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Programme
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Mundial
de Alimentos

**Executive Board
Second Regular Session**

Rome, 22 - 24 May 1996

PROGRESS REPORTS ON APPROVED PROJECTS

Agenda item 5 e)

PROJECT COLOMBIA 2740 (Exp.1)

**Support to socio-economic activities and
environmental protection in indigenous
communities**

Total food cost	7 000 000 dollars
Total cost to WFP	8 010 000 dollars
Date approved by the CFA	28 October 1993
Date plan of operations signed	15 July 1994
Date notification of readiness accepted	12 September 1994
Date of first distribution	1 January 1994
Duration of WFP assistance	Four years
Duration of project as at 30 September 1995	One year and nine months

All money values are expressed in United States dollars, unless
otherwise stated.

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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:

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5. Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Documents Clerk (tel.: 5228-2641).

PURPOSE OF THE PROJECT AND OF WFP ASSISTANCE

1. The project supports the national process of reconciliation and implements government strategies for poverty alleviation and assistance to marginalized social groups, such as indigenous populations settled in eight micro-regions with the highest indicators of unsatisfied basic needs.
2. The immediate objectives of the project are:
 - a) to support the provision of social and productive rural infrastructure;
 - b) to support the rehabilitation and protection of degraded micro-watersheds; and
 - c) to support income-generating activities through the provision of credit, technical assistance and training to indigenous enterprises.

IMPLEMENTATION

3. From its initial phase in 1988, the project has been implemented by the Office of the Presidency through a semi-autonomous entity initially named the Secretariat for Popular Integration. This unit was later reorganized as the National Rehabilitation Plan, and since 1994, has become the Social Solidarity Network (RSS). The RSS Director acts as the link between WFP and the Government in all policy-related matters.
4. The Government has established a Project Executive Unit consisting of 32 full-time professional staff, one National Director, three Area Chiefs, eight National officers, 13 Regional officers and seven logistic support staff. The regional staff live permanently in the project areas and have continuous contact with the beneficiaries. The project has a strongly decentralized approach for the programming of activities and decision making.
5. The operating expenses for the Executive Unit, including salaries, office premises, equipment, supplies, support services and all costs relating to transportation of field personnel, are financed by the Government through a cooperation project signed with UNDP, (project COL/UNDP 92/007) under cost-sharing arrangements. This support project has a total cost of 6.47 million dollars, of which the Government's share is 6.33 million dollars.
6. The first phase of the project focused in the Andean areas and inter-Andean valleys in five departments: Cauca, Cordoba, Sucre, Nariño and Tolima. For the expansion phase coverage has been extended to eight indigenous micro-regions with the largest concentrations of indigenous population. The beneficiary population increased from 20,000 to 32,560 families, or 40 percent of the indigenous population.



FOOD MANAGEMENT

7. During the first phase, which ended in August 1993, commodities were shipped by WFP for direct distribution. Out of the 8,050 tons committed 8,038.7 were received at the port. Of these, 7,500.4 tons were distributed to beneficiaries, 530.2 tons were monetized to create an investment fund to promote the operation of income-generating projects, and 8.1 tons (0.1 percent of total receipts) were considered post-c.i.f. losses.
8. From August 1993 to December 1994 a "bridging operation" was implemented in order to continue support to the work plans of the indigenous communities during that period. A total of 2,690 tons of wheat were committed and monetized on arrival, generating an amount of 561,355 dollars. Of this amount, 407,460 dollars were utilized to purchase local food commodities in the project areas. The balance of 153,895 dollars was allocated for the establishment of a credit fund ("seed capital") for beneficiary productive activities.
9. For the current expansion phase starting in January 1995, the modality of monetizing wheat for the local purchase of commodities and for credit facilities as seed capital, which had been tested during the bridging operation, has been continued as approved by the Thirty-sixth Session of the CFA. From a total commitment of 50,000 tons of wheat, a first delivery of 25,000 tons has been received and monetized by the Institute of Agricultural Marketing (IDEMA), which is the body responsible for food handling at the port, and transport to central warehouses for storage. An amount of 4,665,000 dollars has been generated (higher than c.i.f. plus port handling costs) 76 percent of which is being used for the purchase of local commodities and the balance for establishing the credit fund. Following completion of the monetization process, there were delays in transferring funds from IDEMA to WFP due to protracted proceedings in registry and treasury which have now been overcome.
10. Purchases of commodities are effected by a Food Purchasing Committee, established as per WFP and Government regulations, consisting of representatives from WFP and the Government. This Committee conducts the technical analysis of response to the tenders for purchase submitted by the Technical Unit of the project for each micro-region. The Committee then submits its purchase recommendations to the RSS Director, who approves the purchase terms and authorizes disbursements. Project staff at the local level certify that the delivery of commodities to the participating communities has taken place as agreed in terms of quantity and quality.

GOVERNMENT'S CONTRIBUTION

11. As a reflection of the priority that it has assigned to this project, the Government has allocated to it a major portion of counterpart funds. For the first phase the plan was to allocate 2,303,000 dollars. By project completion, the Government's effective contribution was 9.1 million dollars, including the funds managed by UNDP for the Executive Unit, and the counterpart resources (staff, materials, inputs, transport, etc.) which were used for the implementation of the 9,500 small projects in the indigenous



areas. These figures illustrate not only the importance that the Government attaches to the project but the management capability of the Project Executive Unit as well.

12. For the first year of operations of the expansion phase the Government had by 31 December 1995 contributed an amount of 2,975,570 dollars, representing 104 percent of its prorated contributions for staff costs, technical assistance, seeds and tools and the credit fund.

