each municipality’s RPI and its total rural population.

**Results:** By September 30, 2000 the total amount committed under the five categories of the loan were US$48.3 million, exceeding the original assigned amount that was US$47 million. This is due to the increase of the local counterpart contribution from an initial amount of US$4.7 to US$8.6 million.

As of December 30, 2000, the number of projects committed by the FIS with partial financing from the IADB was 1,890. Of these projects, 1,725 (91.27%) are complete; 150 (7.94%) are being executed; and 15 (0.8%) awaiting start-up. By project categories, educational infrastructures represent 52.06% (984 projects) of the total; improved stoves to upgrade the environment (23.65% (447 projects): equipment for education facilities 3.70% (70 projects); and health equipment 3.65% (69 projects).

Besides, the IADB/FIS program included a technical cooperation component, which contemplated specific actions for promoting community empowerment. The goal was to steep up investments in poorest municipalities by strengthening community organizations and boosting productive capacity at the community level. This component would give rise to the “Programa de Organización y Capacitación Comunitaria”, POCC, (Training and Community Organization Program). It started to be implemented through the FIS institutional means, in a pilot area defined by its high poverty level. Later (by the end of 1997), the POCC was extended to 8 micro-regions and a specific unit within the FIS was establish for operating the program. In 1999, the POCC received additional support by the WB\textsuperscript{62}, to the end of bolstering the institutional capacity of the operating unit. Actually, the POC works in 23 micro-regions, comprising the poorest communities of 87 municipalities.

The POCC works with the poorest communities (A and B groups\textsuperscript{63}), training then to conform sustainable community-based organizations capable of formulating and managing their own productive projects and basic social and economic services. Among POCC targeted beneficiaries, indigenous population is a majority (67%) from diverse ethnic groups (Q’eqchi, Man, Chortí, K’iché).

Recently, the IADB has approved new financing for US$ 90 million (1162/OC-GU), addressed to implement the Development Project for Orient (FIS- Proyecto de Desarrollo para el Oriente). This program has been designed to fight the exclusion of the poor communities located in the five departments of the oriental Guatemalan region.

\textsuperscript{60} This was measured by an economic dependency ratio defined as three or more dependents per income-earner in houses where the head of the household is illiterate.

\textsuperscript{61} Rural Poverty Indicator (RPI) was calculated weighting the rural poverty by the percentage of the rural population living in extreme poverty, according to the 1989 household survey.

\textsuperscript{62} FIS-BIRF, Loan 4407-GU.

\textsuperscript{63} Extreme poverty (RPI over 60) and severe poverty (RPI between 45 and 60)
Annex 1
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**Impact:** Despite a generally satisfactory distribution of funds in geographical terms, the targeting criteria generated some problems. In order to correct them, the IADB/FIS program recommended that at least 20% of the IADB loan proceeds were targeted to group A municipalities and that at least 50% of these funds were targeted to group A and B municipalities. According to the Progress Report (September 30, 2000) these criteria were fully met concerning the municipalities in the A category (extreme poverty) which received 24.29% of the FIS projects. However, the total amount executed in A and B municipalities (extreme and severe poverty) was slightly below of the targeting criteria, reaching only a 47.41%.

To exam the contribution of the POCC to strengthen community organization, during the field work, the consultant visited three areas where the program has been operating: i) C’hortí I area (in the department of Chiquimula); ii) Q’eqchí area (municipality of Livingston in the department of Izabál); and, iii) Mam area (municipalities of Huitán and Cabricán, in the department of Quezaltenango) (see visits and meetings, Annex III). The following observations and findings are referred to the visited community organizations and their extension to the other areas of the program should be made with reservations.

In the C’hortí I region, there is a Development Association (AD) in each of the four municipalities were the program operates. The community representatives appreciate the association legal status as an instrument that legitimates their organization, and gives them the recognition to negotiate with other institutions. The committees of representatives have received training from the POCC and the Ministry of Agriculture, through its program PROSACHI II, concerning diverse subjects (formulation of projects, basic accounting and administration, soil conservation and environment). From their establishment in 1996, these associations have received diverse FIS funded projects and have acted as executing agency of PROSACHI II. There is not knowledge of the existence of productive projects being implemented in the area. However, the association’s members contribute to the ADs functioning by paying a member fee (allowance). With the support of the Ministry of Agriculture, the four associations have formed a supra-municipal association ASORECH (C’hortí Regional Association) in which all the municipal associations are represented. There is not a regular collaboration among the associations and the local authorities.

64 Among these problems, it may be cited: i) ceilings on investments in each municipality resulted in FIS projects being interrupted in some of the poorer municipalities which had effective community organizations but whose social needs continued to be urgent, even after the FIS investments; ii) the ceilings in some cases were less than US$ 20,000, which was too low for some FIS projects; and iii) since FIS investments cannot be subdivided, in some cases it has been difficult to find investments whose size matched the funds assigned to a given municipality. (Guatemala. Social Investment Fund (GU-0071) Loan Proposal. IADB 1996).

65 The C’hortí I area comprises 4 municipalities: Jocotán, Camotán San Juán de la Ermita and Olopa. From 1994, the FIS has executed 41 projects in these municipalities. The number of beneficiaries is estimated to be 40,238, which represents 1.7% of the total number of FIS’s beneficiaries. According to 1994 Census, the percentage of indigenous population in these municipalities is as follows: Jocotán (80.06%); Olopa (76.15%); Camotán (62.61%); San Juán de la Ermita (17.08). The majority of the indigenous population is bilingual.

66 The POCC started to work in this area in 1996 (municipality of Jocotán). The POCC’s delegate contacted with community leaders to promote the associations. In this area, traditional leaders were not elected by the communities as representatives for the associations promoted by the POCC.

67 Currently, the associations are executing diverse projects funded by the Ministry of Agriculture and the FIS (10 microcredit projects –communal banks). Also, they collaborate in the administration of the United Nations program “Alimentos por Trabajo”-Work for Aliments-. The associations expect to execute projects funded by the IADB-FIS program “Development for Orient” (PRO-ORIENTE Project) which is focused on the development of this part of the country.

