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## II Agreement on Debt for Development Swap between Italy and Peru



2013

**EVALUATION**

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#### Acknowledgements

The contents of the report are the product of the work of the Team selected by the Scuola Superiore Sant'Anna. The overall scientific supervision, and the internal quality control of the evaluation has been ensured by Prof. Andreas de Guttery from the Scuola Superiore Sant'Anna. The analysis of the Peruvian macroeconomic data has been entrusted to Prof. Davide Fiaschi from the University of Pisa. Ms. Serena Rossignoli, senior evaluator from the Scuola Superiore Sant'Anna, worked together with the author all along the evaluation process and in determining all the report findings.

While no formally part of the Team, two more persons contributed to its work and should be acknowledged here, that is Dr. Lisa Gianmoenia from the University of Pisa who assisted Prof. Fiaschi, and Ms. Margherita Melillo from the Scuola Superiore Sant'Anna who volunteered to support the Team in gathering information concerning debt-for-development swaps signed by Italy, and in drawing a comparison between the Italian practice in this field and that of other Paris Club members.

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## EXECUTIVE SUMMARY

The II Agreement debt-for-development swap between the Government of Italy and the Government of Peru signed on the 4th of January 2007, disciplines the conversion of 72 million USD and accumulated interests of aid credits between Italy and Peru aimed to alleviate Peruvian debt and provide poverty relief. Similarly to the I Agreement on debt-for-development swap between the two countries, the resources generated are channeled and managed by a counterpart fund -the Italian-Peruvian Fund- entrusted to select development projects according to the principles and guidelines agreed between the Parties.

Given the significance of the debt conversion initiative with Peru both in terms of resources devoted to it, as well as in terms of instruments and procedures set in place for its implementation, the Italian Ministry of Foreign Affairs has then decided to undertake an interim evaluation of the II Agreement. According to the terms of reference, the evaluation was entrusted with ascertain the coherency between the policy of the Italian Directorate General for Development Cooperation and the priorities of the Peruvian Government carrying out as well an evaluation on the functioning of the Italian-Peruvian Fund. The evaluation was then tasked to verify whether the resources generated by II Agreement on debt-for-development swap between Italy and Peru have been used in conformity with the Agreement itself and with the corresponding Regulations as well as in line with best practices to guarantee transparency in the selection of projects financed as well as in the selection of firms for outsourced services.

Framework of the evaluation exercise have been the OECD-DAC evaluation criteria, and in carrying out the entrusted mandate the evaluation Team relied on a variety of sources of information as to ensure triangulation of information, reliability of data, and credibility of findings, including: background literature; over 400 between Programme documents, and reports from previous evaluation and monitoring activities of the Italian-Peruvian Fund; semi-structured interviews and focus groups with more than 100 persons; case studies and on-site visits realized during a field mission of 10 days held in June 2013.

The II Agreement on debt-for-development swap between Italy and Peru has been found to be coherent with the Italian Development Cooperation policies and relevant with regard to Peruvian priorities for the objective pursued in terms of poverty reduction in target areas. Moreover the provision contained the in the accompanying Regulation that each project be approved by the local Roundtable for the Fight Against Poverty, beside contributing to the IFP inclusiveness and transparency, is to be regarded as an important mechanism to ensure relevance of each project at the local level and to favor local ownership.

The IPF was however also found not to have a defined strategic approach as plastically represented by the lack of a programme logical framework. The wide domains of intervention

coupled with the choice of including 8 regions with the possibility of undertaking interventions in other regions ended up diluting excessively the potential impact of the programme.

Overall the Programme design has been found to be logical and coherent: the envisaged division of functions between the IFP bodies was rational and its composition struck a good balance between the principles of ownership by the recipient and mutual accountability. Some shortcomings were however noted in that the short term appointment of non-governmental representatives in the Technical Committee was found to be an obstacle for developing at best the body's potential contribution.

Transparency came out as one of the main distinctive features of the IPF and its project management includes several steps aiming at guaranteeing transparent administration of funds and initiatives. In general it can be affirmed that operating procedures defined in the II Agreement on debt-for-development swap and in the corresponding Regulations, as well as best practices adopted for its execution have been applied. Also, most of the IPF procedures, with the exception of that of projects closure, are completed in reasonable timing.

On the other hand, it also appears that on average the IPF displayed very little flexibility whenever the implementing agencies proposed changes to their plan of activities or when they asked to make changes between budget lines even when there were solid grounds to do so.

More in general the IPF could benefit from revising its projects oversight system rationalizing outsourced services while promoting a more active role on the side of the IPF Technical Office whose mandate should be to ensure that the IPF resources are well invested as to generate effective and sustainable benefits for the target population and not just accounted for.

Indeed overlaps were found between the work carried out by the Technical Office and the Administrative one.

As for the IPF effectiveness on reducing poverty it is to be traced back mainly at the micro-level and in connection to each one of the funded projects, rather than to the Programme level. However, based on the case studies analyzed during the mission, there are indications that some of the initiatives funded by the IPF had an impact at policy level, which in turn contribute to IPF effectiveness as a programme. There is room for improvement however in the IPF ability to clearly identify these experiences and properly valorize them as well as in promoting exchange of experience between funded projects as to promote synergies and individuation of best practices and lessons learned to be shared among implementing agencies.

Also more could have been done to establish synergies first of all with the Italian Cooperation, but also with other programmes, projects or even other 'debt-for-development swap' initiatives.

On a positive note it should be emphasized the IPF-specific contribution to projects sustainability, that of gender mainstreaming. One of the novelties introduced by the II Agreement on debt-for-development swap between Italy and Peru is indeed the attention devoted to gender providing for the enabling framework in which the IPF adopted a gender mainstreaming approach.

It should be underlined that efforts to incorporate gender mainstreaming were concrete and consistent all along. The empirical data gathered and the ad hoc study commissioned by the IPF confirmed that overall positive results were reached and that on average it was possible to note a positive change in attitude on the side of implementing agencies towards gender mainstreaming.

The main recommendations formulated by the Evaluation Team have then been:

- To revise the call for proposals application form as well as the ex-ante evaluation process as to ensure an advisory role of the Technical Office to perspective implementing agencies in fine-tuning projects and in devising consistent operating plans, but also to oversee *ab initio* the quality of technical studies.
- To revise internal procedures as to make sure that the role played by the Technical Office is one of technical supervision of funded projects, including field oversight, rather than of administrative nature thus internalizing the outsourced supervisory services.
- To ensure feedback mechanism of monitoring missions, as otherwise the very same evaluation activity is devoid of significance.
- To adopt a more flexible approach to project changes proposed by the implementation agencies as well as take a proactive role in this sense recommending changes whenever projects show deficiencies.
- To revise the procedure for projects' closure as to make it significantly more expeditious, as to avoid incurring in unnecessary costs on the side of IPF and of the implementing agencies.
- To reduce the number of the sectors of interventions as to increase the overall impact of IPF interventions while promoting synergies among funded projects.
- To start a systematization of lessons learned and to facilitate the exchange of experiences among implementing agencies.
- To establish the connections with other development interventions acting in the same sector or regional area, as well as other debt-for- development swap programs.
- For the Italian Directorate General for Development Cooperation to find an arrangement whereby the absence of the Italian Co-Director does not end up being prejudicial for the IPF ability to carry out administrative procedures in due time.

As for the lessons learned, while the II Agreement on debt-for-development swap between Italy and Peru offers many examples of positive elements that could be borrowed in similar initiatives, it also provides some insights on issues to be considered and potentially approached differently in future agreements. In the Team's view main lessons learned are:

- The importance of targeting programme scope either by narrowing down a limited number of sectors, or of geographical areas, or both as to avoid the risk of excessively diluting funding.
- The importance of having a programme strategy and a programme logical framework. A well defined programme strategy also makes it easy to spot and capitalize on best practices and lessons learned of funded projects, as well as to promote synergies among funded projects and beyond.

- The pursuit of donor coordination guaranteeing at a minimum synergies between the projects funded by the Italian cooperation and those financed by the debt-for-development initiative.
- To clarify ab initio Italian expectations with regard to transparency standards to be adopted by the debt-for-development fund either by including meticulous provisions in the agreements' implementing regulation or at least by sharing with the counterpart a concise document detailing the transparency measures to be followed.
- As for the bodies modeled along the lines of the IPF Technical Committee, it would be highly recommendable to have terms of appointments longer than one year.
- Lastly, in designing future initiatives it could be advisable to have all the costs clearly associated with the debt-for-development swap fund structure born by the fund itself, a measure that would ease the managerial oversight.



## INTRODUCTION

The present document is the final product of the evaluation of the II Agreement on debt-for-development swap between the Government of Italy and the Government of Peru entrusted by the Italian Ministry of Foreign Affairs to the Scuola Superiore Sant'Anna.

The II Agreement signed on the 4th of January 2007, disciplines the conversion of 72 million USD and accumulated interests of aid credits between Italy and Peru aimed to alleviate Peruvian debt and provide poverty relief. Similarly to the I Agreement on debt-for-development swap between the two countries, the first of such kind ever signed by Italia, the resources generated are channeled and managed by a counterpart fund called the Italian-Peruvian Fund entrusted to select development projects according to the principles and guidelines agreed between the Parties.

Given the significance of the debt conversion initiative with Peru both in terms of resources devoted to it, as well as in terms of instruments and procedures set in place for its implementation, the Italian Ministry of Foreign Affairs has then decided to undertake an evaluation of the II Agreement and of the functioning of the Italian Peruvian Fund.

The present report, output of the work of the evaluation Team selected by the Scuola Superiore Sant'Anna, is structured as suggested by the evaluation terms of reference.

Hence in its first part, the report presents a short overview of the Peruvian context, that is the context in which the II Agreement took place and the Italian Peruvian Fund then operated.

The second part of the report is instead devoted to describing the evaluation: the mandate received, its various phases and processes, the sources used to collect data, and very importantly the limitations of the analysis undertaken.

The third main part of the document is instead devoted to describing the initiative and its implementation. The same part also contains a summary description of the three projects selected as case studies.

After that, the evaluation findings are presented both at Programme and case-studies level. In keeping with the evaluation criteria assigned by the terms of reference, findings are then detailed according to relevance, programme design, efficiency, effectiveness, impact and sustainability.

Evaluation findings are then further synthesized in the part devoted to conclusions, which immediately precedes the recommendations put forward by the Team for consideration.

The last and final part of the report is then the one on lessons learned, where the Team formulates suggestions on elements to be considered when designing future agreements on debt-for-development swaps.

## SHORT OVERVIEW OF THE PERUVIAN CONTEXT

The Republic of Peru is located in Western South America and thanks to its position the country is endowed with a great variety of ecosystems, species, genetic resources and culture being known as one of the world's 10 "megadiverse" countries<sup>1</sup>. With a population rounding 30 million<sup>2</sup>, Peru is also a multiethnic country being comprised of Amerindians (mostly Quechua and Aymara), *mestizos*, white, black, Chinese, Japanese, and others<sup>3</sup>. Peru's diversity also extends to the socio-economic conditions of its different regions, whereby "urban and coastal communities have benefited much more from recent economic growth than rural, Afro-Peruvian, indigenous, and poor populations of the Amazon and mountain regions"<sup>4</sup>.

Indeed, while Peru is classified as an upper middle income country by the World Bank, and in 2012 was included by UNDP among the countries having a high Human Development Index, it is also a country marked by high inequality levels with almost a 30% of its population living in poverty and close to 10% in extreme poverty. Worrying as these data might look, it should nonetheless be highlighted that in the last decade inequality decreased and significant progress was made in reducing poverty as it will be discussed later.

Indeed as the object of this evaluation is the II Agreement on debt-for-development swap between Italy and Peru, a brief overview of the origins of Peruvian debt is due<sup>5</sup>.

