

برنامج
الأغذية
العالمي



Programme
Alimentaire
Mondial

World
Food
Programme

Programa
Mundial
de Alimentos

**Executive Board
Second Regular Session**

Rome, 13 - 14 May 1999

REPORTS OF THE EXECUTIVE DIRECTOR ON OPERATIONAL MATTERS

Agenda item 6



Distribution: GENERAL
WFP/EB.2/99/6-G
19 April 1999
ORIGINAL: ENGLISH

PROGRESS REPORT ON DEVELOPMENT PROJECT NICARAGUA 4515.01

Assistance to pre-school and lower primary schoolchildren in depressed areas of Nicaragua

Date approved	22 January 1997
Date plan of operations signed	5 September 1997
Date of first distribution	1 February 1998
Duration of WFP assistance	Three years
Duration of project as at 1 February 1998	One year

Cost (United States dollars)

Total cost to WFP	18,987,736
Total food cost	12,776,752

One United States dollar equalled 11.4 córdobas in March 1999.

This document is printed in a limited number of copies. Executive Board documents are available on WFP's WEB site (http://www.wfp.org/eb_public/EB_Home.html).

NOTE TO THE EXECUTIVE BOARD

This document is submitted for information to the Executive Board.

Pursuant to the decisions taken on the methods of work by the Executive Board at its First Regular Session of 1996, 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.

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.

The WFP focal point for this document is:

Senior Liaison Officer: Ms. R. Antolin tel.: 066513-2207

Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Documentation and Meetings Clerk (tel.: 066513-2641).



PURPOSE OF THE PROJECT AND OF WFP ASSISTANCE

Long-term objectives

1. The project's long-term objectives are to assist the Government of Nicaragua to:
 - a) improve the quality and efficiency of basic education (pre-primary and primary); and
 - b) enhance the nutritional intake of targeted beneficiaries.

Immediate objectives

2. The immediate objectives are to:
 - a) contribute to an adequate dietary and micronutrient intake by providing a cooked meal, a biscuit and a fortified high-energy protein (HEP) drink;
 - b) assist community pre-school children in reaching grades 1 and 2 of the formal school system;
 - c) improve the capacity of beneficiary children to concentrate and to assimilate information by providing dietary support and relieving short-term hunger;
 - d) contribute to increasing the rate of attendance in grades 1 and 2 from 70 to 80 percent; and
 - e) reduce the drop-out rate from 20 to 10 percent in the first grade, and from 14 to 10 percent in the second grade.
3. The project focuses on grades 1 and 2 because: a) these have the highest drop-out rates; b) the project has limited resources; and c) younger children are more nutritionally vulnerable.
4. Through local purchases and production of the fortified drink and biscuits, the project supports national food production and generates employment opportunities in small bakeries, mainly headed by women. The project also promotes and strengthens community participation through the creation and management of pre-school centres.

Targeted number of beneficiaries

5. The direct beneficiaries are 375,000 children under the Mifamilia (the Ministry of the Family) and the Programa Integral de Nutrición Escolar (Integrated School Feeding Programme—PINE) (within the Ministry of Education) components. They are broken down as follows:
 - a) Mifamilia component (children aged two to six): 125,000 children in non-formal pre-school community centres receive a full meal (rice, maize, pulses/fish, cereal drink, vegetable oil and sugar) 220 days a year for three years;
 - b) PINE component (children aged from five to nine): 210,000 children in formal lower primary schools and 40,000 in pre-school centres receive two 25-gram biscuits and one cereal drink 160 days a year for three years.



Implementation

6. During 1998, a total of 249,000 children (126,990 male and 122,010 female) in public pre-schools and schools and 118,662 pre-school children (62,142 female and 56,520 male) in community centres were reached. This corresponds to 98 percent of the planned figures (see Table 1). The project has a nation-wide presence covering 141 municipalities.

TABLE 1: NUMBER OF BENEFICIARIES AND DAYS OF COVERAGE (1998)

	Achieved	Planned	%
Beneficiaries			
Mifamilia	118 662	125 000	95
PINE	249 000	250 000	100
Total	367 662	375 000	98
Days of coverage			
Mifamilia	165	220	75
PINE	88	160	55

7. However, as shown in Table 2 below, an average of only 48 percent (50 percent for Mifamilia and 47 percent for PINE) of the planned figure for food was distributed.

