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de Alimentos

**Executive Board  
Second Regular Session**

**Rome, 22 - 24 May 1996**

## **PROGRESS REPORTS ON APPROVED PROJECTS**

**Agenda item 5 e)**

### **PROJECT GUATEMALA 2581 (Exp.1)**

#### **Promotion and establishment of women's associative enterprises in rural areas**

Total food cost	5 762 000 dollars
Total cost to WFP	7 145 000 dollars
Date approved by the CFA	12 December 1988
Date plan of operations signed	23 November 1989
Date notification of readiness accepted	9 May 1990
Date of first distribution	5 June 1991
Duration of WFP assistance	Five years
Duration of project as at 30 September 1995	Four years and three months

All monetary values are expressed in United States dollars, unless otherwise stated. One United States dollar equalled 5.69 quetzales in September 1995.

**E**

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1. This document is submitted for information to the Executive Board.
2. Pursuant to the decisions taken on the methods of work by the Executive Board at its First Regular Session, the documentation prepared by the Secretariat for the Board has been kept brief and decision-oriented. The meetings of the Executive Board are to be conducted in a business-like manner, with increased dialogue and exchanges between delegations and the Secretariat. Efforts to promote these guiding principles will continue to be pursued by the Secretariat.
3. The Secretariat therefore invites members of the Board who may have questions of a technical nature with regard to this document, to contact the WFP staff member(s) listed below, preferably well in advance of the Board's meeting. This procedure is designed to facilitate the Board's consideration of the document in the plenary.
4. The WFP staff dealing with this document are:  
  
Regional Manager: F. Roque Castro tel.: 5228-2207  
Desk Officer: A. Posada tel.: 5228-2350
5. Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Documents Clerk (tel.: 5228-2641).

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## **PURPOSE OF THE PROJECT AND OF WFP ASSISTANCE**

1. The project supports the Government's efforts to promote the participatory organization of rural women, especially indigenous women, thereby increasing employment and income in the poorest areas of the country through the introduction of training activities and the establishment of economic enterprises.
2. The immediate objectives of the project are to:
  - a) develop a cadre of trainers (community promoters and craftsmen) who will subsequently be deployed to service the training element in the main project activities (see b) to d) below);
  - b) deploy the trained community promoters to i) promote and strengthen the organization of women into groups; and ii) improve group members' basic skills (literacy, numeracy, simple accounting, management, nutrition and hygiene);
  - c) utilize the trained craftsmen and other relevant technical assistance provided by the staff of the Ministry of Urban and Rural Development (MINDES) and of cooperating NGOs to improve group members' production skills and increase their productivity;
  - d) establish viable individual or group economic enterprises for selected participating groups on the basis of market feasibility studies and an analysis of the resources and skills base of selected beneficiaries/beneficiary groups (financed from a revolving fund and supported by technical assistance).

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## **IMPLEMENTATION**

3. The project at present assists 380 communities selected from the 11 poorest departments of the country. The selection of the communities was based on the poverty map prepared by the General Secretariat of Economic Planning (SEGEPLAN).
4. MINDES was initially responsible for project execution, from June 1991 until April 1994, when it was abolished. Since 1994, the project has been implemented under the overall responsibility of the Ministry of Agriculture, Livestock, and Food Supply through the General Directorate of Agricultural Services (DIGESA). SEGEPLAN acts as liaison between the Government and WFP on policy matters.
5. The Director-General of DIGESA has appointed a full-time project coordinator, who liaises with WFP on all issues related to the operation and administration of the project. At the local level, the project is supported by 11 subregional coordinators, 22 project officers (agronomists, agricultural technicians and managers), 56 home economists, 27 agricultural technicians acting as chiefs of the field offices, four social



workers, 12 secretaries, and approximately 949 voluntary field workers or agricultural community workers who have been trained in different agricultural fields.

6. With the aim of promoting savings and increasing seed capital for productive activities, women currently make a voluntary contribution of 0.75 quetzal per family ration received, which means 330 quetzales per woman during the 22 months they receive food aid. In accordance with the plan of operations, these funds are deposited in interest-bearing accounts held by the women's groups.
7. The training of women's groups in productive and management skills is conducted by DIGESA technical personnel at the central and departmental level, as well as by specialized trainers funded from savings accumulated by the women who participate in the project.

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## **FOOD MANAGEMENT**

8. As at 30 September 1995, a total of 14,610 tons of commodities had been received by the project, representing 81 percent of the overall commitment (18,075 tons). Actual distribution amounted to 10,287 tons, or 88 percent of the quantity received. Of the 2,850 tons of wheat flour allocated for the project's revolving fund, 817 tons were monetized, generating 236,923 dollars.
9. Post-c.i.f. losses amounted to 142.4 tons (1.33 percent), which occurred mainly during handling and transportation, and as a result of prolonged storage in the port warehouses. It should be noted that the Government is taking the necessary measures to avoid these losses. To this end, it has restructured and better equipped the logistics unit within DIGESA, both at the central level and at the port of entry.

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## **GOVERNMENT'S CONTRIBUTION**

10. Despite budget cuts resulting from structural adjustment measures directly affecting all public institutions, the Government has made efforts to fulfil all its obligations. As at 30 September 1995, a total of 523,000 dollars had been paid in salaries and travel allowances, 348,330 dollars for food logistics and 81,370 dollars for materials and supplies. This represents 66 percent of its obligations as stated in the plan of operations.