68 The contributions to the associations come from individual members and associated families.
In the Q’eqchi region\textsuperscript{69}, the visited municipality (Livingsgton) has two Development Associations promoted by the POCC\textsuperscript{70}. The associations help to identify community needs whose satisfaction is subordinated to the FIS’s menu, and availability of funds\textsuperscript{71}. The ability of community representatives to formulate and operate projects is very low. They have not received regular and systematic training in these aspects\textsuperscript{72}. As a result, the associations still do not operate directly projects\textsuperscript{73}. FIS funded projects are operated though the establishment of EFIs made of the direct beneficiaries, who are trained in technical aspects related to the execution of the specific projects, by a hired NGO. Most of the FIS funded projects are aimed at improving health services. There are not productive projects in this area. The presence of other governmental programs is scarce, and the associations have not developed a regular collaboration with local authorities.

This municipality comprises, approximately, 120 communities spread in a large territory. Half of the communities can only be access by boat. There is a broad indigenous group, made up mainly by Q’eqchi women who do not speak Spanish and do not participate in the associations\textsuperscript{74}. Among this group, the FIS has promoted its projects of micro-credit (communal banks). These projects are financed with the support of the Central-American Bank. The objective is to improve the lowest family incomes through the concession of credit to finance small productive activities. The credit is granted to a group of beneficiaries, usually women, jointly responsible for the repayment. In the Mam region\textsuperscript{75} (Quezaltenango), there is a Development Association in each municipality. The POCC’s delegate contacted traditional leaders (members of local work committees) who were integrated to the associations as community representatives. The associations promoted by the program still do not operate directly FIS’s projects. Communities’ representatives act as intermediaries between the FIS and the communities, identifying needs which may be satisfied by the FIS menu of projects. The representatives have received some training through the POCC’s delegate. Recently, the program has hired a NGO to capacitate the representatives in diverse subjects as organization, basic accounting and project’s operation.

\textsuperscript{69} The Q’eqchi area comprises 3 municipalities: Livingston, Los Amates, and El Estor. The FIS has executed 75 projects in these municipalities from 1994 to September 2000. The estimated number of beneficiaries is 14,564, which represents 0.61\% of total number of FIS’s beneficiaries. According to 1994 Census, the percentages of indigenous population in these municipalities are the following: el Estor 86.70\%, Livingston 48.54, Los Amates 9.87.

\textsuperscript{70} In the municipality of Livingsgton, there are two Development Associations promoted by the POCC: APRODIR, which comprises 20 communities, and ADICHNO, which comprises 48 communities,

\textsuperscript{71} In this sense, an association (APRODIR) has as priority the construction of an access road given that the communities are isolated from the rest of the municipality most of the raining season. The FIS has not enough resources available to satisfy this demand. The program has not made efforts to help the association look for additional sources of financing.

\textsuperscript{72} The training has been provide in form of general speeches to the representatives by the POCC’s delegate who is in charge of a broad territorial area and counts on scarce material means to reach the communities.

\textsuperscript{73} Some of the association’s members, organized into an EFI, are operating a health project (Community pharmacies). The EFI receives drugs and distribute them among the communities.

\textsuperscript{74} Women’ participation as community representatives is still very low, restricted to those women who are literate and speak Spanish. Besides the low level of education, which is higher among women, the causes of this weak level participation also may be found in the way the election of the community representatives was carried out. Community’s representatives were elected by the head of each household, that is, mainly by men.

\textsuperscript{75} The Mam area covers 4 municipalities: San Carlos Sija, Cabricán, Sibilia and Huitán. The FIS has financed 32 projects from 1994 to 2000, benefiting an estimated number of 89,142 persons, who represent 3.76\% of FIS total beneficiaries in that period. In each municipality, indigenous groups share the following percentages over the total population: Huitán 98.58\%; Cabricán 88.83\%; San Carlos Sija 34.22; and Sibilia 17.74 (1994 Census).
In this area, there are some productive projects, which are implemented through the establishment of EFIs. Projects’ beneficiaries received technical assistance from diverse NGOs hired by the FIS\textsuperscript{76}. The POCC’s associations have not developed a regular collaboration with local authorities and other public or private institutions.

**Weaknesses:** The executing agency, FIS, has a centralized institutional structure, which carries out the majority of the responsibilities related to project review and approval. The departmental units have scant institutional means and responsibilities concerning project cycle. This concentration of responsibilities in the central units originates delays that undermine the program’s ability to provide an agile response to communities’ demands. The strengthening of departmental units and the delegation of project-cycle responsibilities would improve the functioning of the executing agency whose field of activity is located outside the capital.

The POCC has not been well enough funded to accomplish its goals of strengthening community organization and promoting sustainable community based groups able to improve local living conditions. The low educational level of the targeted communities and their scant organizational capacity demand systematic training and ongoing technical assistance in key aspects like participatory planning, project’s administration and management. The program has not provided these inputs on a regular basis. The Development Associations promoted by the program have not yet consolidated as local development agents. The Ads help to identify community needs and community groups interested in benefiting from FIS projects. But their ability to prioritize and formulate projects is extremely limited. The priorities set by the associations are conditioned by the FIS’s menu of projects (supply) and the availability of funds. Ads are not able to formulate plans for the integral development of associated communities. Also, they have little awareness of how to seek additional sources of financing, beyond FIS funds.

**MEXICO:** Two projects were evaluated: 1. **Integrated program to diminish the educational gap (846-OC-ME);** 2. **Program for Sustainability of Sanitation and Potable Water Services for Rural Communities (1161/OC-ME).**

**Integrated program to diminish the educational gap.** (BID loan US$393 million, local counterpart US$260 million). The general objective is to contribute to elevating the level of life of those 3.5 million Mexicans born between 1990-2005 to families of least income. Specific objectives include: (1) Increase the access of the most disadvantaged at the primary education level in 17 states; (2) Contribute to improving the upbringing habits of those in the first years of life through an education program for illiterate parents. (3) Give access to education to small, isolated communities that cannot support a formal school, (4) Help in educating adults in zones and communities where it is very hard to attend regular education course for adults.

**Background:** The government of Mexico has the constitutional obligation to give basic education (9 years: 6 primary, 3 secondary) to all of the population between 6 and 14 years of age.