TABLE 2: FOOD DISTRIBUTION (1998)

Commodities	Planned	Revised (tons)	Distributed	Implementation rate c/b (%)			
				Breakdown by main implementation phases			
	(a)	(b)	(c)	Feb-Dec	Feb-Jun	Jul-Oct	Nov-Dec
Mifamilia component							
HEP drink	963	864	556	64.2	61.9	76.2	29.8
Maize	825	740	159	21.5	31.7	5.7	0.0
Rice	1 100	1 100	599	54.5	25.2	96.9	56.9
Pulses	551	551	614	111.4	128.6	93.8	63.6
Vegetable oil	275	247	238	96.4	92.9	115.6	37.5
Canned fish	47	47	47	100.0	n/a	100.0	100.0
Total	3 713	3 549	2 212				
PINE component							
Biscuits	2 000	n/a	912	45.6	n/a	n/a	n/a
HEP drink	1 400	n/a	583	41.6	n/a	n/a	n/a
Total	3 400	n/a	1 495	44.0	n/a	n/a	n/a



8. After some teething problems, the Mifamilia component has been on target. The Government contribution has been timely and appropriate. The implementation of this component has gone through three distinct operational phases. The first, from February to June, was characterized by irregular food supply and inadequate targeting. At the beginning of the operation, the component hardly had any cereal in stock. In addition, part of a year's supply of corn-soya blend (CSB) was damaged because of inadequate storage conditions. However, all the available commodities for this component were distributed at a high rate during this period. In a second phase, a major retargeting exercise was carried out in May and June, since Mifamilia had started the operation in the same number of municipalities (136) as in the previous phase. A strategy for phasing out from 72 municipalities was devised, and revised planned figures were established. In agreement with the Government, only a reduced ration of rice, yellow split peas and fish was distributed in these municipalities from September to December, prior to complete withdrawal in January 1999. Assistance for these phased-out areas is being progressively reoriented to increase coverage in the poorest municipalities.
9. Following the retargeting exercise, the component has been running smoothly. The implementation rate from July to October was remarkably high, with the exception of distribution of maize, which had not been supplied. The low distribution rate in the latter part of the year, from October to December, was a consequence of Hurricane Mitch which severely hit the majority of the targeted areas. Pre-school centres and schools were closed in these areas during the last quarter. Distribution continued in the departments that were not affected by the hurricane.
10. Affected families were, however, assisted through the emergency operation in favour of the victims of Mitch. Project stocks enabled WFP to respond quickly to this unprecedented emergency: the PINE component assisted more than 32,000 children in the first two weeks following the passage of the hurricane. Some 1,000 tons of WFP food from Mifamilia stocks were borrowed to cover the most urgent needs of the emergency operation.
11. Changes in project management resulted in inappropriate programming and delayed the start of the PINE component. Following the appointment of a new Director in July, programming has been on track. However, with changes in the Ministry of Education in September, disbursement of government counterpart funds has been delayed which seriously held up the last yearly production cycle and related distribution of biscuits and the fortified drink. In the meantime, new fund disbursement mechanisms were agreed between PINE and the Ministry of Education, which should result in smooth implementation in 1999.
12. The project also received non-food items for a value of some 25,350 dollars: 2,052 zinc sheets from Sweden, which were distributed to 200 community pre-school centres for roof construction, and kitchen utensils from Norway.
13. Several cost-efficient commodity sales operations were carried out, and a total of 2.8 million dollars was generated by the sale of 4,521 tons of crude vegetable oil donated by the Government of Canada, through the Women's Health and Micronutrient Facility. These funds are being used for fortification of the cereal drink, and biscuits, purchase of raw material for the locally produced cereal drink and project monitoring and evaluation, including a baseline study.



14. Another 2.5 million dollars was generated through sales of 2,728 tons of crude vegetable oil and 1,826 tons of rice. The funds are being used for the local production of biscuits. These sales were carried out through BAGSA, the newly established Nicaraguan agricultural commodities stock exchange.