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## **EXTERNAL ASSISTANCE**

11. The project has received external assistance from the Institute of Nutrition of Central America and Panama for technical assistance and inputs for productive projects. The International Labour Organization contributed technical assistance in managerial techniques during 1992. The Central American Bank of Economic Integration, since 1992, has given technical assistance and funds for small loans



amounting to 277,000 dollars. The Government of Japan provided experts and fellowships for project staff at a cost of 125,000 dollars. Non-food items were received from Canada for a total of 131,000 dollars.

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## **ASSESSMENT**

12. The annex to this document gives a comparison of targets and achievements as per the annual plans of work. As may be noted, 12,988 rural women organized in 380 groups (representing 92 and 101 percent, respectively, of the prorated plans), located in the poorest areas of the country participate in the project. Many of these women or their relatives have suffered from the effects of the internal armed conflict to the extent that approximately 15 percent are widows.
13. Training takes place in the women's own communities through specific courses (in their own language), according to the particular interest of each group. This training is conducted by technical personnel of DIGESA and NGOs, as well as by voluntary field workers from the communities who have been properly trained.
14. In coordination with the National Council of Literacy, 65 percent of the women are learning to read and write and other basic skills. Some 200 groups or 6,000 women have satisfactorily completed their training and are involved in productive activities using the savings they have accumulated.
15. The organization of productive and service-related activities has been based on the interest, experience and ability of the beneficiaries, and market availability. In this respect, women have engaged mainly in the following activities: various types of services (76 groups), animal husbandry (87 groups), agricultural activities (65 groups), handicrafts (25 groups) and small industry (20 groups). The remaining groups are still in the training phase.
16. The training of young farmers (approximately 950 boarding-school students a year) is organized in six training centres during 10 months of the year. Upon graduation, these students receive technical and financial support from the Government or NGOs to set up small enterprises. Others join already established enterprises.
17. The monetization of 817 tons of wheat flour generated a total of 236,923 dollars, which were deposited in a joint Government-WFP account. Credits from this revolving fund were not disbursed before 1994 because of the institutional changes that led to the closure of MINDES (the project's initial executing agency).
18. Since in April 1994 DIGESA took over as executing agency for the project and it was understood that all project staff were completely new, an intensive training programme was undertaken, with particular emphasis on project methodology and the design and implementation of productive activities. Results of this training have already been achieved in activities such as baking, weaving, the establishment of vegetable gardens, and pig and poultry raising.



19. The average credit received per group was 3,000 dollars. Although these first groups have been successful, there is a need for further marketing studies and improved business administration for future women's groups engaged in new productive activities.
20. An increase in the participation of rural women in the decision-making process of their communities and in employment opportunities was observed in the project area. The family incomes of some women's groups have also improved: the contribution of women to the family budget reached levels nearly equivalent to the minimum daily wage, which represents a contribution of about 420 quetzales a month.

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## CONCLUSIONS

21. The project represents an important support to the Government's efforts to improve women's conditions. Food aid to women has made it possible to set up an initial fund which has facilitated the establishment of women's small enterprises and, at the same time, represented savings in the family budget.
22. After the phasing out of food aid, the women will remain organized and continue to participate in the decision-making process of their communities and to undertake income- and employment-generating activities. The impact of food aid is evident in the provision of additional commodities to the basic food basket, which has improved the family diet, as well as in the generation of a fund for undertaking productive activities. Furthermore, women have improved traditional skills or acquired new ones, thus expanding possibilities for better living standards.
23. However, the effect of the productive activities on the participating households' income is not clear and has not been documented properly during this phase of the project. At the same time, the institutional changes of 1994 greatly affected the utilization of the revolving fund and the establishment of women's enterprises, and consequently the sustainability of the project.
24. The project is scheduled to end in June 1996. No extension in time is foreseen. As project Guatemala 2587 - "Watershed management and agroforestry", is also implemented by DIGESA, a new strategy to ensure that assistance is accessible and appropriate to women's needs will be prepared, taking advantage of the lessons learned under the project. The women trained under this project will be given priority.



<b>COMPARISON OF TARGETS AND ACHIEVEMENTS (as at 30 September 1995)</b>
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Activity	Unit	According to plan of operations	According to annual work plans prorated as at 30/09/95	Achievements as at 30/09/95	Achievements in percentage of work plans prorated (revised objectives)
<b>Women's groups</b>					
- beneficiaries	Nº	15 000	14 000	12 988	92
- organized groups	Nº	400	375	380	101
- groups receiving training	Nº	400	250	342	97
- graduated group	Nº		200	112	95
<b>Productive enterprises</b>					
- being organized	Nº	250	175	130	74
- in operation	Nº	250	100	75	75
<b>Training courses</b>					
- social promotion	Nº	3 000	2 800	3 125	112
- technology	Nº	2 500	2 000	1 056	53
- business administration	Nº	2 500	2 300	1 612	70
<b>Voluntary field workers</b>					
- trained promoters	Nº	2 400	1 200	950	79
<b>Boarding-school students</b>					
- graduated students	Nº	2 500	2 500	2 965	119
<b>Craftsmen</b>					
- graduated craftsmen	Nº	1 200	600	508	85
<b>Revolving fund</b>					
- credits granted	Nº	350	50	9	18
<b>Women's savings</b>					
- financed enterprises			200	181	90