EXTERNAL ASSISTANCE

13. The Government has signed two Cooperation projects with UNDP to support project management and implementation, UNDP/COL 86/001, "Support to project WFP COL 2740", and also a preparatory assistance document for the design of the expansion phase, PNR-UNDP COL 92/007, "Support to the development of indigenous communities".

ASSESSMENT

14. Annex I shows achievements for the first three quarters of 1995 for which information is available in terms of physical works completed and rations distributed for the main components of the project.
15. While for some activities such as aqueducts, road rehabilitation, bridge construction and small irrigation systems, the physical targets have all been reached in excess of 100 percent, the targets in terms of food rations distributed lag far behind. This is due basically to delays in the distribution of food rations to communities which have works in progress, the practice being that rations are distributed only when the regional staff confirm that the works have actually been completed. Only a 31-percent achievement for the food ration distribution targets is thus reported; and there are 240,610 rations corresponding to works undertaken in 1995, which are only being distributed the first quarter of 1996.
16. Overall, it is estimated that by the end of 1995, the first year of operation, the project has achieved about 59 percent of its physical targets, the components of community infrastructure, management and conservation of natural resources and training showing the largest shortfalls. A major factor in this under-performance has been the delay in the transfer of funds from IDEMA and from regional counterpart Government agencies, as well as delays in getting the work plans completed in each of the participating communities in the eight micro-regions.
17. The credit component has also met with delays, basically because of the preparatory measures that had to be completed. During the first semester of 1995, the Executive Unit and WFP finalized the revision of the Credit Manual and a four-year Plan for Credit disbursements. In June 1995 the Credit Committee began holding its regular meetings, at which the rules and regulations as well as the Credit Programme were approved.



18. The technical assistance teams and the participating banking institutions for the administration and disbursement of the funds have been selected and contracted. For the second semester of 1995 loans for a total of 460,123 dollars have been approved in Tolima and Narino to finance agricultural production and marketing, and agro-industrial projects. For 1996 eighty five credit requests totalling 2,334,615 dollars have been identified and will be processed by the Credit Committee once the technical review is completed.

CONCLUSIONS AND RECOMMENDATIONS

19. In spite of the initial slow implementation rates, the project remains an effective instrument for the main strategic policies under the Government's Social Development Plan, since it guarantees that some of the poorest communities in the country will have access to State resources - physical, budgetary and technical - in support of locally generated development plans.
20. WFP food aid has represented an important mechanism for income transfer to the beneficiary communities with an approach that sets a definite time span for initiating and ending a specific activity, from rural infrastructure to basic sanitation, or marketing of surplus food production. In all the project activities, it is the communities themselves who establish the priorities, and the work plans and who are the initial responsible agents for monitoring of progress.
21. Project activities have in most cases meant an important improvement in the quality of life for indigenous women. Aspects such as easier access to water supplies and increased availability of fuel wood have alleviated the drudgery here and allowed extra time for other activities, including productive labour in their fields and homes. Moreover, their direct participation in the planning and operation of community projects has provided women with an important role in the provision of food for their families and in the decision making process within the local community.
22. The project has been a successful catalyst in attracting investment financing from central and regional government sources for the implementation of the infrastructure works and the credit scheme. In this regard, WFP food aid is managed as part of a "package" of inputs and services which are made available to the indigenous communities.
23. For the remainder of the project duration, the RSS and the local implementing units will need to regain the level of implementation and achievement of targets which were the norm during the first phase. All the required elements are now in place, such as the funds for food purchases, the rules and regulations for the credit scheme, specific technical assistance and a well functioning Executive Unit, together with a high degree of interest and participation by the indigenous communities. The balance of commodities should be sent to the project only once a normal rate of target achievement has been reached.



COMPARATIVE TABLE OF PLANNED AND EXECUTED OUTPUTS/RATIONS - First year of execution 1/1/95 - 31/12/95

Subcomponent	Activity	Unit	Planned		Executed		Percentage executed	
			Targets	Number of rations	Targets	Number of rations	Targets	Number of rations
Basic sanitation	Acqueducts		400	15 696	2 100	30 415	525	193
	Water-supply		15 650	25 353	80	5 370	0.5	21.2
	Sewage		3 400	62 866	1 200	10 600	35	17
	Latrines (water-based)		2 805	25 245	194	9 815	7	39
Subtotal				129 160	3 574	56 200		44
Road infrastructure	Road rehabilitation	km	148	149 560	511	27 980	345	20
	Bridge construction	unit	13	6 994	18	3 306	139	47
	Road drainage	unit	465	34 895	26	4 250	6	12
Subtotal				185 429	555	35 536		19
Production infrastructure	Small irrigation	system	2	5 484	20	5 065	1 000	92
	Small construction	unit	78	30 576	44	13 025	56	43
Subtotal				96 060	64	18 090		50
Community infrastructures	Common use constructions	unit	153	74 551	156	21 206	34	31
Natural resource management		global		166 504		16 332		10
Training	Community organization	event	413	10 063	139	3 090	31	31
Total				667 223	4 488	150 454	22.9	31

ANNEX II

ACHIEVEMENTS IN NUMBER OF RATIONS, TONS AND DOLLARS
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	No. of rations	Quantity (tons)	Value (dollars)
Rations distributed	150 454	495.1	440 361
Rations pending distribution	240 610	793.6	769 952
Total	391 064	1 288.7	1 210 313

Percentage of project achievement = 59.9 percent equivalent to 391,064 rations.