While in the early 60's, Peru's current account deficits and external debt were safely low fractions of GDP - with value around 1 percent of GDP in 1971-1972- Peru's debt problems started in the next several years, with deficit value at over 1.5 billion USD in 1975.

By that year the disequilibrium was so great that foreign creditors began to back off, creating a foreign-exchange crisis that forced the government to take corrective action adopting fiscal and monetary restraints that, jointly with favorable export prices, gradually cut down the external deficits and achieved a significant surplus on current account by 1979.

One year later, by the time President Belaúnde Terry took office for its second term, external deficit was small but it turned into a large one in the following years because of rapidly rising spending as well as temporary import liberalization which raised the current account deficit from

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<sup>1</sup> Convention on Biological Diversity: webpage on Peru Country Profile <http://www.cbd.int/countries/profile/default.shtml?country=pe> [last consulted on 9-20-2013]

<sup>2</sup> Source: INEI-Peru *Estimaciones y Proyecciones de Población Total por Sexo de las Principales Ciudades, 2010-2015*, Boletín Especial n. 23.

<sup>3</sup> Source: CIA The World Factbook, at <https://www.cia.gov/library/publications/the-world-factbook/geos/pe.html> [last consulted on 11-20-2013]

<sup>4</sup> *Ibidem*

<sup>5</sup> The overview of the origins of the Peruvian debt relies heavily on Chapter 3 of Hudson, R.A. ed., *Peru: A Country Study*.: GPO for the Library of Congress, Washington, 1992, available at <http://lcweb2.loc.gov/frd/cs/petoc.html> [last accessed on 9-22-2013]

101 million USD in 1980 to over 1.7 billion USD in 1981. Forced to adopt more restrictive spending policies, slowing the economy but bringing the current account deficit down again, the Belaúnde administration left at his successor García Pérez a small surplus.

The García government plunged into an expansion program that temporarily revived the economy but raised demand too fast for external balance and hence the surplus of 1985 was replaced by deficits in the range of 1 billion USD to 1.5 billion USD from 1986 through 1988. The external borrowing in these repeated periods of high current account deficits naturally created a high level of external debt. The economic situation worsened, with the level of foreign debt rising sharply and hyper-inflation plaguing the country.

Elections of 1990 were then won by Alberto Fujimori who enacted a severe and difficult program to end hyperinflation by raising consumer product prices, lowering interest rates, opening the economy to trade, and increasing the privatization of industries. In fact between 1990 and 1992 inflation decreased from 7,650% in 1990 to 139% in 1991, but per capita GDP also decreased to 1,863 dollar. With inflation curbed however, slowly per capita GDP began to painfully increase and indeed by 1996 it climbed back to 2,263 dollar. The recovery allowed Peru to re-enter the international economic field and investors slowly began to return.

Meanwhile it should not be forgotten that as of 1980 with the appearance of the Shining Path first, and the Tupac Amaru Revolutionary Movement a couple of years later, a bloody internal conflict was plaguing the country and “in addition to countless deaths, this state of affairs gave rise to huge economic losses in the form of infrastructure destruction, the onset and exacerbation of poverty, and social exclusion involving large groups of the population, such as indigenous peoples, women and children”<sup>6</sup>. The Fujimori government was eventually successful in curbing terrorism but that came to a high price in terms of respect for human rights and civil liberties with the auto-golpe of April 5, 1992. Also high were the costs “on social indicators (increased underemployment and inequalities) and institutional stability (breakdown of institutionalisation, increased State-led corruption, and authoritarianism)”<sup>7</sup>.

After undertaking a process of economic liberalization which put an end to price controls, discarded protectionism, eliminated restrictions on foreign direct investment and privatized most state companies, Fujimori was eventually forced to resign in 2000 amid a corruption scandal.

The pro-market policies enacted by Fujimori in terms of economic liberalization, attraction of foreign investments and privatizations, were continued by presidents Alejandro Toledo and Alan García and positive results have been reached the last decade.

Furthermore as of 1990, the Paris Club creditors had adopted new debt treatment rules for some middle-income countries facing high indebtedness and a stock of official bilateral debt totalling at least 150% of their private debt, the so-called Houston Terms, of which Peru benefitted three times between 1991 and 1996. Thanks to the Houston Terms, not only ODA and non-ODA

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<sup>6</sup> European Commission, *Peru Country Strategy Paper 2007-2013*, document E/2007/582, pg. 10.

<sup>7</sup> Emphasis added. *Ibidem*.

repayment periods were lengthened, but the way was paved for bilateral debt swaps on a voluntary basis, which were negotiated with a number of countries.

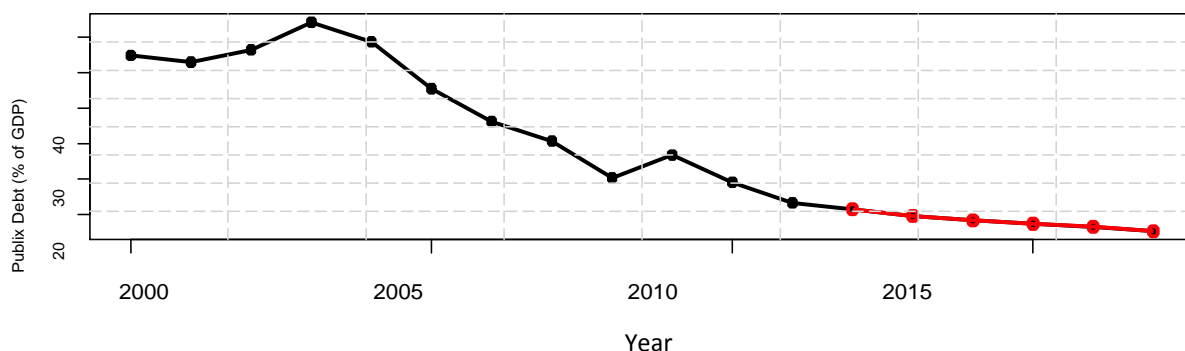
Unfortunately obtaining official data on debt swaps is rather challenging, and the Peruvian case is no exception. Nevertheless, compiling information retrieved from various sources, both official and unofficial, it seems that between its first debt swap concluded in 1993 and the one signed with Italy in 2007, Peru swapped roughly 782 million USD.

Out of the total amount, 661.62 million were forgiven, while the rest was placed in exchange value funds whose resources were then either channelled to governmental programmes or to debt-for-development funds, such as the Italian one. Out of all the countries that concluded debt-for-development with Peru<sup>8</sup>, Italy and Spain are the only ones that have chosen not apply a discount rate, that is the whole of the debt at face value was eventually channelled to the respective exchange value funds.

On the other hand, Italy has been the most generous among the creditor countries, agreeing to swap through two agreements a total of 189 million USD, followed by the United States (186.6 million USD) and then by Switzerland (146.1 million USD)<sup>9</sup>.

As already mentioned, thanks to the progress made especially in the last decade Peru's public debt is safely under control. According to the data released by the Banco Central de Reserva del Perú in June 2013 the Peruvian non financial public debt stock is roughly 274 billion USD, of which about 48,5% is foreign public debt, while the rest is internal owned<sup>10</sup>. Notably, as it can be easily inferred by looking at Figure 1, in the last decade there was a steady decrease in the ration between public debt and GDP and, according to IMF estimates (in red) the trend is expected to continue.

Figure 1: Public Debt (% of GDP)



<sup>8</sup> According to the information available the countries that signed debt-for-development swaps with Peru other than Italy are: Switzerland, Canada, Germany, Finland, USA, Spain, France.

<sup>9</sup> Data retrieved from Ortiz Roca et al., *Informe: seguimiento de los fondos de contravalor de conversión de deuda externa pública en inversión social en el Perú*, Red Jubileo Perú, 2006, pg. 15.

<sup>10</sup> Data retrieved from the website of the Banco Central de Reserva de Perú at <http://www.bcrp.gob.pe/docs/Estadisticas/NEDD/Data.htm> [last accessed on 9-21-2013]

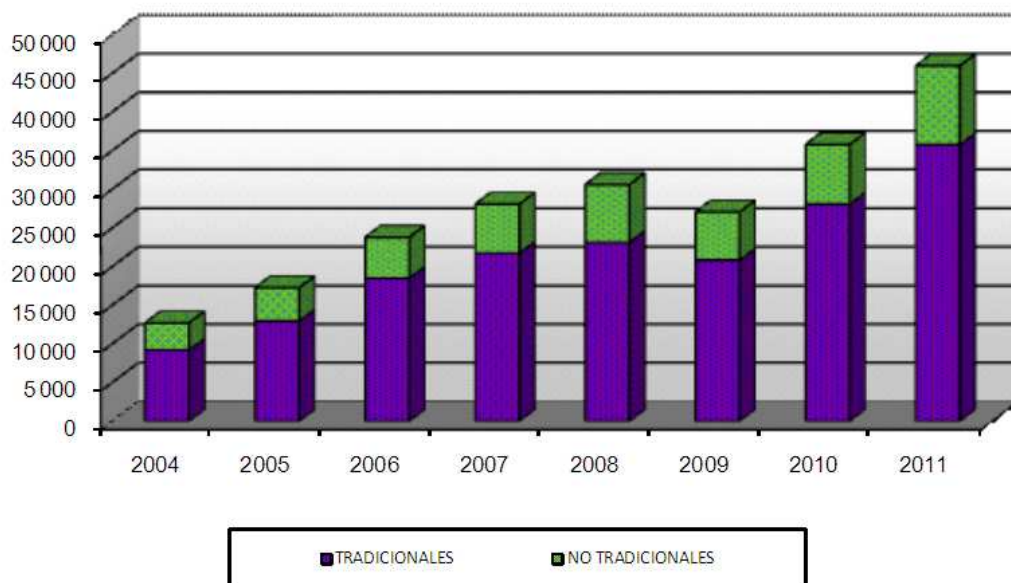
Peru is indeed considered a credit-worthy country and so much so that in August 2013 Standard & Poor’s upgraded its long-term foreign currency rating to BBB+, climbing over Brazil and Mexico, but also Italy<sup>11</sup>.

In fact, according to the World Bank Group Peru has been “one of the best-performing economies in Latin America, as a result of prudent macroeconomic policies and a favorable external environment”<sup>12</sup> that, by the way, allowed the country to come out rapidly of the 2009 world economic crisis by enacting effective countercyclical policies. Again the World Bank reports that “Peru’s GDP growth has been significant from a regional and historical perspective, averaging 6.3 percent between 2002 and 2010”, which “enabled a continuous recovery of Peru’s income per capita, which increased by more than 50 percent during the decade, after almost 30 years of stagnation”<sup>13</sup>.

Among other factors, one of the elements that greatly contributed to such an impressive economic performance has been the consistent and impressive growth in exports as indicated in Figure 2.

Figure 2<sup>14</sup>

Evolución de las Exportaciones 2004-2011  
(US\$ MILLONES FOB)



<sup>11</sup> Quingly, J., *Peru Gets S&P Rating Upgrade as Mining Investments Power Economy*, August 20, 2013, Bloomberg, available at <http://www.bloomberg.com/news/2013-08-19/peru-gets-s-p-rating-upgrade-as-mining-investment-powers-economy.html> [last consulted on 9-21-2013].

<sup>12</sup> Country Partnership Strategy for the Republic of Peru for the Period FY12-FY16, World Bank, Report No. 66187-PE, 2012, pg. 2.

<sup>13</sup> Emphasis added, *Ibidem*.