\textsuperscript{76} The micro irrigation project is operated through an EFI composed of the project’s beneficiaries who received technical assistance from an NGO. The beneficiaries contribute personal work to the project and will undertake its maintenance once the work is finished. The “Revolving Fund” project is operated by means of a group of 30 beneficiaries, organized into an EFI. The FIS granted a fund for credits aimed at financing productive activities (basically, acquisitions of agrarian supplies). The annual interest rate is 14%, the reimbursement period is a year, and the members of the group are jointly responsible for the repayments.
Despite this, there is considerable illiteracy, particularly among indigenous people. (see chart below). This is partially due to the fact that the country has 97.5 million people, of which 23.5% are between 5-14 years, and 25.3% live in rural communities characterized by high levels of poverty, and marginalization, without basic services of education, health, potable water, sewerage, electricity, roads, etc. In the case of the indigenous, who represent about 15% of the total, the lack of basic services is even more pronounced.77

<table>
<thead>
<tr>
<th></th>
<th>Indigenous</th>
<th>Nacional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiteracy</td>
<td>44.27 %</td>
<td>10.46 %</td>
</tr>
<tr>
<td>Population not completing primary school</td>
<td>75 %</td>
<td>36 %</td>
</tr>
<tr>
<td>Terminated school in appropriate time</td>
<td>65.88 %</td>
<td>85 %</td>
</tr>
<tr>
<td>Primary schools with 6 grades</td>
<td>38 %</td>
<td>85 %</td>
</tr>
</tbody>
</table>

These high illiteracy figures exist despite the fact that Mexico spends about 5% of its GNP on education. In 1992, there was a move to decentralize education services. The National Agreement to Modernize Basic Education (ANAM) transferred school administration and operation in all forms of preprimary, primary and secondary, as well as teacher training to the State Secretaries of Education (SEE), which received federal resources the offer these services. For their part, the states and municipal governments were supposed to use part of their resources for education.

The Secretary of Public Education (SEP) is now responsible for norms and evaluations. Within SEP, the General Director of Indigenous Education (DGEI) establishes norms for indigenous education including bilingual education. DGEI also helps to deliver some preschool and primary education to indigenous students, integrate the federal and state indigenous education systems, and gives technical assistance to the SEE.

The principle instrument used by the GOM to develop compensatory education programs is CONAFE (National Council of Educational Promotion), which is part of SEP and SEE. A decentralized agency whose objective is to broaden educational coverage for marginalized populations, CONAFE primarily runs two alternative education models—Rural Community Education, which places supports young instructors in the rural schools, and the Compensatory Education Program, which supports teachers in the formal school system. CONAFE and DGEI work together: CONAFE takes care of communities with less than 20 children; DGEI handles communities with more than 20 children.

Since 1992 BID and the World Bank have had a series of compensatory initial and basic education programs for rural indigenous and marginalized urban students. Since 1999, CONAFE has channeled the resources from a program to combat poverty called Program of Education, Health and Food (PROGRESA) This program of the federal government gives scholarships to

77 Of the total indigenous population (49.8% male, 50.2% female, monolingual population is 11.3% male, 20.3% female, illiteracy:29.6% male, 48.1% female, attendance at school: 73% male, 67.5% female, without primary instruction: 28% male, 45.8% female, with post primary instruction: 15.8% male, 8.9% female.
children between 3 and 6th grade of primary school of $108 monthly, who are living with families in conditions of extreme poverty. In the educational area, PROGRESA tries to support these children to attend and remain in school until completing primary education.

Results: 1. Sub-program Formal Primary Education: For the primary schools in indigenous rural areas, the program (a) Elaborated tests, guides, and manuals for both indigenous students and teachers. (b) Books as well as school packages (notebooks, pens, and geometry games) had been distributed to 4.4 million children, which included all of the indigenous primary schools. (c) Intensive courses to the teachers with emphasis on teaching in multi-grade school rooms. (d) Construction and rehabilitation and equipping of many schools, to adapt them to indigenous conditions. (e) Incentives are given to teachers to teach in rural schools. (f) Parents associations are established to control student and teacher attendance and receive $5000-$7000 pesos per year to buy education materials and maintain schools. (g) In Chiapas, 23,000 children (about 35.5% of the children in first and second grades) receive student breakfasts.

Sub-program of community education: Strengthening of initial, preschool, primary and post primary and literacy training in indigenous rural communities of from 100-500 inhabitants with demand between 5-20 children of school age. In addition, the program has developed an educational program for the children of migrant workers in 19 states, which attends about 12,000 children, 70% of whom are indigenous.

Preschool education for communities: Community instructors attend 124,202 children, for about 4 hours during 200 days. Instructors teach in indigenous languages. In the Community primary education program during 1999-2000, (informal) instructed 155,769 students, in 15,760 communities. In the Community program for the unschooled: Program for mothers that lasts about 8 months with an educational promoter.

Impact: Because of this program, many children had the chance to go to school in their own language. Bilingual materials were produced in 33 indigenous languages. The process of decentralization of infrastructure permitted localities to do their own construction and acquisitions. This reduced the priced of new buildings and materials by about 40%. The community instructors, who are very young and living in precarious economic conditions, are given opportunities to go on to college after several years of teaching.

Weaknesses: In the formal education system, despite the fact that bi-lingual teachers receive materials and training, they sometimes don’t use them because they are assigned to areas where different languages are spoken. There are no breakfasts for pre-primary students, a lack that is very serious for small children. The compensatory education system is not very efficient. In Chiapas, in 1994-1995, only 40.9% of the students completed primary education on time: by 1998-1999, this had risen to 66.4%. The expectations of the parents are that once the children receive a basic education, their conditions of life will improve. However, this has not happened because there are not enough secondary schools.

78 In 2 of the states visited on the evaluation mission (Chiapas and Yucatan) the attendance figures are Chiapas: potential demand from indigenous rural children is 472,647, all were attended by CONAFE in the compensatory programs. Of the 472,647 children, 166,769 received school breakfasts from the SEDESOL (PROGRESA) program. In Yucatan, the potential demand from rural indigenas students was 166,864, all of whom were part of the CONAFE program. Of these, 41,792 received breakfast as part of SEDESOL.
In the Community schools, the infrastructure is very precarious, and often don’t have water, light or latrine service. In addition the community instructors are very young, and despite their enthusiasm, not well educated themselves, nor do they have experience in teaching.