Local purchase and production

15. In order to render the local production of biscuits and HEP drink more cost-efficient, major efforts were made during 1998 to streamline production and distribution processes.
16. Two studies were carried out by external consultants:
 - a) a feasibility study for producing the HEP drink locally using extrusion cooking technology; and
 - b) a review of the biscuit production and distribution process.
17. The consultant who conducted the feasibility study for producing the HEP drink locally recommended the use of extruder equipment and identified suitable candidates to run the equipment. Consequently, WFP, in agreement with the Government, selected a Nicaraguan NGO—Association for Nicaraguan Development (ASDENIC)—as the implementing partner. A successful three-day workshop was held with ASDENIC to analyse and define related working arrangements. A tripartite agreement between WFP, the national project authorities and ASDENIC has been signed. The extruder equipment has been tendered internationally and is expected to arrive in Nicaragua shortly.
18. It is estimated that with the introduction of this equipment and its use through ASDENIC, production costs are likely to drop by as much as 20-25 percent, ASDENIC will reinvest all the benefits in a revolving fund, to help poor woman-headed households undertake income-generating activities.
19. The review of the biscuit production and distribution process concluded that “the biscuits are highly appreciated and are an effective incentive for the children to enter school. However, the production costs can be lowered by rescheduling the production campaign and reducing the number of bakeries”. Following the recommendations of the study, a number of operational improvements were made in the PINE component. The production process was decentralized, which resulted in more efficient distribution mechanisms and also reduced the number of bakeries from 44 in 1997 to 26 at the end of 1998. This, in turn, resulted in more efficient, streamlined and less-costly supervision of the whole production process, including quality control.

Monitoring and evaluation

20. To monitor the project, a high-level Technical Committee has been established. The Committee meets on a monthly basis. Members of the Committee include one representative each from the Ministry of Education, the Ministry of the Family, the Secretariat of External Cooperation, the two project components and WFP. The responsibilities of the Committee are to:
 - a) strengthen coordination among counterparts;
 - b) periodically assess project implementation; and
 - c) monitor achievement of the project’s objectives.



21. The Technical Committee has played an instrumental role in the retargeting exercise of the Mifamilia component, promoting collaboration with other government programmes, such as the World Bank/Norway-financed PAININ (Programa de Atención Integral a la Niñez Nicaraguense—Programme of Integrated Assistance to Nicaraguan Children), and providing guidance to national project authorities in complying with financial regulations in the management of generated funds.
22. To follow project activities at the local level, the project has 41 monitors. An additional eight persons work as supervisors for biscuit and drink production. During the year, the PINE component more than doubled the number of technicians from eight to 17, thereby improving the efficiency of the supervision system significantly.
23. With funds from the Canadian Micronutrient Facility, a baseline study was carried out by the Centre of Research and Socio-Economic Assessment (CINASE) during 1998. A statistically representative number of 1,120 pre-school and schoolchildren were surveyed. The study concluded that the project has improved the nutritional status of beneficiaries; however, children's nutritional status (defined by anthropometric indicators such as weight for age, height for age and weight for height) was still lower than National Center for Health Statistics (NCHS) standards recommended by the World Health Organization (WHO) for developing countries). This is due to the interaction of additional factors, such as household food insecurity, high morbidity rate, inadequate hygienic conditions, poor and unvaried diet, and vulnerability to infections.
24. For the iron plasmatic levels, no significant differences were found between the control group and beneficiaries: the average haemoglobin level was about 12 g/dl (anaemia is detected when the haemoglobin plasmatic level is under 2 SD of the standard values (11-12 g/dl).
25. However, Vitamin A status among beneficiaries was not adequate, with half of the children presenting some clinical signs of Vitamin A deficiency (ocular lesions, night blindness, low plasmatic level of retinol).
26. According to the baseline study, about 50 percent of the pre-school community centre personnel have been trained in hygiene and food handling, and most of them make use of those practices. Nevertheless, in some centres there is inadequate infrastructure for proper food storage and handling. Infrastructural improvement is needed in order to provide adequate hygienic and health conditions (running water, latrines, kitchen facilities, etc.).
27. The baseline study concluded that in order to obtain better and more varied diets for beneficiaries, it is necessary to improve training for nutrition, hygiene and health practices and to promote kitchen gardening at the community level.

Training

28. In order to help communities further strengthen their own management and coordination capacity, the Mifamilia component carried out a total of 46 training events related to organization and community participation, hygiene and food preparation. A total of 1,948 persons (425 teachers, 1,230 mothers and 293 fathers) throughout the country participated in these events.