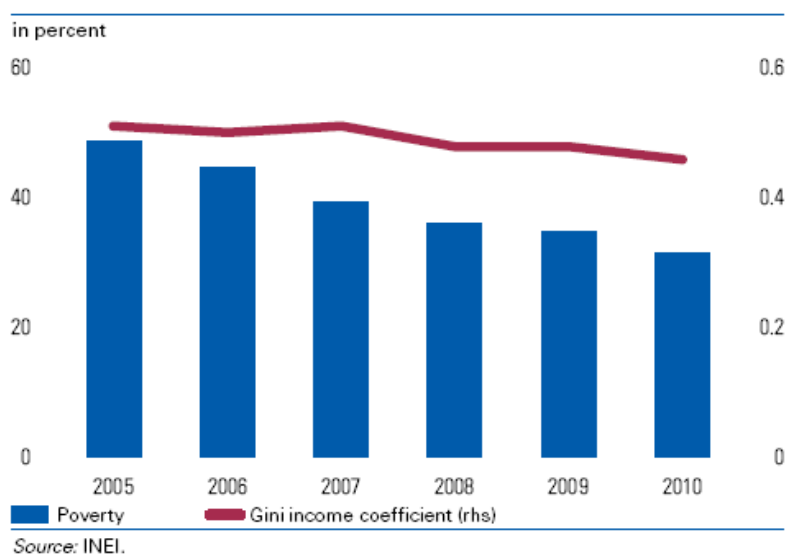
<sup>14</sup> Graph produced by the Peruvian Ministry of External Trade and Tourism, *Resumen Exportaciones 2011*, available at [http://www.mincetur.gob.pe/newweb/Portals/0/documentos/comercio/CuadrosResumen\\_Exportaciones\\_2011.pdf](http://www.mincetur.gob.pe/newweb/Portals/0/documentos/comercio/CuadrosResumen_Exportaciones_2011.pdf) [last accessed on 9-21-2013]

Also, Figure 2 depicts the weight of traditional over non-traditional export sectors with mining and oil and derivatives accounting alone for 69.7% of the total. However, differently from Chile or Venezuela, Peru exports several commodities being the first producer of silver, the second of copper and zinc, and the sixth of gold in the world<sup>15</sup>. This favors greatly the Country because, although commodity prices may be volatile, the prices of the Peruvian basket of metals are not highly correlated.

Then, from an economic perspective, while it might be advisable to further differentiate the export basket, the true challenge ahead is to achieve more inclusive growth a goal shared by Peru’s current President Ollanta Humala.

Indeed as authoritatively stated by the World Bank and evident by looking at Figure 3 “[w]hile poverty has declined substantially, the decrease in inequality has been small, and social conditions outside of Lima and other urban areas are markedly different” and in fact in 2010 “the average income of people in the top decile of the income distribution was 22 times the income of those in the bottom decile—a multiple that was comparable to that of 2004 (24 times)”<sup>16</sup>.

**Figure 3: Poverty rate and inequality 2005-2010**<sup>17</sup>



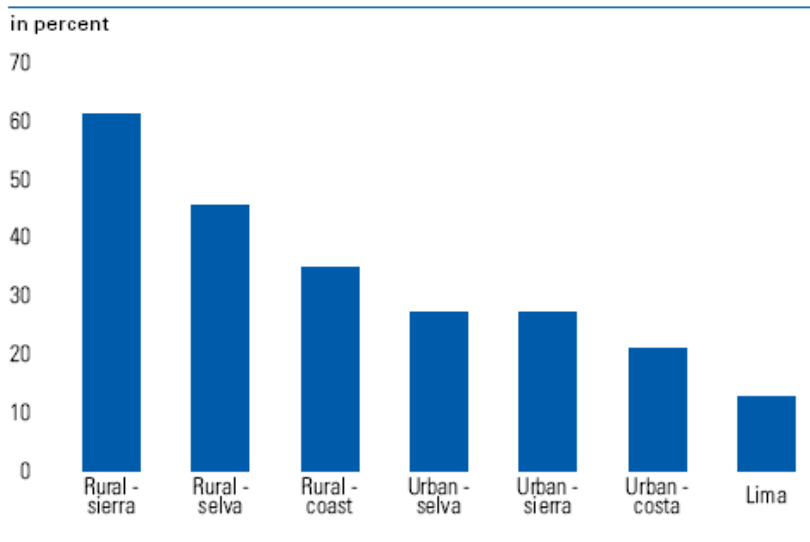
<sup>15</sup> Toledo, F., *The Impact of Terms of Trade on the Peruvian Economy*, presentation at the UCTAD Global Commodities Forum 31 January-1 February 2011, available at [http://www.unctad.info/upload/GCF2011/doc/A1-A3/gcf2011\\_A3\\_Toledo.en.pdf](http://www.unctad.info/upload/GCF2011/doc/A1-A3/gcf2011_A3_Toledo.en.pdf) [last accessed on 9-21-2013].

<sup>16</sup> Gonzalez, O. et al, *Peru Public Expenditure Review for Peru : spending for results*, Public expenditure review (PER). 2012. Washington D.C. - The Worldbank, pg. 8. Document available at <http://documents.worldbank.org/curated/en/2012/06/17204328/peru-public-expenditure-review-peru-spending-results> [last accessed on 11-22-2013]

<sup>17</sup> Graph reported in Gonzalez, O. et al (2012), pg.7.

The World Bank goes on to note that the “decline in poverty rates is also much less impressive when we focus our attention away from the national averages and pay attention to the diversity of experiences across the Peruvian geography” as depicted by Figure 4 below.

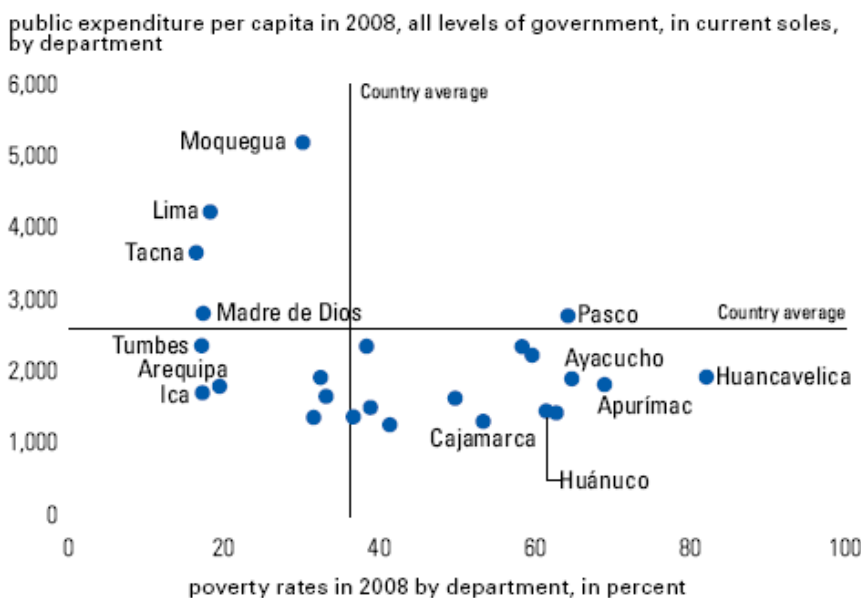
**Figure 4: Poverty rate across different geographical areas (2010)<sup>18</sup>**



Source: INEI.

Unfortunately it should also be noticed that in the recent past distribution of public expenditures across departments has reinforced the income inequality gap as depicted in Figure 5 below.

**Figure 5: Public expenditure and poverty by department<sup>19</sup>**



Source: MEF and INEI.

<sup>18</sup> Graph reported in Gonzalez, O. et al (2012), pg.7.

<sup>19</sup> Graph from Gonzalez, O. et al (2012), pg. 49

It is relevant to stress that Figure 5 takes into account not only the national level, but also the regional and local one, and that by looking at disaggregated data all of them are found to be somewhat biased towards spending more in richer departments. Indeed, part of the problem lies in that many Peruvian municipalities have difficulties in spending the budget allocated to them, as for instance in 2009 was found that municipalities spent an average of between 63 and 97 percent, with a number of them scoring below the 40 percent rate. As a matter of fact, starting in 2002 Peru engaged in an important decentralization process whereby regional and local authorities are increasingly tasked with responsibilities concerning service delivery, although the data just mentioned reminds us that “effective fiscal decentralization can be achieved if budget allocations are matched not only with local needs, but also with local capacity” and that “increasing municipalities’ budgets without technical support and sustained capacity-building efforts is not wise policy”<sup>20</sup>.

It should also be pointed out that in the past few years Peru’s social protection expenditure as a percentage of DGP scored consistently lower than Latin American countries average<sup>21</sup>. Then albeit social protection programs have been judged rather effective and well targeted<sup>22</sup>, scholars and practitioners alike have been unanimous in their call for higher resources to be devoted to improve education, health care and the social safety net. As stated by President Humala himself in his last presidential address of July 2013:

*Sólo en la medida en que más peruanos y peruanas se integren como ciudadanos plenos al progreso del país, podremos conseguir el desarrollo. Ya no se trata solo de crecer para incluir, sino también, de incluir para seguir creciendo.*<sup>23</sup>

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<sup>20</sup> Loayza, N. et al, *More Than You Can Handle: Decentralization and Spending Abilities of Peruvian Municipalities*, Policy Research Working Paper 5763, The World Bank, Washington, 2011, pg. 26, available at <http://elibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-5763> [last accessed on 11-22-2013].

<sup>21</sup> in Gonzalez, O. et al (2012), pg. 52.

<sup>22</sup> In this sense see for example Jaramillo, M., *The Incidence of Social Spending and Taxes in Peru*, Public Finance Review, July 2013, Sage, available at <http://pfr.sagepub.com/content/early/2013/07/25/1091142113496134> [last accessed on 9-22-2013].

<sup>23</sup> Presidential address to the Congress by Ollanta Humala on July, 28, 2013, available at <http://elcomercio.pe/actualidad/1610101/noticia-mensaje-nacion-2013-discurso-completo-ollanta-humala> [last accessed on 9-22-2013].



## THE EVALUATION

According to the terms of reference, the evaluation was entrusted with ascertain the coherency between the policy of the Italian Directorate General for Development Cooperation and the priorities of the Peruvian Government carrying out as well an evaluation on the functioning of the Italian-Peruvian Fund.

The evaluation was then tasked to verify whether the resources generated by II Agreement on debt-for-development swap between Italy and Peru have been used in conformity with the Agreement itself and with the corresponding Regulations as well as in line with best practices to guarantee transparency in the selection of projects financed as well as in the selection of firms for outsourced services.

Albeit not specified in the Terms of Reference the type of evaluation to be performed was an interim one and the agreed timeframe to be covered ranged from the signing of the II Agreement on debt-for-development swap between the two countries to the end of the field mission June, 19, 2013.

The purpose of the evaluation was then twofold:

- To give account to external stakeholders (Parliament and public opinion) about the activities implemented and the results achieved;
- To share lessons learned as to inform future initiatives of debt-for-development swap with Peru.

As for the evaluation specific objectives, these have been the following:

- To assess the relevance of the Programme objectives and to the degree of attainment of the same objectives;
- To assess efficiency, effectiveness, impact and sustainability of the Programme;
- To examine the Programme in its entirety as to identify best practices and lessons learnt as to inform future development assistance programmes;
- To analyze strategies and implementation modalities as to formulate recommendations for future debt-for development swaps with Peru;
- To estimate results and effectiveness of the debt-for-development swap Programme;

The evaluation criteria assigned were consistent with the OECD DAC Principles for Evaluation of Development Assistance, namely:

- Relevance: the extent to which the Programme took into account the Peruvian context and problems and whether Programme objectives have been coherent with Peruvian strategies and objectives. It was also asked whether or not the chosen approach has been strategic. As for the projects financed, the evaluation was supposed to verify: 1) to what extent were the projects' objectives valid; 2) to what extent were the projects'

objectives coherent; 3) what are the beneficiaries' perceptions concerning the usefulness of the projects.