**Program for the Potable Water and Sanitation Program in Rural Communities.** (IDB loan: US$310 million: counterpart: US$250 million.) The general objective is to develop the sectors of water and sanitation for rural communities with less than 2,500 inhabitants. The specific objectives are to (1) Apply regulations that guaranty the quality of water and sanitation services; (2) Strengthen the decentralization of responsibilities and financing sources, (3) Provide efficient services to the rural marginalized population in a sustainable manner, with active community participation and organization.

**Background:** The GOM has the mission to administer and supply potable water and sanitation services to all of the population. This is difficult when of the 97.5 million population, 25.3% live in rural communities, many of which have less than 100 occupants. It is estimated that of the 12 million Mexicans that don’t have access to potable water, 8,680,000 live in rural areas; and about 24 million don’t have sanitary service. Of these, 70% live in rural areas. Since a great majority of the estimated 15 million indigenous inhabitants live in municipalities and regions of high and very high marginalization, it is clear that a great many of them fall into the category of not having these services. This program is geared towards communities with less than 2,500 inhabitants, of which there are about 200,000 in all.

This program is another decentralized program. The National Unit (the CNA)\(^ {79} \) administers national waters and programs. The State Commissions for Potable Water and Sanitation (CEAS) plans and executes the program in each state, in coordination with municipal governments and local communities that solicit the program. In 1995 the CNA proposed to have the States and Municipalities work together to get water to smaller communities. As a result of the BID credit the program developed with a mix of federal and state and municipal resources (50% federal-50% between state and municipalities). Communities apply to municipalities to be selected for a water and sanitation project and the municipality chooses as many communities as it can afford to co-finance with the state. The criteria for choosing communities are (1) High or very high marginalization; (2) Soliciting sanitation projects in localities that have already received potable water from the project; (3) Continuous requests from the community; and (4) Communities that have more than 40% indigenous people.

**Results:** 1. **Sub-program for potable water and sanitation infrastructure.** The water systems were of different types, some using energy, others gravity. In certain places, the water systems used stored rain. Between 1995-1999 56% of the communities reached were considered of high or very high level of marginalization and a little more than 30% of the beneficiaries were indigenous. About 30% of the localities reached were in communities where the homes were very dispersed. In 80% of the cases, the water reached the home of the beneficiaries, while in 20%, it reached public places. In general, the financing scheme worked (50% federal, 50% state). However, in Chiapas, the federal government paid 100% of the costs and in Oaxaco the federal government paid 50% and the municipality paid 50%.

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\(^ {79} \) CNA operates in 31 states in a decentralized form, through 13 regional offices that correspond to hydrological regions, and 20 state agencies.
The **Sub-program for community participation** The State Water and Sanitation Commissions made a primary selection of communities that should receive service, and then did a study to determine whether they had the ability and social organization to maintain the service. Communities participated by means of assemblies where they designated water and sanitation committees, made rules for operating the system, including quotas and mechanisms for ensuring payment.

In Indigenous communities, the program used organizations that already existed and their own forms of community participation. The Program originally envisioned a fund for operation and maintenance, including enough for repairs. However, in the case of indigenous communities, it was hard to establish the fund because the people were not used to paying for these services and actually were not used to a money economy.

**Impact:** Once the work was completed, the Program gave technical support to teach the beneficiaries how to maintain the system and keep it clean. At several communities visited by the evaluation mission, the women in the community said that their lives were much easier because of the water. On the other hand, at one community the system had not been working properly for some time, and the community had not received the technical help it needed to fix it.

An interesting sideline was that in one community, the residents asked for a more sophisticated system, because they did not want to have to use the chlorine tablets that their system depended on. The State representatives of the water and Sanitation commission tried to tell them that more complicated systems would be more costly and could breakdown more often.

To increase the impact of the program, the program worked with other State agencies, such as Health and Education, to reinforce the lessons and strategies in hygiene and sanitation. The state also worked with local Churches to gain their support in this area.

**Weaknesses:** The amount of money apportioned for each service constituted an average price. However, in many of the more marginalized communities, the price of bringing water was higher. In addition, the communities that the Program benefitted were in great proportion of high or very high marginalization. Despite this, many states made the communities pay between 10-25% of the work.

The recovery rate for the water service in the country is approximately US$0.10/m3, while the actual cost is US$0.50/m3. This means that the service is highly subsidized. For poor states this bring up the problem of sustainability.

When a municipality had to choose between several communities that applied for water service (because the municipality could only afford co-payment for a limited amount of new operations), it sometimes chose communities because of personalities or amount of prestige of community leaders, etc. This often left the poorest communities without the service.
PERU: Two projects were evaluated in Peru: 1. The Program of Support to the National Fund for Social Compensation and Development (FONCODES, Phase II, PE-0101); 2. The National Program to Assist Children Under Three (Wawa Wasi) Stage I-PE-0167.

FONCODES: (IDB loan US$150 million; counterpart US$130 million). The purpose of FONCODES II is to “continue supporting the improvement of the quality of life of the poorest and most vulnerable segments of the population by financing small projects presented by organized communities.” The project has two components. The first and largest component (US$420,700 or 97.8% of the budget) is to support small projects involving social infrastructure and services, economic infrastructure, a small number of productive projects (3% of the budget) and a pilot to develop programs of productive based activities. The second, much smaller component (US$3.9 million, or 0.9% of the budget) is dedicated to institutional strengthening, with the Bank supporting the further decentralization of FONCODES, and the World Bank supporting activities related to the strengthening of community capacities.

Background: In PERU the FONCODES and Wawa Wasi programs were designed to reach and benefit the poorest segments of Peruvian society. Their project documents both emphasize that indigenous peoples are most disproportionately affected by poverty. However, neither project targets specifically for ethnicity or ethnic origins. Both target their beneficiaries and approve sub-projects in accord with the spatial distribution of poverty as measured through a range of socio-economic and unsatisfied basic need indicators.

FONCODES and Wawa Wasi use poverty maps as a first step in their targeting protocols. The Poverty Maps have permitted the targeting of beneficiaries down to the district level (MEF, 1999). Wawa Wasi also uses 1993 census data to determine its universe of possible users, that is children under the age of four and women of working and childbearing age. While FONCODES personnel referred to its Poverty Map during field interviews, the World Bank says that the Fund had stopped relying on it because it was based on outdated data. In the case of Wawa Wasi, field personnel said that the key poverty indicator they worked with was that concerning malnutrition, the result of both the importance of the problem for early childhood development, as well as well as the project’s mandate to reduce child nutrition. After that the community diagnostic was required, because of the ‘lack of current information about this level’ (In Peru, there are 24 departments, one constitutional province, 164 regular provinces, 1,818 districts and some 85,000 centro poblados).