29. The two project directors and the WFP project officer visited school feeding projects in El Salvador in order to exchange experiences, and the two components' gender focal points attended a workshop on participatory rural appraisal with a gender-oriented strategy in El Salvador (December 1998).
30. A workshop on food storage and handling for Mifamilia technicians and some WFP staff was held in June 1998. Furthermore, two workshops were scheduled for the start of the second year: one for the 1999 project action plan, and the other for joint training in community participation and organization, human development and food security.
31. PINE organized three training events for the project's supervisors in the following areas: leadership, community organization and planning of community work. A two-day workshop for bakers and supervisors was also held during the year.

Food management and logistics

32. The Mifamilia component sub-contracts a governmental company, Papal, to handle and store food in the central warehouse in Managua, and to transport it to the various departments. Parents organize food transport from departmental warehouses to pre-school centres with assistance from local governments and NGOs.
33. Since the products in the PINE component are produced locally, the food management differs from that of the Mifamilia component. The ingredients for producing the biscuits/drink are purchased locally, then delivered to bakeries for processing. From there, the final products have traditionally been stored in central warehouses, and distributed directly to each school. This distribution pattern has proved to be efficient, but costly. As a result of the review of biscuit production and distribution mentioned above, the transport of locally produced biscuits and HEP drink is now effected up to selected distribution points. From there, school authorities and parents take care of transport to individual schools. In addition, departmental warehouses in project areas have been established instead of using the central warehouse.
34. Negligible post-delivery losses were registered for pulses and rice. However, inadequate storage of CSB resulted in 139 tons being declared unfit for human consumption. This quantity was sold as animal feed. The proceeds (some 22,000 dollars) were used for local production of biscuits and cereal drink.

Government contribution

35. Each year, the Government earmarks funds to cover recurrent and operational costs of the two project execution units. Funds are disbursed by the Ministry of Finance and Public Credits to the two line ministries—Mifamilia and the Ministry of Education/PINE—which in turn release the funds to the respective project units. In the case of the Mifamilia component, the Government contribution has been outstanding; 100 percent of the allocated funds were disbursed, generally in a timely fashion. However, there have been significant delays and under-resourcing of the PINE component by the Ministry of Education. Through continued dialogue with the Government and in view of the new management at both PINE and the Ministry of Education, a more efficient and timely government contribution for this component is expected in 1999.



External assistance

36. Project activities are coordinated with projects financed by the World Bank, UNICEF and a range of NGOs such as SoyNica, ASDENIC *Redd Barna*, Prodega, World Aid, Agua para la Vida (Water for Life) and Feed the Children. During 1998, PAININ (funded by the World Bank/NORAD) was a very important partner. The aim of PAININ is to strengthen pre-school centres in the Mifamilia component by providing other inputs such as infrastructure, training, etc.

CONCLUSIONS AND RECOMMENDATIONS

37. During 1998, the project reached almost 370,000 pre-school and schoolchildren, equivalent to 9 percent of the planned figures. Despite the problems of the PINE component and dramatically reduced activity levels in the last quarter due to the consequences of hurricane Mitch, the project has made major progress in: a) targeting its assistance to the most food-insecure and poverty-stricken areas; b) streamlining the biscuit production process; and c) improving logistics and reducing transportation costs of the PINE component.
38. With the signing of the agreement with ASDENIC, for the future production of biscuits and the HEP drink using the extruder equipment, which will significantly reduce production costs, the foundations have been laid for gradual replacement of external assistance with national school feeding programmes.
39. Through the establishment and effective functioning of the Technical Committee, and under the leadership of the National Director and the newly appointed director of PINE, the two project components have worked in a much more integrated manner than before. This collaboration has been particularly efficient at the activity programming stage and in joint project supervision at the field level.
40. Sales of commodities resulted in cost-efficient operations. However, due to WFP's general resource constraints for development activities, arrival of commodities could not always be confirmed early enough to enter the sales negotiation process under the best possible conditions. It is recommended that cash be provided directly instead of going through the sales process.
41. For 1999, the following adjustments are recommended:
- a) further strengthening the PINE component through:
 - i) improved financial reporting and planning; and
 - ii) installation and management of the extruder equipment by a national NGO;
 - b) strengthening community participation and organization through training events in collaboration with NGOs and other partners at the national and local level, with an emphasis on gender issues;
 - c) increasing the coverage of community pre-school centres in the targeted, most food-insecure and poverty-stricken areas;
 - d) requesting that cash be provided for local purchases; and
 - e) ensuring that shipments of WFP food are timely and directed, preferably, to Puerto Corinto on c.i.f. terms.