- Programme design: the evaluation was tasked to assess the extent to which Programme design has been logical and coherent.
- Efficiency: a) whether results have been achieved with the foreseen costs, b) whether results have been achieved within the foreseen timeframe; c) whether the alternative chosen was the most efficient (minor costs or shorter time) in comparison with others.
- Effectiveness: 1) whether the Programme's general and specific objectives have been clearly identified and quantified; 2) whether the Programme characteristics and features were coherent with the general and specific objectives; 3) to what extent were general objectives achieved; 4) to analyze main factors that influenced whether objectives have or not been achieved.
- Impact: evaluation was asked to measure direct and indirect effects, what are the changes induced by the Programme and to what extent they can be attributed to the Programme.
- Sustainability: whether the benefits of the Programme are likely to continue after donor funding has been withdrawn and which ones were the major factors that influenced the achievement or non-achievement of sustainability of the Programme.

The evaluation terms of reference also included a number of evaluation questions, and sub-questions. The evaluation questions assigned were:

- 1) What kind of political, economical and institutional development can be traced back to the debt-for-development swap?
- 2) The debt-for-development swap rendered the Country's debt burden sustainable?
- 3) What has been the role of the provisions and conditions of the debt-for-development swap agreement?
- 4) The operating procedures defined in the II Agreement on debt-for-development swap and in the corresponding Regulations, as well as best practices (call for proposals mechanism) adopted for its execution have been consistently applied?
- 5) Are results sustainable?
- 6) What are the lessons learned concerning the validity and pertinence of the theory whereby debt-for-development swaps are a contribution to economic growth and poverty reduction?

## EVALUATION PHASES AND PROCESSES

Before addressing the various evaluation phases, it should be reminded that the evaluation exercise was undertaken by a gendered-balanced Team of experts with a mix of evaluative skills and thematic knowledge selected by the Scuola Superiore Sant'Anna. None of the Team members was in conflict of interest, while all of them abided to evaluation ethical standards concerning integrity, honesty, independence, and confidentiality.

As to duly carry out the entrusted mandate, the evaluation Team structured its work in three different phases: desk phase, field phase and synthesis phase.

During the desk phase the Team carried out the structuring process and initiated the data collection process, which was eventually concluded through the field phase.

The tasks at the core of the structuring process were the reconstruction of the intervention logic and the refinement of the evaluation questions. While the problems encountered in the reconstruction of the intervention logic will be addressed in the paragraph devoted to the limitations on the analysis, it should be here addressed the question of the refinement of the evaluation questions. Indeed, during a first meeting held on the 15<sup>th</sup> of February 2013 with the relevant officers of the Ministry of Foreign Affairs it was specified that the focus of the interim evaluation had to be placed on the efficiency of the Italian Peruvian Fund on debt-for-development swap.

Then during the first part of the data collection process the Team carried out the following tasks: analyzing the documents on the Programme transmitted by the Ministry of Foreign Affairs; determining a list of preliminary findings to be further tested during the field-mission; determining the information gaps to be filled in; and preparing the field visit with the assistance of the personnel of the Italian Peruvian Fund.

The field phase, carried out by the two senior evaluators from the Scuola Superiore Sant'Anna, Luisa Nardi and Serena Rossignoli, lasted ten days and allowed to complete the data collection process.

Immediately afterwards it followed the synthesis phase in which the analytical process took part and whereby answers to the evaluation questions were drafted and recommendations formulated. As per request of the Ministry of Foreign Affairs during the same phase the Team distilled preliminary findings and quickly actionable recommendations to be considered by the Italia Peruvian Fund in light of the imminent new call for proposals. The document, whose contents have been included in the present report, was entitled *FIP: a snapshot on preliminary results and recommendations for short-medium term action* was rendered to the Ministry of Foreign Affairs on July 12 2013.

Again at the end of the synthesis phase, a preliminary draft of this report has been presented as to elicit suggestions within a public workshop held at the Ministry of Foreign Affairs in Rome on November 11, 2013. the inputs and comments received then have been instrumental in fine-tuning and finalizing the report.

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## DATA COLLECTION AND SOURCES

The evaluation relied on a variety of sources of information as to ensure triangulation of information, reliability of data, and credibility of findings, including:

- Relevant literature on topics such as debt-for development-swaps, Peruvian macroeconomic context, institutional set up and others.
- Documents on the Programme and projects selected as case-studies retrieved from the Directorate General for Development Cooperation, from the Italian-Peruvian Fund, from former Italian Co-Directors of the Fund, and from the case-studies implementing agencies.
- Reports from previous evaluation and monitoring activities of the Italian-Peruvian Fund and of its projects.
- Semi-structured interviews and , in some occasion, focus groups with a wide range of actors including personnel of the Italian Ministry of Foreign Affairs; personnel from the Italian Peruvian Fund; personnel from the Peruvian Ministry of Economics and Finance and from the Peruvian International Cooperation Agency; Italian and local NGOs' representatives; projects' staff; projects' beneficiaries; local authorities; persons belonging to the National Roundtable for the Fight against Poverty and its local chapters; the consultancy firm entrusted of monitoring the funded projects; and so on.
- Case studies and on-site visits. In accordance with the Ministry of Foreign Affairs, it was decided to select a limited number of projects to be taken as case studies, and selection criteria were jointly agreed. The criteria used have been the following: a) one project undertaken by each of the 3 most representative categories of actors eligible for funding by the Italian Peruvian Fund (that is Peruvian local authorities, Peruvian NGOs, Italian NGOs); b) projects belonging to the different sectors eligible, of which one categorized as productive considering the relative weight of this sector compared to the others; c) be either completed or close to completion point; d) be located either in the Department of Lima or in that of Junin in light of the time constraints faced which rendered unfeasible planning on-site visits to more remote areas.

On the basis of the above criteria, the following three projects were selected:

<b>Project Title</b>	<b>Implementing Actor</b>	<b>Region</b>
<b>Programa de Generación de Ingresos para Pequeños y Artesanales Productores de Mármol (Travertino) Organizados en una Red y Articulados en una Cadena Productiva - Instituto Regional Del Mármol de Junín'</b>	Junín Regional Government	Junín
<b>Fortalecimiento de Capacidades de Distintos Actores para la Prevención, Atención y Lucha Contra la Violencia a Niños, Niñas, Adolescentes y Jóvenes , y Promoción de sus Derechos Humanos , en el Marco de los Planes Concertados de Desarrollo Local</b>	CESVI	Lima
<b>Fortalecimiento de la Gestión Ambiental para la Lucha Contra la Contaminación en la</b>	Huancayo	Junín

Overall and thanks to the collaboration encountered the Team interviewed more than 100 people, while the Programme documents revised have been around 400.

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#### DIFFICULTIES ENCOUNTERED AND LIMITATIONS ON THE ANALYSIS

First of all, it should be pointed out that it proved impossible to reconstruct a proper intervention logic. Indeed under the broad objective of reducing poverty in the target regions, specific results to be achieved by the Programme were not individuated. Benchmark of success and objectively verifiable indicators were also missing.

Collecting the relevant documentation concerning the Italian Peruvian Fund also proved to be rather time-consuming. Indeed during the first meeting held in Rome with the counterpart, the Team received a batch of 159 documents. However upon reading them, it was found that for the most part they covered only a rather recent and short period of the Fund's life, while the Team was lacking many essential documents such as the Fund's organizational chart, the internal regulations, the call for proposals texts, the monitoring reports, and so on and so forth. Relying on the collaboration of various persons, the Team was able to gather most of the needed documentation most of which though arrived between three and one week prior to the beginning of the field mission.

Another limitation that should be pointed out is inherently tight to the long timeframe covered by this interim evaluation, that is January 2007-June 2013, a period in which there has been a significant turnover of personnel involved. In some cases, such as the one of the Italian Co-Director, it has been possible to interview the various persons that held the post, while in others that proved impossible and hence there are some lacunas concerning issues that were deemed to be addressed but for which it proved impossible to answer, such as the process that led to the signing of the II Agreement on Debt for Development Swap.

As for the case-studies, the analysis was severely limited by the available time . Considering that the projects worth was over 5 million USD, and that all of them were multi-component, clearly having a single day to evaluate each one of them was a suboptimal situation and hence focus was placed chiefly in the functionality of the relationship between the implementing agency and the IPF. Also, in so far as the project of the Regional Government of Junin is concerned, the Team faced additional limitations in that: i) the Regional Government of Junin decided to held the inauguration of the Regional Institute of Marble when the Team hold its mission which curtailed significantly available time to hold interviews; ii) the project manager interviewed was not the one that followed the first part of the project and hence he was not able to answer to a range of

questions concerning many of the activities undertaken, especially those of awareness raising and capacity building in favor of the targeted communities.

## PROGRAMME AND CASE STUDIES DESCRIPTION

The II Agreement on Debt for Development Swap between the Government of the Italian Republic and the Government of the Republic of Peru was signed by the respective Foreign Affairs Ministers on the 4<sup>th</sup> of January of 2007. The Agreement with the accompanying Regulation- finalized in July 2007- disciplines the swap of a bilateral debt amounting to roughly 72 million USD (principal and cumulated interests) to be credited in various installments to a specific fund denominated Italian Peruvian Fund (hereinafter IPF). The resources from the IPF were then to be used to fund development projects geared towards the reduction of poverty jointly agreed by the two parties.

In line with the mechanisms and procedures tested through the I Agreement on Debt for Development Swap between the two countries, the II Agreement envisioned two different bodies for carrying out its implementation, namely the Management Committee and the Technical Committee whose roles, composition and functioning will be now briefly outlined.

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### MANAGEMENT COMMITTEE

The Management Committee, the IPF highest decision-making body, is comprised of the Italian Ambassador to Peru and by a representative of the Peruvian Ministry of Economy and Finance. It meets every 4 months or more if needs arise and its decision are taken by consensus.

According to article 4.1 of the II Agreement and art. 5 of the Regulation, the Management Committee needs to give its approval on:

- Documents related to the calls of proposals;
- Projects to be financed;
- Requested modifications to the financed projects that entail changes in the objectives pursued and/or an increase in their costs;
- Periodic reports rendered by the Technical Committee on ongoing activities and results achieved by the projects financed;
- Substantiated proposals by the Technical Committee to reduce from 10% to 5% the minimum share of project co-financing for local authorities with scarce resources;

The Management Committee is also the body that receives and approves the annual report rendered by the auditing firm, and furthermore is the body that can decide to suspend or cancel a project altogether whenever significant problems arise.

From the information gathered it seems that the Management Committee functioned smoothly and decisions were easily reached by consensus with the notable exception of the approval of the results of the 2009 call for proposals. Indeed one of the projects to be financed according to the merit list submitted by the Technical Committee involved reparations for victims of the internal armed conflict as envisaged by the Truth and Reconciliation Commission of Peru, which the Peruvian representative in the Management Committee refused to approve. Several months of

stall followed as the Italian Ambassador maintained that the project was indeed to be financed. At the end a compromise was found in that the proponent NGO agreed to change the project to the effect of leaving out the reparations issue and the project was finally approved.

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## TECHNICAL COMMITTEE

The Technical Committee is the body charged with assisting the Management Committee. According to art. 4.4 of the II Agreement the Technical Committee is comprised of: a representative of the Ministry of Economy and Finance who also acts as president of the body; a representative of the Peruvian International Cooperation Agency; one from the Italian Directorate General for Development Cooperation; one from a local authorities organization; two persons from the Peruvian civil society organizations chosen upon consulting the same civil society and with the agreement of both parties. Article 4.4 further specifies that representatives from civil society should be rotating and that one of the two organization represented should be an indigenous one.