Both programs rely on community level diagnostics to identify targets and determine eligibility. This is in part because the district level is just too large a jurisdiction upon which to develop community level interventions. It is also in part because the conditions within districts are known to be quite heterogeneous (MEF, 1999: 38). A key criteria for assistance in the case of Wawa Wasi, and one which must be determined through on-site verification, is that there be sufficient numbers of children to support the community based model (In the event that demand outstripped delivery capacity a further set of criteria were developed to prioritize services).80

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80 In such cases, priority would be given to: children of working mothers, teenage mothers, pregnant mothers, women heads of households and mothers with the most numbers of children under the age of eighteen.
A review of FONCODES and Wawa Wasi sub-project proposals (‘expedientes’) indicate that information pertaining to ethnicity is or has been gathered at the community level. The information being gathered is, however, somewhat confusing. Check-off questions in the FONCODES expediente address language usage and an ‘Indigenous Group’ category where the list of possible responses mixes affiliation with comunidades campesinas with others pertaining to ethnicity (i.e., C. Campes, Shibibo, Ashaninka, Uros, Otros).  

81 No mention is made on the form of comunidades nativas. Wawa Wasi’s community diagnosis form raises questions pertaining to the existence of community organizations; the accompanying check off responses include comunidad campesina, indicating that, at least in Cajamarca, the program does not view affiliation with comunidades campesinas as an ethnic marker. (As a result of legislative norms in Peru, indigenous peoples may describe themselves as belonging to a comunidad campesina’’r comunidad nativa’’rather than as being indigenous per se or as having a specific indigenous ethnicity).

**Results:** By June 2000 FONCODES II had more than surpassed its original estimate of 9,000 projects. despite the fact that, according to the Bank, the Government had reduced its counterpart in order to meet with IMF requirements related to servicing the country’s debt (IDB/Peru, 2000b).  

82 By September, results from the project’s mid-term had been presented and a separate evaluation of the productive projects had been completed. Final disbursement was slated for June 2001, a date extended by 12 months from original.

**Impact:** The mid-term’s study on the impacts of FONCODES projects in indigenous communities raise concerns, although its definition of indigenous peoples may likely cause some debate and some of the differences are slight (Instituto Apoyo, 2000: Chapter 8). The study examined projects in the education, sanitation, and electricity sectors. Controlling for a range of variables, the evaluators found that benefits were lower for indigenous communities than non-indigenous communities across many impact indicators, as summarized in the table on the next page.

The evaluation study was not able to account for the differences between indigenous and non-indigenous communities receiving FONCODES services, although in the case of educational outcomes, they found that the educational levels of families appeared to be a contributing factor. This rationale, however, would not explain why indigenous communities had not been able to secure the same proportion of additional teachers to their schools following a FONCODES intervention than the non-indigenous communities. Most beneficiaries (indigenous and non-indigenous) interviewed stated that the works being supported by FONCODES were necessary and required, and in the sense that FONCODES was the only agency, which had acted to meet these needs, they were appreciative.

82Project numbers differ somewhat by key actors, care should be taken to look at the timing of the count and the types of projects counted. The World Bank (2000b/Restricted Distribution/Draft: 4.2) states that between 1997 - 06/ 2000, 14,398 projects were approved. The majority of tables in the mid-term provide figures for the period 1996-1999, many just for rural based projects. the 1997-1999 the document says 18,194 projects were approved, but just 15,161 in rural areas in the Fund’s major investment lines (see Instituto Apoyo:Tables 3.1,3.2).
**Weaknesses:** While the targeting and sub-project approval mechanisms of FONCODES II and Wawa Wasi did not specifically address ethnicity, they both included mechanisms to, firstly, ensure that the priorities of the general target population were identified, and, secondly, to ensure that project activities were adapted and culturally acceptable to indigenous beneficiaries. The rationale for the measures and strategies to be adopted however are not backed, at least in the project doc by evidence of analysis or discussions regarding the specific needs or challenges to be faced by indigenous peoples vis-a-vis the project activities.83

Where indigenous communities lagged behind non-indigenous communities, as per FONCODES’ mid-term evaluation

<table>
<thead>
<tr>
<th>Sector</th>
<th>Impact indicators where differences between groups noted</th>
<th>Differences noted between:</th>
<th>Indigenous communities</th>
<th>Non-indigenous communities (General study)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Increase in numbers of teachers for each school served</td>
<td>No positive impacts</td>
<td>1.22</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in probability that the school would have secondary grades</td>
<td>No positive impacts</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in school rooms per school served</td>
<td>No positive impacts</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in probability that school would have access to potable water</td>
<td>No positive impacts</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in years of schooling, children 6-14</td>
<td>Positive, but not statistically significant</td>
<td></td>
<td>Positive and statistically significant.</td>
</tr>
<tr>
<td>Potable water</td>
<td>Reductions in diarrhea in children 0-10</td>
<td>Positive impacts where hhld connection, but not statistically significant</td>
<td>(-3.3%, where hhld. connection)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reductions in diarrhea with blood in children 0-10</td>
<td>Positive impacts where hhld connection, but only in 82% cases</td>
<td>(-2.7%, where hhld. connection)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reductions in under 5 child mortality</td>
<td>No statistically significant impact</td>
<td>(-2.9%, where hhld. connection)</td>
<td></td>
</tr>
<tr>
<td>Latrines</td>
<td>Reductions for children 0-10 in diarrhea and diarrhea with blood</td>
<td>No impact in either case.</td>
<td>Positive impact in reducing diarrhea with blood, but not general diarrhea</td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>Increase in self-evaluation of home</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase in electrical appliances</td>
<td>0.5 articles more</td>
<td>0.4 articles more</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Probability of having home based business</td>
<td>No increase</td>
<td>No increase</td>
<td></td>
</tr>
</tbody>
</table>

Source: Abstracted from Instituto Apoyo (2000, Chapter 8 and Executive summary)

For instance, because of the potential for the region’s demand-driven social funds (including FONCODES) to ignore poorer and less organized communities, FONCODES II took a number of steps to ensure that communities would not be penalized due to their limited financial and technical capacities. These were to include a simplification of project submission procedures and greater support for pre-investment financing. FONCODES II was also to assign a larger amount of resources for training and promotion. The promotional work was to be primarily carried out in extremely poor districts and in areas which had not yet received financing. A number of measures were also identified for enhancing the participation of and benefits accruing to a group referred to in the document as ‘poor farming and indigenous communities’ [the italics are the evaluator’s], including: (1) The development of project designs to allow for [the non-specified]

83 In the background section of the Wawa Wasi project document, only three sentences address the subject of indigenous peoples; the FONCODES document is also quite limited in its analysis, using incorrect numbers in its discussion of Phase I indigenous beneficiaries. The 1998 Country Paper, which identifies indigenous peoples as a particular target for the Bank’s efforts in poverty reduction and social service delivery also is limited in its analysis.
characteristics of these target populations; (2) Coordination with other [non-specified] institutions with responsibilities for or experienced in work with poor farming and indigenous communities and in the types of projects to be promoted in them; (3) The personnel in charge of promotion, evaluation, and supervision in the branch offices serving that population will be required to speak the local language,’ and ‘...if necessary, qualified staff will be hired to work directly with poor farming and indigenous communities;’ and (4) Because the ‘diversity and number of indigenous communities implies a range of problems so wide as hardly to be encompassed by a single project, the Bank and Government were to develop a program of diverse measures’ for their benefit.

The extent to which the program’s measures to enhance benefits for indigenous peoples (and/or ‘poor farming communities’) were implemented is questionable. 84 Firstly, in the departments visited, FONCODES personnel said that they had had no funds for promotion for quite some time. This was put forward as a special feature FONCODES II, and because it would have focused on under served communities, should have worked in favor of indigenous communities. Some evidence exists from the projects recent mid-term that training activities did favor indigenous communities (Instituto Apoyo, 2000: Chapter 8). However, a recent World Bank report found enough evidence to the contrary to recommend that, in the selva, training activities should be sensitive to the customs of comunidades nativas, that they should directly involve community leaders, and that trainers must ‘...try’ to communicate in native languages’ (World Bank, 1999a: 14). In addition, none of the FONCODES personnel accompanying the mission were proficient in any indigenous languages spoken on the project sites visited, nor in Cajamarca and Iquitos were they aware of any staff in their offices who spoke the region’s local languages.

The most pressing priorities identified by community members-indigenous and non-indigenous alike concerned their need for jobs, income and/or productive activities. According to the IDB sector specialist in Lima, a recently completed evaluation of this line of work was leading the Bank to believe that FONCODES might not be the best mechanism for delivering productive activities.

**The National Program to Support Children Under Three (Wawa Wasi), Stage I (IDB loan US$46.6 million; counterpart, US$20 million).**

Peru’s early childcare program, known as ‘Wawa Wasi,’ has been recognized by UNESCO as one of the world’s 10 best programs of its type. The government first launched an urban-based pilot of the program in 1993 with the assistance of UNICEF. The Bank also began to support the program in this early stage, through a number of technical cooperations and a Project Preparation Facility. The program reviewed in this study represents the first stage of a two-part operation, each of which will be supported by a separate Bank loan. Like FONCODES, the Wawa Wasi program is targeted to those in extreme poverty, in line with the government’s poverty reduction

84 Considerable attention has been drawn by FONCODES to the fact that the nucleo ejecutor concept, in which a small number of elected community members assume responsibilities for project execution, draws upon ancient Incan communal labour practices (‘*Minka*’). Evidence from the project’s mid-term suggests that the mechanism has only been fairly well received (Instituto Apoyo, 2000: Chapter 8). Through its review of 190 indigenous communities (in a larger field study of 304 communities) the mid-term evaluators found that only a slightly greater proportion of the indigenous communities had a good perception of the work of nucleo ejecutores (63%, compared with 59% of non-indigenous communities). This still leaves 37% of indigenous communities (and 41% of non-indigenous communities), either dissatisfied or indifferent with their nucleo ejecutores,
objectives, as well as with a 1996-2000 national action plan for children announced in 1997. The program’s objective is to ‘...promote services and actions across the country to foster the integrated development of children under three, particularly children at risk.’ The project is to provide (1) Integrated day care, (2) Infrastructure, (3) Training, and (4) Promotion and dissemination.

**Background:** The Wawa Wasi program identifies specific measures to promote the program’s activities and to ensure that project activities are compatible with the socio-cultural and linguistic requirements of indigenous peoples. Promotion activities are a very important part of the program because while the benefits of early childhood care are recognized internationally, such programs are not common in Peru. The program was also to be tailored to the needs of indigenous peoples at a number of levels. In indigenous areas, for example, services are to be provided by local indigenous mothers. All materials for promoting the program and fostering a culture of child nurture are to be adapted to the cultural and linguistic characteristics of each region ‘in order to increase their acceptance by indigenous communities.’ Where necessary, training courses were also to deliver in native languages. There are also a number of general features in the Wawa Wasi program, which favor its adoption to differing locations and cultures. These include the purchase of food from local markets, preparation of meals acceptable to local tastes, and the tailoring of hours of attention to the needs of working families in each locality.

Like FONCODES, the Wawa Wasi program was designed to encourage and support community participation. However where FONCODES focus is on short-term construction projects, Wawa Wasi is expected to deliver a social service on an ongoing basis. The Wawa Wasi program thus expects a much longer commitment of volunteer time and effort than does FONCODES. The process begins with promotional activities which involve the development of a community-led diagnostic to determine needs and identify existing community organizations capable of managing the program. These volunteer management committees are responsible for supervising Wawa Wasi activities, including food preparation and delivery, the hiring of caregivers, and the management of funds for meals and caregiver payments. They also must administer construction of community homes, with the support of works committees.

In this regard the program is capitalizing on the known strengths of Peru’s women’s organizations which have sprung up over the past decades in response to crisis. For the most part, the Wawa Wasi program has drawn upon ‘comedores populares,’ or popular kitchens. Having first appeared in the 1970s, by the early 1990s they were serving more than 1 million meals a day in Lima, with the support of government and donors. By the mid-1990s they were recognized by the Bank as being, although still weak in some areas, ‘...one of the most successful types of collective consumption organizations [in the region]’ (IDB, 1995:109).