Article 6 of the implementing Regulation to the II Agreement further details terms and modes of appointment indicating that:

- The representative from the local authorities should be chosen from one of the seven Departments indicated as priority areas by the II Agreement and for a term of one year. The indication of either a provincial or a district municipality as representative has to be made by the Regional Government indicated on a rotational basis.
- As for the representative of the indigenous organizations it was supposed to be elected also for a one-year term by the indigenous organizations themselves in a meeting called on purpose by the competent governmental body.
- As for the other representative of the Peruvian civil society, its one year appointment was to be done on the basis of a transparent and open selection process by either the “Defensoria del Pueblo” or by the National Roundtable for the Fight against Poverty.

It should be noticed that only the nomination of the representative of the Peruvian civil society made by the National Roundtable for the Fight against Poverty has always proved to be a smooth process, while the Team registered some difficulties with the nomination of the representative from the local authorities and from the indigenous organization. Indeed, in so far as the indigenous organizations’ representative is concerned, the governmental body tasked to call the meeting for the election has recently declined to continue doing so and, as a result, no indigenous organization is currently represented in the Technical Committee.

It has also be noticed that on at least one occasion the Regional Government refused to nominate a representative from its provinces or municipalities out of political animosity.

The functions entrusted to the Technical Committee by art. 4.3 of the II Agreement and by art.7 of the Regulation are as follow:

- To take care of the IPF administration;



- To prepare and submit to the Management Committee for its approval the annual action plan;
- To prepare and submit to the Management Committee for its approval the documents concerning the calls for proposals;
- To evaluate the projects presented in response to the calls for proposals and prepare the merit list to be transmitted to the Management Committee;
- To select and contract consultants or consultancy firms, including the auditing firm;
- To sign the financing agreements with the implementing agencies whose projects the Management Committee decided to fund;
- To approve modifications of funded projects that do not involve an increase in costs or entail changes in the objectives pursued;
- To organize and/or to undertake the periodic monitoring of the projects;
- To prepare every 6 months the periodic report on ongoing activities and results achieved by the projects financed to be transmitted to the Management Committee;
- To transmit to the Management Committee the auditing firm annual report, as well as the periodic financial reports rendered by the implementing agencies;
- To put forward to the Management Committee proposals for projects' suspension or closure;
- To promote periodic dissemination events so that civil society be cognizant of the funding opportunities offered by the IPF;
- Any other function the Management Committee assigns to it.

Obviously the Technical Committee alone would not have been able to carry out on its own the workload associated with such demanding tasks and functions, and then the Regulation in its art. 8 provides for the assistance of two main experts, the Co-Directors supported by other personnel.

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#### THE CO-DIRECTORS AND THE IPF STAFF

One of the two Co-Directors is nominated by the Peruvian Ministry of Economy and Finance, while the second one is indicated by the Italian Directorate General for Development Cooperation routinely representing the same Directorate also in the Technical Committee.

The functions assigned to the Co-Directors are enlisted in the IPF *Manual de Organización y Funciones* and are extremely broad ranging from the selection and supervision of the personnel, to represent the IPF *vis a vis* all external stakeholders, from promoting synergies with other development projects and programs to jointly signing all the letters, correspondence, reports on the funded projects and much more.

Since the beginning of the II Agreement on debt-for-development swap between the two countries there have been two different Peruvian Co-Directors and three Italian ones. Striking a balance on the quality of relationship between the two Co-Directors it can be said that this have been positive on average with some physiological low and high points over the years.

As for the Italian Co-Director it should then be recalled that the person is directly paid by the Directorate General for Development Cooperation, thus differently from the Peruvian homolog whose stipend is provided for by the IPF.

Then while the first Co-Director, Ms. Maria Pia Dradi, was a Technical Central Unit expert seconded on a long mission, the following two, Mr. Sandro Targa first and Mr. Riccardo Moro then, have been external consultants whose mandate was limited in time owing to the restrictions of the Italian legislation on this typology of contracts. The most notable consequence of the change in the contractual nature of the Italian Co-Director has been that the post has been vacant for months at a time and that in the meanwhile the local Italian Embassy had to vet and sign all the IPF correspondence, which slowed down procedures.

Under the supervision of the two Co-Directors work, beside the secretaries, the Legal Office, the Technical Office, and the Administrative one. Directly subordinated to the Italian Co-Director then there is an Assistant.

From a financial perspective, it should then be remembered that up to 2011, excluding the Italian Co-Director, a large share of the IPF personnel (between 22 and 25 out of a total ranging in between 39 and 43) was directly paid by the Italian Ministry of Foreign Affairs together with a series of other expenses ranging from the rent of the IPF headquarter, to part of the consultancies expenses, office expenses and so on. Then with the severe resource contractions experienced recently by the Italian Ministry of Foreign Affairs, the bulk, but not all, of these expenses were passed on to the IPF itself which consequently decided a reduction in personnel.

## THE PROJECTS

The IPF *raison d'être* is, as seen, the reduction of poverty, objective pursued by funding development projects. Art. 3 of the II Agreement specifies that the projects funded will have a value ranging between 250 thousand and 2 million USD and a maximum length of 36 months.

The actors eligible for funding are local authorities, as well as Italian and Peruvian NGOs and universities. As already indicated, proponents need to make a contribution, either in cash or in kind, of at least 10% of the project value.

As for the geographical localizations of projects eligible it is specified that 80% of the IPF will be devoted to the regions of Loreto and Amazonas displaying the highest index of poverty in the Amazon area; Ayacucho, Huancavelica, Apurimac, Junin, and Huanuco with the highest index of rural poverty; and Lima for its high percentage of urban poor. The remaining 20% of the IPF funding could instead be devoted to projects localized in other Regions as long as deemed capable of triggering particularly relevant development processes.

Again art. 3.4 stated that priority was to be assigned to those projects geared towards the fight against poverty displaying a high level of participation, a gender approach, and an environmentally

sustainable use of resources, while art. 3.6 specified the sectors towards which the IPF funding would be destined as follows:

- a. Community-based development:
  - i. Projects geared towards the development of indigenous communities;
  - ii. Projects geared towards strengthening community-based organizations as well as the most disadvantaged local authorities;
  - iii. Projects geared towards the consolidation of democracy and of citizenship rights;
  - iv. Projects realized in furtherance of the recommendations made by the Truth and Reconciliation Commission of Peru;
- b. Environmental protection and sustainable development:
  - i. Reforestation and protection of biodiversity;
  - ii. Promotion of traditional crops;
  - iii. Alternative cultivations;
- c. Infrastructures:
  - i. Realization of health centers, schools, water pipes, sewage systems, drainage systems, rural streets or pathways to access services;
- d. Development:
  - i. Set up or strengthening of micro-credit systems for poor population favoring the creation of micro and small enterprises;
  - ii. Realization or upgrading of small productive infrastructures as to promote the economic development of beneficiaries' communities;
  - iii. Land titling in favor of rural population.

The same article also provided for the possibility of funding feasibility studies, training and technical assistance within the sectors just mentioned in favor of those local authorities whose human and financial resources proved insufficient to present acceptable financing proposals. Lastly it was also envisioned the possibility of financing projects geared towards consolidating initiatives financed under the I Agreement on debt-for-development swap.

Then art. 3 of the Regulation further adds a series of elements among which the most important are the following:

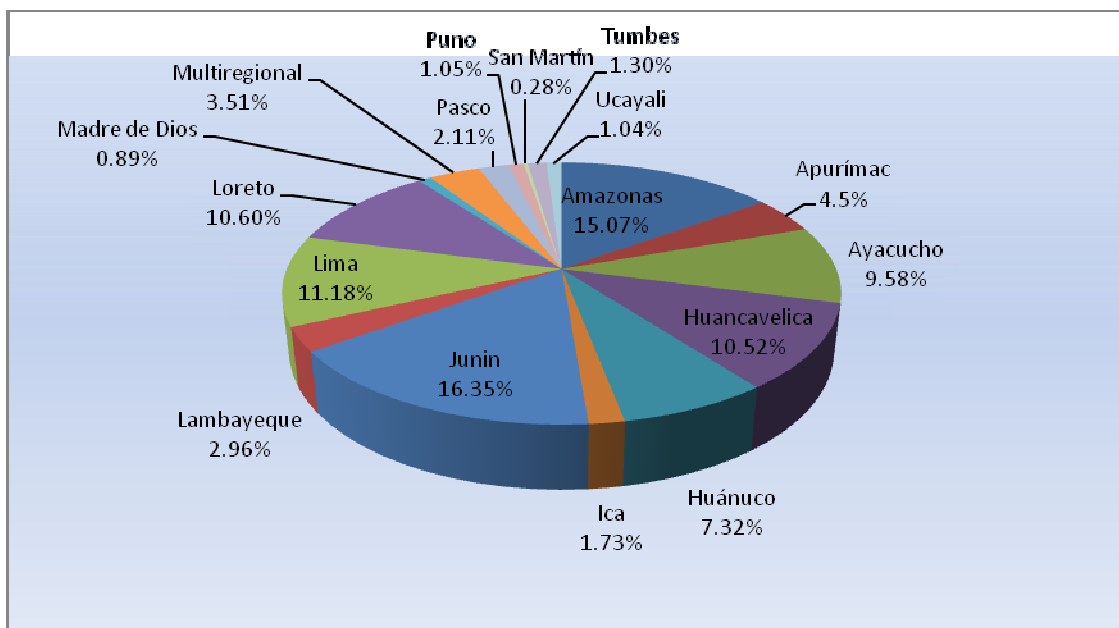
- the projects were to be selected through call for proposals;
- the infrastructural projects were to be included in a development plan and they needed to include productive and social components essentials to guarantee their sustainability;
- that all projects proposals abstracts had to be submitted to the corresponding Roundtable for the Fight Against Poverty that would within 30 days express its opinion on how their objectives would further the fight against poverty in the area.

Accordingly between the signing of the II Agreement and the June 2013, three rounds of calls for proposals had been held within the framework of the II Agreement. Through the 2007 call for proposals 26 projects have been approved, while through the 2008 call for proposals the funded

projects have been 37, and additional 26 projects have been approved following the call held in 2009. The total number of projects financed has been of 89.

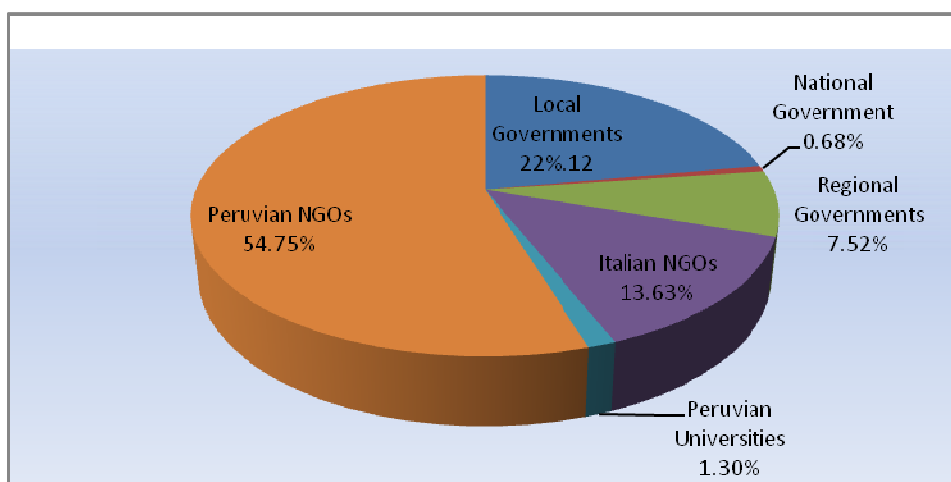
In keeping with art.3 of the II Agreement as of today 85% of the available resources have been clearly earmarked for the priority regions indicated. Among those, as it can be seen by looking at Figure 6 the regions of Junin and Amazonas got the lion share of the available funding, closely followed by Lima, Loreto, Huancavelica, and Ayacucho, while Huanuco and even more Apurimac follow behind.