Other women’s organizations are also participating in Wawa Wasi. By the end of 1999, among 194 community organizations registering their intent to support the program, 68% were community kitchens, 14% were Glass of Milk Committees (vaso de leche), 14% were Mothers Clubs (Clubes de Madres), and another 4% comprised mother/infant centers, artesanal centers and other women’s organizations (PNWW - Lima, 1999: 20). While the program started in urban areas, women’s organizations are active in rural areas as well. According to FONCODES
mid-term evaluation, for example, 89% of rural indigenous communities had Mothers’ Clubs as opposed to 65% of non-indigenous communities (Instituto Apoyo, 2000: Chapter 8).

The Wawa Wasi program also acts to involve and encourage networks of support in the broader community. The program design calls for Comités de Vigilancia with membership elected from the community at large to oversee the program, as well as short-term Works Committees when Wawa Wasi communal homes are constructed. Periodic assemblies are held in which the advances, finances and challenges faced by the program can be discussed with participants, families and the community at large.

**Results:** The Wawa Wasi program has been subject to the government’s financial restrictions (the program suffered a 38% cut for the year 2000). As a result the program has had to scale back key activities and targets for implementation. Its goals for reaching 55,000 children during 2000, for example, have been reduced to 25,000 (95,000 children were to be reached by the end of Stage 1,190,000 by the completion of the program: PNWW-Lima 2000b:20). Preparations for the program’s first annual review were underway during the evaluation mission and a national meeting was soon to be held to bring regional staff together to examine and discuss their experiences.

**Impact:** It was evident in the field trip that, to the extent possible, the program has been sensitive to indigenous cultural and linguistic norms. This was particularly evident in Puno where indigenous mothers who worked in the fields during the day were embracing the program. In this locality the regional office had taken steps to promote the use of traditional culture in educational and stimulation materials. Hours of service if not ideal at least accommodated the schedules of farm families (i.e., school-aged brothers and sisters were dropping their younger siblings off and picking them up as well). Respect for language also appeared important. In the Aymara regions of Puno for example, the program is referred to as ‘Wawa Uta,’ which is Aymara for ‘children’s home.’ ‘Wawa Wasi’ is Quechua.

In practice, however, there has not been much opportunity for Wawa Wasi to implement or test its accommodation to indigenous cultures. The project has undergone substantial cuts and programs targets have been cut drastically. Much effort has gone into transferring existing directly managed Wawa Wasis to the new community based model. Only 12 departments and 70 districts (none of which are rated ‘extremely poor’) have been reached (progress report data does not report poverty ratings by the community levels, which would likely present a differing story). The training program for child nurture is not yet underway, although the TORs for a diagnostic study to guide the program were being developed during the mission.

As of June 2000, the new community based model had reached --or incorporated into the new model -- 21,223 children (with another 10,551 children still in the directly managed program), 206 management committees were fully functioning and 2,652 caregivers were working in the new model (PNWW-L, 2000: 5, 11). While the program was facing many hurdles, there was a high level of enthusiasm shown by project participants in all departments. The program is considered to be addressing critical needs and the children seen in the homes, for the most part, appeared happy and outgoing, a pretty positive indicator that the project is doing something right. In one rural based indigenous town with three community based Wawa Wasi programs,
participants said that there alternative was to take young children with them to the field, which made work very difficult, or to leave them alone in their houses all day, which they realized was dangerous. (A community led diagnostic of 130 families in urban Cajamarca indicates that of 184 children aged 0-3, 86 - or 47% - of them were left at home without their parents during the day, PNWW-Cajamarca, 1999). It is not clear however if the more positive impressions seen on the ground could be fully supported by hard data, one of the problems the program is currently encountering being a weakness in its reporting systems. The first annual review of the program should present more lightly the program’s advances in this regard.

**Weaknesses:** During the field trip, it was clear that the program also lacked the capacity to go much beyond the urban cores. Wawa Wasi field offices do not have their own transportation. In a program that requires close attention to community strengthening to get off the ground, this is a critical shortcoming. In many cases, the lack of transport had limited the degree to which Wawa Wasi personnel could attend night assemblies. During the day, staff were taking public transport or hitchhiking to get to their destinations (inter-agency collaboration appears limited, although one mayor visited during the mission, impressed with the Wawa Wasi program, offered to make some transport available). The level of dedication to the program by Wawa Wasi personnel was also made evident in Puno where in order to attend to an indigenous community as required, staff were renting accommodation during the week at their own expense.

Issues were raised regarding sustainability. Firstly, project participants raised concerns regarding the programs caregiver payments and the possibility of pay or incentives for the management committees. These concerns merit some attention, particularly given that comments in past project progress reports indicate some problems with turnovers in community volunteers. In any case, participant concerns regarding government expectations of volunteer capacities are not new, either domestically or internationally.

Another area of concern regarding sustainability arises from comments raised by National Office and some field staff as to how best the project could be expanded into outlying areas. While the lack of transport would appear to be one major limiting factor, Wawa Wasi National Office staff says that this is not the only or major challenge. Questions are being raised about a one-size-fits all service model for a country with so much diversity, possible differences in quality and capacities of community organizations, and in numbers of needy children in smaller communities. In Iquitos the value of retaining some directly managed Wawa Wasis was also promoted, given their value in reaching high-risk children (i.e., in Iquitos one directly managed program was run in a woman’s prison and another in a hospital). In Puno the question was raised as to whether Wawa Wasi’s niche might best be in working in areas where there was a chance to benefit the working poor, or areas in poorer areas with potential for economic development, rather than exclusively working in extremely poor areas, as per the program’s original objectives.

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85 For example, the latest project report available, to June 2000, presents information on the children’s nutrition levels, but not on whether these levels mark progress from an earlier period.
86 Management committees cited the time they were putting into the program (such as the Quechua women from Puno who spent their Saturdays in search of lower priced food) and the responsibilities involved.
87 Lessons learned from a mid-1990s Guyanese Social Impact Amelioration Program indicate that some of its activities were ‘grounded on questionable tenets. ...[they] often assumed women were willing to provide long-term voluntary labor or were prepared to work for modest stipends.'
Terms of Reference for Indigenous Study

Evaluations of the following projects

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Questions about the project itself:

Overall guiding question: Was the project successful in reaching the intended ethnic/racial target groups and if so, which were the characteristics in the project environment that contributed to this success (if not, where were the obstacles or missing features in the project environment that prevented reaching the target groups?)