**Figure6: IPF funding by region<sup>24</sup>**



As for the actors whose projects received funding a breakdown is presented in Figure 7. Please note that, as none of the Italian Universities ever managed to present a successful project, they are not included in the pie-chart.

**Figure 7: IPF funding by typology of actor<sup>25</sup>**

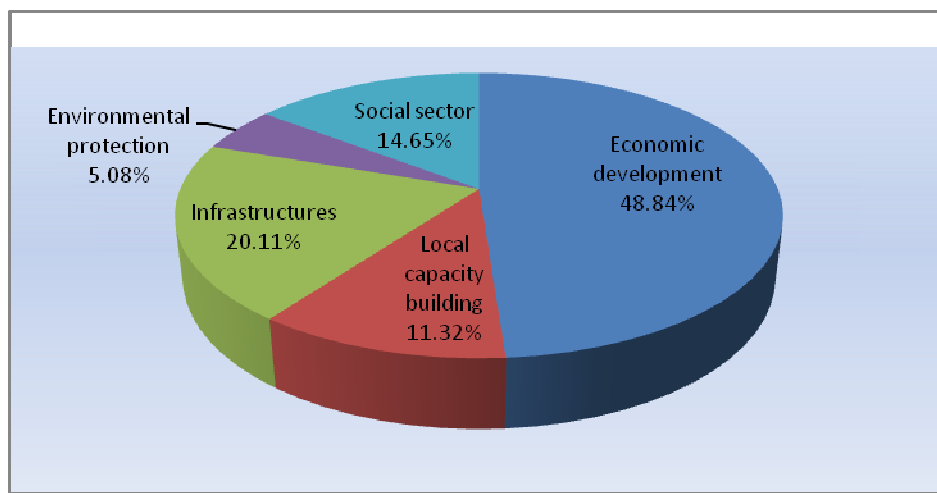


<sup>24</sup> Own elaboration based on data transmitted by the IPF on June, 30, 2013.

<sup>25</sup> Own elaboration based on data transmitted by the IPF on June, 30, 2013.

By looking at Figure 7 is evident that, differently from the I Agreement whose funding benefitted in its majority governmental actors (local, regional and national), the resources available within the II Agreement have been destined in its majority to civil society actors, meaning Peruvian and Italian NGOs and universities that taken together account for almost 70%. However it can be easily noticed that local governments, and to a lesser extent regional ones, still received a significant percentage of the IPF resources under the framework of the II Agreement while the reason in the decrease is probably tight to the fact that, compared to the I Agreement, much less emphasis was placed on building infrastructures as proved by Figure 8.

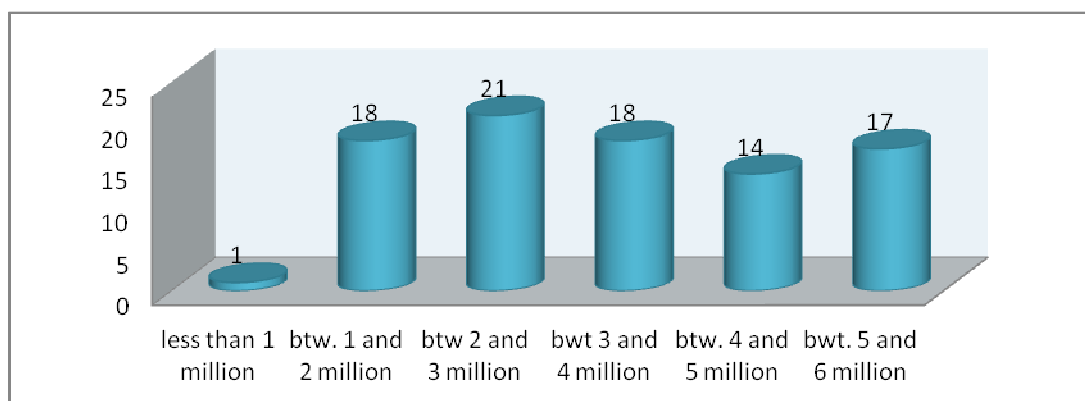
**Figure 8: IPF funding by sector<sup>26</sup>**



As for the distribution by sector, unfortunately it has not been possible to verify exactly how much each of the sectors enlisted in art. 3.6 weighted in the sharing of available funding as the IPF internal classification of sectors it is slightly different. It is however clear that the sector which received the highest investment on the side of the IPF is that of economic development.

With respect to the financial magnitude of the projects funded, the average project had a total cost of roughly 1.2 million USD with a distribution somewhat biased towards the middle and upper end as shown in Figure 9.

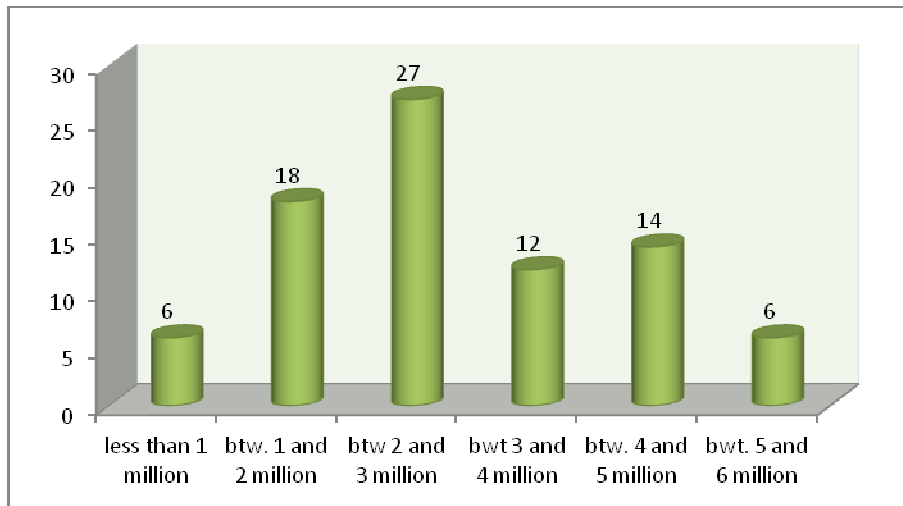
**Figure 9: Total costs of IPF funded projects (million Peruvian Nuevo Sol)**



<sup>26</sup> Own elaboration based on data transmitted by the IPF on June, 30, 2013.

The average IPF grant is then to be found a bit above 1 million USD and hence in the upper end of the available range according to a distribution depicted in Figure 10.

Figure 10: IPF grants to projects



Again concerning the financial side it should be added that the average share of project co-financing on the size of proponents was slightly short of 15%, and hence well above the minimum 10% contribution.

As for the projects monitoring and evaluation, it should then be remember that, according to art. 9 of the Regulations each one of them had to be monitored at least twice during its implementation, an expense born by the IPF that to this effect contracted consulting firms.

However on the top of what was termed as monitoring while very similar to an interim evaluation, and to the IPF control of the periodic reports rendered by the implementing agencies, projects were also subject to external supervision. Indeed according to Peruvian legislation all infrastructural projects realized with public money need to be externally supervised and a similar provision was adopted by the IPF, in spite of its private nature, and further extended to all funded projects. Then while infrastructural projects had to feature a resident supervisor, projects belonging to other sectors could have it sporadically. The costs of supervision were born by projects and weighted between 5 and 7% of the total budget, while the IPF was outsourcing the service.

Again on supervision, it should be stressed that after the end in 2011 of a framework contract with a consultancy firm including project supervision, the service was outsourced to individual consultants and that, beside the projects clearly indicated as infrastructural, the IFP decided on a case by case basis whether or not contracting a supervisor.

As of the status of the projects financed, the following table details whether they were still ongoing or completed at the cutoff date of the 30<sup>th</sup> of June 2013:

	Number of completed projects	Number of ongoing projects
2007 call for proposals	24	2
2008 call for proposals	23	14
2009 call for proposals	17	9
<b>Total</b>	<b>64</b>	<b>25</b>

Out of the 64 completed projects, eleven of them also completed the necessary reporting procedures and signed the agreement to officially terminate the projects.

In 2012 then the need arose to modify the II Agreement as the cutoff date established, that is the 4<sup>th</sup> of March 2013, was approaching and many projects were still ongoing. At the same time, on the Italian side it was decided to explore with the Peruvian counterpart if and how to give continuity to the IPF after the end of the debt-for-development swap resources.

Eventually in December 2012 the IPF functions were broadened as to include the possibility to receive and manage funds from other institutions either public or private, national or international, in order to provide services, technical assistance, and managing development projects or programmes through operating modalities to be jointly agreed between the parties and only in so far as those prove consistent with the objectives of the debt-for-development swap.

As of June 2013 the IPF had not had the chance to test its expanded functions, however it was also clear that the institution had considerably more resources left than originally thought and that these were sufficient for a forth call for proposals, which was officially launched in September 2013.

## SHORT PRESENTATION OF THE CASE-STUDIES

The chosen case-studies were located in two regions, Lima and Junin, that taken together accounted for more than 27% of the IPF grants. As it shall be seen the project of the Junin Regional Government is one of the largest ones financed by the IPF in terms of its total costs and as well as the grant received, the one of the Huancayo Archdiocesan Caritas can be classified as a large one, while the third and less costly project, the one carried out by CESVI, is in the range of the average IFP grant.

Also, as it shall be further indicated and in line with the IPF funded projects, while classified under a single sector all of them had components that could be traced back to other sectors, then, for example, the project from the Regional Government of Junin classified as a productive one also had a significant infrastructural component, while the project from the Huancayo Caritas indicated as environmental also featured important capacity building activities. This last project, differently

from the others, add an additional feature in that it built upon a project funded under the framework of the I Agreement.

Given the magnitude of the projects individuated as case studies for the purpose of this report it was deemed useful to provide only an extremely concise informative description on each one of them.

Fortalecimiento de la Gestión Ambiental para la Lucha Contra la Contaminación en la Zona Alta y Media de la Cuenca del Río Mantaro Junín	
Implementing agency	Archdiocesan Caritas of Huancayo
IPF code	Nº 022-2010-FIP (financed through the 2008 call for proposals)
Localization	Junin Region
Timeframe	From the end of July 2010 to enf of March 2013
Project cost and size of IPF grant	Originally planned cost of 4,452,000 Peruvian Nuevo Sol, of which 4,000,000 pledged as IFP contribution
Sector	Environment
Objectives pursued	General objective was to ameliorate quality of life and natural resources in the upper and medium valley of the Mantaro River. The project specific objective was to improve the natural resources management of the upper and medium valley of the Mantaro River.
Expected results and main activities	<p>The project enlisted 4 expected results:</p> <ol style="list-style-type: none"> <li>1. capacity building of women and children affected by the mining pollution as to promote the right to health, right to work, right to participation and hold opinions.</li> <li>2. Improvement of the civil society system of environmental monitoring.</li> <li>3. To strengthen civil society participation, especially women and vulnerable segment of the population, as to exercise their environmental rights and duties.</li> <li>4. To promote the negotiation with the regional and local governments of proposals developed by civil society.</li> </ol> <p>As to pursue the <u>first result</u> the following activities were planned:</p> <ul style="list-style-type: none"> <li>- Organization of a technical assistance programme on nutrition and environmental health.</li> <li>- Training and capacity building for women on how to manage an organization.</li> <li>- Implementation of an income-generating project contributing to women’s right to work.</li> <li>- Elaboration of proposals furthering the recognition of the right to health for women and children affected by environmental contamination.</li> <li>- Health screens for women and children affected by the mining pollution.</li> </ul> <p>As for the <u>second result</u>, main related activities were:</p> <ul style="list-style-type: none"> <li>- A technical and operative organization as to improve the civil society environmental monitoring mechanism</li> </ul>



- Monitoring of quality of water, air and soil in the upper and medium Mantaro valley through contribution by regional and local governments as well as civil society.
- Participatory evaluation of the degree of contamination of the main food products in the polluted areas.
- Technical assistance as to elaborate proposals on how to improve the environment.