1. What were the project’s goals, objectives, components, etc?
2. What was the amount of the loan?
3. What ministry was responsible for the project? Was it a centralized or decentralized ministry?
4. What was the cost of administration?
5. Did the project use ONG’s to accomplish its goals?
6. Was this the first project of its type in the area or had other projects been in the area? Were other government projects presently going on in the area? Was there any synergy between the projects?
7. Did the project contain baseline information as to the community to be served?
8. Did the project establish benchmarks to be reached?
9. Was there any beneficiary evaluation going on during the project implementation?
10. The projects, although different, have many common elements and try to resolve issues with certain common methods. The following chart outlines some issues and then some questions that should be answered in the evaluation.
<table>
<thead>
<tr>
<th>Issues</th>
<th>Questions</th>
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| 1. Strengthening of community organizations| 1. Were these organizations within the community at the start of the project or were they formed by the project? If these were new organizations, how did the project try to organize them? If they were already in existence, how did the project get in touch with them?  
2. How did the project intend to strengthen these?  
3. What % of the project’s funds (time, human resources) was to go for this activity?  
4. Did the project make use of any political organizations, such as municipalities, OTBs, etc? How did it do this?  
5. Did the project make use of any ONGs to do this? How did it do this?  
6. What were these organizations supposed to do? (Give input into priorities, develop mini-projects, run mini-projects, etc.)  
7. Did the project support more than one community organization in a community?  
8. Were there any genders biases in community organizations? Did the project try to mitigate these? How?  
9. What was the nature of the community and non-governmental organizations involved in the project? For example, did they specifically represent indigenous peoples (or sub-groups such as indigenous women), did they represent the community/neighborhood at large, or did they have a sectoral focus (i.e. producers’ associations, irrigation committees, etc.) |
| 2. Targeting of specific populations       | 1. Did the project target indigenous peoples specifically or exclusively? Why or why not? What population did the project specifically try to target? Women, children, teenagers, mothers, fathers, men, families, indigenous groups, rural groups, poverty groups, aged, etc.  
2. How did they try to target them? (Geographically, by service (bilingual education, traditional nurseries, etc. customs, etc.)  
3. What methods did they use to target them? Teaching them through lectures, using their own representatives (such as older members of the community, etc), using visual aids, etc.  
4. Did the project use more than one method to target the population? Was any one method more successful than others? Why?  
5. Was the teaching done for a specific purpose, i.e. (teaching about health, environment, etc.), or did it include other lessons, such as civics, Indigenous rights, etc?  
6. Did the project fully reach its intended target populations? Why or why not? |
| 3. Service Provision                       | 1. What was the service being offered by the project?  
2. Was the service being offered chosen by the participants or was it planned from above?  
3. Was the service being offered in a decentralized manner?  
4. Was government in charge of the program (central, provincial, local?)  
5. Was service privately provided?  
6. Did the community have any voice in choosing the services or service provider?  
7. Did the community seem satisfied with the service?  
8. Did the project provide for any consumer satisfaction surveys? How?  
9. What percentage of the project ‘s funds, times, human resources, etc. was for service provision?  
10. Are the services being provided now?  
11. Are they being provided in a satisfactory manner (i.e. teachers in
| 4. Infrastructure | 1. Does the project provide for building infrastructure?  
| | 2. What % of the project’s funds go for infrastructure?  
| | 3. Did the communities choose the infrastructure? How?  
| | 4. Are the communities supporting the infrastructure in terms of maintenance, etc.  
| | 5. Did members of the community work on the infrastructure? How much did they earn?  
| | 6. What types of infrastructure were chosen most by the community? Why?  
| | 7. Did the infrastructure look to be in reasonably good repair?  
| | 8. Were there any types of infrastructure that the community wanted that was not on the project menu? What kinds were these?  
| | 9. How did the infrastructure benefit (or contribute to benefiting) the target population (i.e. reduced health risks, increased education access, improved productivity, diversified production, etc). Did it relieve domestic or productive constraints?  
| | 10. Were there any gender or ethnic/cultural biases identified with respect to the potential use of or maintenance of infrastructure? Did the project try to mitigate these? How (i.e. ease of access to infrastructure, use of indigenous labour organizations or practices)?  
| 5. Productive projects | 1. Did the project include any components to help create medium or long term income (not building infrastructure)?  
| | 2. If yes, what kinds of mini-projects were chosen?  
| | 3. Were these projects successful? (give examples if possible)  
| | 4. Did these projects teach new techniques, or did they make use of traditional arts? In either case, explain.  
| | 5. Were there any kinds of productive projects that the community preferred?  
| | 6. What % of the project funds went towards medium or long-term income generation?  
| | 7. Were there any gender or ethnic/cultural biases identified with respect to income generating activities? Did the project try to mitigate these? How? (Specialized training, childcare, measures to facilitate equitable access to credit, etc.)  
| | 8. Did the project teach new techniques build on indigenous knowledge or customs make use of communal forms of labour, or did they make use of traditional arts? Explain.  
| | 9. Did the community or target populations assist in identifying the types of income generating activities where were developed?  
| | 10. What types of support activities were provided (i.e. technical assistance, assistance to reach markets, assistance in registering businesses, literacy, etc). Was the community or target population satisfied with these support services?  
|
Methodology for Research

You all have done work for the Bank before, so I don’t want to insult you by telling you how to do an evaluation. However, I would suggest that you please:

1. Get the Project Reports for your projects.
2. Do some background reading on the subject matter and geographical areas your projects cover.
3. Contact me to make plans for your trip. Plans include a). Planning dates. b). Contacting Country Office to see if dates are convenient. c). Getting airline tickets (you can use the facilities here or at your home base. d) Asking County Office to set up appointments with appropriate ministries in the Capital City. e) Planning visits to several sites of project implementation f) Asking Country Office to help with setting up appointments through the Ministries with the sites you want to visit. g) Asking County Office to help with transportation to sites you want to visit (car, plane, bus, etc.) and with reservations.
4. Going on Field Trip to do evaluation work
5. Writing up report.