As for the third result, main planned activities have been:

- Organization of a technical assistance programme on local environmental management.
- Capacity building workshops for civil society organizations on environmental rights and environment management.
- Elaboration of civil society proposals on environmental themes.
- Set up of informational and dissemination activities, events, and means.
- Set up of national and international advocacy networks.
- Advocacy campaigns on environmental themes.

Lastly the following activities were expected to lead to the fourth result:

- Organization of the technical assistance programme on management of natural resources.
- Capacity building of provincial-level bodies on structuring and concerting proposals on environmental themes.
- Awareness raising for public administration officers on environmental proposals developed by civil society.
- Promotion of civil society participation in the process of Zonificación Económica Ecológica.

**'Programa de Generación de Ingresos para Pequeños y Artesanales Productores de Mármol (Travertino) Organizados en una Red y Articulados en una Cadena Productiva - Instituto Regional Del Mármol de Junín**

Implementing agency	Junin Regional Government
IPF code	CF-024-2008-FIP (financed through the 2007 call for proposals)
Localization	Junin Region
Timeframe	From April 2009 to end of June 2013
Project cost and size of IPF grant	Originally planned cost of 5,857,900 Peruvian Nuevo Sol, of which 5,164,650 pledged as IFP contribution
Sector	Development
Objectives pursued	General objective was to ameliorate the socioeconomic condition of the rural population living in the area interested by the project. The project specific objective was to contribute in a sustainable manner to achieved the socio-economic development of the population living in the areas where are to be found the marble quarries and to generate employment especially among women.
Expected results and main	The project did not enlist expected results, however by looking at the logical framework it is possible to discern that what were labeled as “components”

activities	<p>are really expected results and those are:</p> <ol style="list-style-type: none"> <li>1. 1843 communities members, especially women, formalized their extractive activities and are inserted in productive chains that improve economic opportunities.</li> <li>2. Increase in the marble transformation activity for the small producers and the rural communities.</li> </ol> <p>As for the envisaged activities to achieve the above-mentioned results these were:</p> <ul style="list-style-type: none"> <li>- Dissemination of information about the project.</li> <li>- Awareness raising, organization and participation of communities (including meetings, workshops on management and business plans, workshop on “social issues and gender equality”, set up of the Regional Institute of Marble).</li> <li>- Capacity building workshops on a series of themes: good practices in manufacturing; equipment and machinery use and maintenance; work safety; business management and business plans.</li> <li>- Building of the Regional Institute of Marble and of the transformation pilot plant.</li> </ul>
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Fortalecimiento de Capacidades de Distintos Actores para la Prevención, Atención y Lucha Contra la Violencia a Niños, Niñas, Adolescentes y Jóvenes , y Promoción de sus Derechos Humanos , en el Marco de los Planes Concertados de Desarrollo Local	
Implementing agency	Cooperazione e Sviluppo-CESVI
IPF code	Nº 003-2010-FIP (financed through the 2008 call for proposals)
Localization	Lima Region
Timeframe	From March 2010 to end of April 2013
Project cost and size of IPF grant	Originally planned cost of 3,672,079 Peruvian Nuevo Sol, of which 3,303,868 pledged as IFP contribution
Sector	Capacity Building
Objectives pursued	<p><u>General objective</u> was to contribute to the decrease of all forms of violence and of rights violations of the children and adolescents in the Southern Lima Districts.</p> <p>The project <u>specific objective</u> was that children and adolescents of the Southern Lima Districts, with the support of a network of organizations and institutions, strengthen their abilities to face situations of risk and vulnerability to Child Sexual Exploitation (hereinafter CSE).</p>
Expected results and main activities	<p>The expected results were as follows:</p> <ol style="list-style-type: none"> <li>1. The project team has strengthened its conceptual and methodological tools to prevent and respond to CSE and the same tools are shared with other actors committed to the issue.</li> <li>2. Direct beneficiaries have deepened their understanding of CSE and of violence, and are able to identify options and alternative course of</li> </ol>

actions.

3. Direct beneficiaries undertake measures geared towards CSE prevention, response and fight against it.
4. Capacitated actors participate in relevant development fora and bodies realizing lobby and advocacy efforts in favor of children rights.
5. Children and adolescents at high or low CSE risk build up their abilities to face vulnerability situation by receiving specialized attention in the “Casa de la Sonrisa”.

Connected to the above mentioned results there were some 20 activities and a very high number of sub-activities ranging from the realization of studies and ad hoc didactic material, to workshops, meetings, home visits to families whose children were judged a high CSE risk, and much more.

The activities targeted children, adolescents, parents, teachers and principals, municipal officers, community based organizations and so on.

## FINDINGS

In the following sections, the evaluation criteria assigned by the terms of reference are considered detailing main findings for each of them first at programme level, and then for the chosen case-studies.

### RELEVANCE

As indicated in the introductory part of the present report, while Peru has exhibited in the last years remarkable economic growth indexes, much has still to be done in terms of achieving inclusive growth and hence the objective pursued by the Programme in terms of poverty alleviation has to be considered relevant. This is all the more so as, with the exception of Lima, the II Agreement target regions are among those that were indicated by the World Bank as having high levels of poverty and low public spending (please confront Figure 5 at pg. 13 of the report). Also important is to mention that while within the framework of the I Agreement on debt-for-development swap the regions targeted were 12 together with the metropolitan areas of Lima, Cuzco and Arequipa, with the II Agreement an effort has been made to better focus the funding.

Also relevant has been the decision to place less emphasis in the II Agreement on debt-for-development swap compared to the I Agreement on infrastructures. Indeed the World Bank reports that “capital expenditure increased from a very low level of 1.9 percent in 2003 to 2.4 percent in 2008 and 3.8 percent in 2009”<sup>27</sup> and goes one to say “[w]ith over 5 percent of GDP, capital expenditure in Peru exceeds that of the average upper middle income country, the average LAC country, and with the exception of Malaysia and Algeria also that of the peer group of countries with similar populations and levels of development”<sup>28</sup>. Then, considering that the country is already heavily investing in infrastructures, and that, on the other hand, doubts have been raised to the regional absorption capacities of such high investment levels, it is welcome the decision not to prioritize them further on the side of the IPF . Indeed in light of the above it seems already high the 20% share of IPF resources devoted to infrastructures so far within the framework of the II Agreement.

The provision contained in the Regulation that each project be approved by the local Roundtable for the Fight Against Poverty, beside contributing to the IFP inclusiveness and transparency, is to be regarded as an important mechanism to ensure relevance of each project at the local level.

The IPF was however found not to have a strategic approach as plastically represented by the lack of a programme logical framework. The domains of intervention enlisted in art.3.6 of the II Agreement and the cross-cutting themes of art. 3.4, coupled with the choice of including 8 regions

<sup>27</sup> Gonzalez, O. et al, *Peru Public Expenditure Review for Peru : spending for results*, Public expenditure review (PER). 2012.Washington D.C. - The Worldbank, pg. 17.

<sup>28</sup> Ibidem, pg. 45.

with the possibility of undertaking interventions in other regions ended up diluting excessively the potential impact of the programme.

A possibility to further a strategic approach would have been for example to reduce the number of eligible sectors of intervention as it was done by other debt-for-development funds active in the country, such as the Spanish-Peruvian Fund, the Fund of the Americas and so on. Alternatively it would have been possible to reduce the target regions developing in those area-based strategies. Choosing one or the other option would have allowed to nail down expected programme -and not just projects- results and increased potential to contribute to system-wide changes.

Also it should be pointed out that, albeit in the IPF Technical Committee there is a representation not only from the Ministry of Economy and Finance, but also from the Peruvian International Cooperation Agency, and -very importantly- from the Peruvian NGO sector, from the indigenous organizations, and from Peruvian local authorities, the body did not manage to promote a distinctive IPF strategy based on its understanding of the challenges faced by the country.

Interestingly it should also be recalled that not all of the sectors and crosscutting issues found in the II Agreement received comparable attention and funding. One such example is that of environment, which ended up representing only 5% of the IPF assigned resources, featuring a total of four approved projects in spite of the fact that the protection of the environment and environmental conflicts are one of the most pressing issues in modern Peru, and that the II Agreement clearly stressed its importance. Again, according to the information retrieved, none of the project was devoted to land titling a topic of great relevance to the Amazon indigenous communities and only a handful are the projects furthering the recommendations of the Truth and Reconciliation Commission of Peru and anyhow dealing with human rights issues other than child protection.

Then while it is true that the ex-ante evaluation of the project proposals was done by an independent consultancy firm, there could have been room on the side of the Technical and Management Committee to design more targeted call for proposals.

Having said that, it should be pointed out that in March 2013 on initiative of the new Italian Co-Director a series of consultations were held with a range of actors geared towards building a shared vision of the challenges currently faced by the country and nailing down a restrictive set of priorities to be addressed through the next call for proposals, an approach then endorsed by the IPF bodies as the results of this process have been to a large extent included in the call for proposals of September 2013.

As for the projects taken as case-studies, the findings concerning their relevance are mixed. The projects undertaken by CESVI and Caritas Huancayo were found to be relevant as they duly took into account the respective contexts and problems were correctly identified, their objectives were valid and to a major extent coherent, and moreover interviewed beneficiaries clearly perceived the importance and usefulness of the respective projects. Both initiatives furthermore devoted

much attention to using a participatory approach and favored beneficiaries empowerment and sense of agency.

The project of the Junin Regional Government instead appeared to be ill conceived due to its flawed problem analysis. In fact, the project focused on the set up of an advanced system of travertine cutting. In the initial planning, local communities would benefit from networking and having that system by transforming travertine blocks in added-value end products, such as tiles and slabs, that could then be directly commercialized.

During the field mission, the evaluators had the chance to interview the president and the person in charge of extractive activities of one of the more active communities among those involved in the project, the one of Llocllapampa. The evaluation team noticed that: i) not all of the 12 target communities genuinely participated in the project, ii) the interviewed community was not informed about the project, its aim and which role communities were expected to play in it, iii) the marble extracted by the interviewed community is essentially in scales (small pieces) that are too small for being processed by the cutting system and this is all the more troublesome as the community visited is one of the only two that possess their own quarries, iv) finally there is a problem of viability of streets from the most isolated community to the cutting system located in the district of Sicaya.

In conclusion, in light of the erroneous problem analysis and from the inability to genuinely involve the communities, the project relevance is judged as insufficient.

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## PROGRAMME DESIGN

Overall the Programme design has been found to be been logical and coherent: the envisaged division of functions between the IFP bodies was rational and its composition stroke a good balance between the principles of ownership by the recipient and mutual accountability.

That said, shortcomings have also been noticed concerning the nominations of some of the Technical Committee representatives, that is for the representative of the indigenous organizations, and for the representative of the municipalities. As for this last one, in future debt-for-development swap agreement it could be verified the opportunity of having such representative nominated by a national local authorities association, such as the Peruvian AMPE, as to increase ties with the local authorities agenda and to promote a feedback mechanism.

As for the representative of the indigenous organization it should be considered a priority to renew the invitation to the National Roundtable for the fight against poverty to nominate said representative.

Again concerning the Technical Committee, there are two more issues that could be considered in designing future similar initiatives: one considering the length of the term appointments, and a second revolving around the opportunity of having also a representative of the Italian NGOs in the Technical Committee.

It should be here recalled that the representatives from Peruvian NGO sector, from the indigenous organizations, and from the municipalities are appointed for a one-year term. Given the complexities inherent in an initiative such as the IPF, this term seems insufficient as to allow a meaningful contribution on their side to the Technical Committee working as indicated by various of those interviewed.

As for the opportunity of having a representative of the Italian NGOs in the Technical Committee it should be pointed out that a suggestion in this direction came not from them but rather from a Peruvian NGO representative that felt that a similar measure would have encouraged much needed North-South civil society alliances, an argument that resonated favorably with the Team. Probably the reason for not including such a representative in the first place was in the direction of privileging a Peruvian ownership of the initiative, but it does not seem entirely consistent with the overall design of the IPF and with the role Italian NGOs played as implementing agencies.

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## EFFICIENCY

As stated in the section of the present report devoted to the evaluation mandate and framework, the efficiency of the IPF was indicated as the focus of the evaluation exercise by the Italian Ministry of Foreign Affairs and hence a great deal of attention has been devoted to explore its various aspects.

Transparency is one of the main distinctive feature of the IPF as confirmed by the majority of interviewees. Among other factors, the importance of transparency within the IPF is motivated by some of Peruvian historical events and related institutional requirements. The project management system adopted by the IPF includes several steps aiming at guarantying transparent administration of funds and initiatives. These steps can be grouped as follow: a. public dissemination of calls for proposals, b. ex ante evaluation of project proposals realized by an external agency according to public evaluation criteria, c. sharing information among key actors though Technical Committee and d. periodical technical and administrative supervision and monitoring of funded projects.

As a matter of fact, the selection of administrative and managerial procedures was refined in the transition between the first and the II Agreement on dept-for- development swap between the two countries in order to improve accountability toward the Italian and Peruvian governments, but also toward civil society organizations participating in the selection process. As an example, in the framework of the II Agreement, projects ex-ante evaluation criteria were published before the selection process took place as to reduce apprehensions for manipulations and increase confidence in the accuracy of the whole selection procedure.

It is worth mentioning that while great attention was paid in ensuring upward accountability to the Italian and Peruvian governments, ministries and, to some extent, to the implementation agencies, less accuracy was dedicated in being accountable toward beneficiaries, the so-called downward accountability .

That said, in all the interviews held in Peru the IPF was perceived with an actor with its own distinctive identity, different from the Italian and Peruvian governments, and universally recognized as a trustworthy actor. Its reliability is strictly linked to the availability of funds, the 'permanent' presence in the country and the accessibility of all its personnel up to the two Co-Directors , and indeed to the adoption of well known rules and standards.

Overall it can be affirmed that operating procedures defined in the II Agreement on debt-for-development swap and in the corresponding Regulations, as well as best practices adopted for its execution have been consistently applied. Some deficiencies have however been noted in the procedures followed to select the consultancy firms to outsource the monitoring services first and the supervision then.

As for question of the selection of the consultancy firm entrusted with projects supervision, this caused a stall with the central offices of the Italian Directorate General for Development Cooperation moving objections to the procedure followed. Indeed the IPF intended to outsource supervision services to a consultancy firm and to this effect issued an invitation to tender (March 2011). Unfortunately none of the consultancy firms that responded reached the minimum amount of points to be qualified, and so the IPF while declaring null the invitation to tender, intended to ask only to the firm that had reached the highest mark, albeit insufficient, to present a second offer. The Rome offices of the Italian Directorate General for Development Cooperation objected the procedure and maintained that a new invitation to tender had to be issued according to lower qualification criteria. This resulted in a stall, until in May 2012 it was eventually decided on the side of the IPF to contract not a firm but rather individual consultants on a case by case basis following a selection procedure.

The second incident occurred in occasion of the tender procedure geared to select the monitoring firm initiated in August 2012 whereby the highest standard of transparency of the process was not respected. Bidding consultancy firms were notified whether they had passed the first selection step based on the evaluation of their technical offers, but not the exact score received. Subsequently the economic offers were open in a closed session, that is without giving to the pre-selected consultancy firms the possibility to be present. The central offices of the Italian Directorate General for Development Cooperation again objected the procedure, but the IPF maintained that the procedure had been correct and that being a private, and not a public, institution under Peruvian law, there was no need to apply public procurement rules and proceeded to contract the selected firm.

While convinced that the selection of the consultancy firm was not biased, and mindful that indeed the IPF was not legally bound to respect public procurement rules, the Team feels that in both cases the objections moved by the Directorate General for Development Cooperation were substantially correct as the maximum level of transparency had not been ensured.

For the future, as to avoid similar incidents, it might be useful either to include specific provisions in the agreements' implementing regulation or at least to prepare a concise document whereby the Directorate General for Development Cooperation details the transparency measures it



expects to be followed in selecting external consultants and firms to be shared with the counterpart.

A second element that was noted by the Team relying on case studies and interviews seems to be a different use of the IPF margin of appreciation concerning the application of internal rules and standards to different categories of implementing agencies with more severity applied to NGOs and more leniency towards local authorities. Given the problems experienced by Peruvian local authorities in implementing projects due mainly to the scarcity of qualified human resources, this behavior on the side of the IPF might be understandable, however care should be taken not to do so at the expenses of the meaningfulness of the projects funded. As an example, it was noticed that after September 2011 supervision was requested by the IPF concerning the projects of CESVI and Caritas Huancayo, thus regarding both projects as “problematic”<sup>29</sup>, while the same measure was not taken towards the project of the Junin Regional Government in spite of its consistent delays.

As to determine whether the alternative chosen was the most efficient (minor costs or shorter time) in comparison with others, the Team analyzed with attention the IPF internal procedures, its outsourced services, and the reporting requirements posed on implementing agencies, and these are the corresponding findings:

- The IPF staff paid great attention to the respect of rules and application of standards. That accuracy ensured and reinforced the enforcement of transparency rules and standards. As an example, IPF required to approve expenditures exceeding 300,000.00 S. for infrastructures, 50,000.00 S. for goods and S/.100,000.00 for services. This allowed to prevent misuses of funds, reduce waste and increase efficiency.

On the other hand, it also appears that on average the IPF displayed very little flexibility whenever the implementing agencies proposed changes to their plan of activities or when they asked to make changes between budget lines. In so far as the financial aspect is concerned, while it is positive that the IPF has adopted so far a precautionary approach to the use of resources, suspicions are strong that implementing agencies often ended up bearing part of the costs that were incurred in carrying out project activities and all the more so as, according to the most updated financial data provided for by the IPF, the average savings realized on the 65 concluded project amounts to over 321 thousand Peruvian Soles (roughly 90 thousand Euro).

More in general, the overall internal projects oversight system seemed to be excessively focused on verifying admissibility of expenses and in making sure that implementing agencies followed their original operating plan and original logical framework. However it should be bear in mind that changes to operating plans and to planned activities and

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<sup>29</sup> Up to September 2011 all the projects were supervised within the framework of the contract with the SIM-CONSULTIP consortia, while after May 2012 it was decided to contract individual consultants only for the projects either deemed to be problematic or infrastructural.

logical frameworks are at times not only advisable but necessary. This is because, as already mentioned, the context of intervention may change over time and requires that a project, even if originally sound and well planned, be adapted. Moreover, there are also instances in which the projects were not originally well devised and planned, and the oversight system should be able to detect them. In these case, changes should not only be accepted but recommended and, if necessary, even pretended. At the end, while it is important to account for the money invested in each project, it is equally important to ensure that it was well invested as to generate effective and sustainable benefits for the target population and a markedly more proactive approach of the IPF personnel in this last regard would be appropriate.

- Although most recently there have been some delays connected on the one hand to a numerical reduction in the personnel of the Technical Office, and on the other to the adjustments made for the period of absence of the Italian Co-Director, most of its procedures are completed in reasonable timing.
- There are however doubts as to the efficiency of the current procedure for the projects' closure as outlined in the Directiva n. 002-2007-FIP "Procedimientos para la recepcion definitiva de proyectos". Out of the 65 projects that terminated their activities, only 11 completed the closure procedure, while 22 more completed at least the first step, which is to submit their "informe de cierre", and 33 more have still to initiate it. The procedure, is probably overly complicated as there are cases of implementing agencies that submitted their "informe de cierre" at the end of 2010 and signed the "acta de cierre" only in June 2013. On the other hand it should also be noticed that a number of implementing agencies probably do not perceive the importance of collaborating in this essential step, as a significant share of the 33 agencies that still have to submit their "informe de cierre" concluded project activities at the end of 2012 or in the first months of 2013.
- Contextually it is also worthwhile stressing the importance of some of the innovations at procedural level introduced by the II Agreement. The procedure denominated "Adelanto por Manifiesto de Gastos" eliminated the risks of projects activities being affected or compromised by shortage of funds and, at least potentially, opened up to a wider pool of organizations the opportunity of seeking funding by the IPF. Also effective has been the idea of linking the transference of money of the "Adelanto por Manifiesto de Gastos" to the compliance with the procedures to recover the local value added tax (IGV). Thanks to the new procedure a significant amount of money has been recovered and the problems experienced while the I Agreement was in place - whereby 47 implementing agencies either did not initiate the procedure or failed to return the sums recovered to the IPF- have been avoided.

- The call for proposals application form used so far seemed excessively complex and not necessarily functional. First of all it should be pointed out that some of technical annexes required by the application form for the productive and infrastructural projects required a consistent upfront investment on the side of the proponents, which might have been extremely discouraging to most.

Also questionable was the rationale of asking an extremely detailed operating plan when, as it will be indicated below, much time went by between its drafting and the effective start up of the project with the result that considerable variations might have occurred in the meanwhile rendering the document totally outdated.

It should furthermore be noted that the “Anexo A” used to present the project while asking a great deal of details on, for example, socio-demographic characteristics of the population and of the beneficiaries in the proposed area of intervention, it risked diverting attention from the analysis of the problem, from the choice of the strategy, and from the analysis of the risks.

- The Team found that despite the great attention and the economic efforts dedicated for the externalization of various services, at a general level the main performance is far from being satisfactory. Considering that the project implemented by the Junin Regional Government was object of the following activities ex ante evaluation, supervision and monitoring and the mentioned problems were not observed, it can be figured out a dysfunctionality of the evaluation and monitoring systems.

- Furthermore by involving so many external consultants, the workload of the Technical Office also increased manifolds as its personnel would not only control the periodic reports rendered by the Implementing agencies (every 3 months) but also had to verify the quality of the work carried out by evaluators, supervisors, monitors, ad-hoc experts.

Emblematic in this sense is, for instance the procedure followed in the ex ante evaluation of the call for proposals. Upon verifying the admissibility of project proposals, these were forwarded to the external contractor, which undertook the ex-ante evaluation inclusive of a certain number of on-site visits to the areas concerned. The preliminary results of the evaluation were then discussed with the IPF Technical Office and eventually adjusted before being finalized and officially transmitted to the Technical Committee first and to the Management Committee then.

However, once the award winning list of projects was published, the IPF Technical Office revised once more and in great details each project and its various annexes before the formal agreement between the IPF and the Implementing agency (the so-called “convenio”) could be signed. This last step was often complex and extremely onerous in terms of time and commitment, as the information contained in the projects technical annexes (such as market studies or infrastructural plans) was occasionally flawed or incomplete. The result was that between the time the call for proposals was made public and each project designed, and the signing of the “convenio” much time has elapsed, thus

increasing the probability of relevant changes occurred in the context and of having an outdated planning.

- In light of the interviews carried out it is also not clear the added value of supervisors. As already mentioned, the costs of supervision are included in the projects and range between 5 and 7%, while the supervisory services have historically been outsourced by IPF either to a single consultancy firm or directly to individuals. Beside the fact that in many instances it is extremely difficult to ensure the effective presence of supervisors whenever the projects are located in remote areas, there has been a considerable variance in the way each one of them interpreted the mandate received. Indeed in some cases supervisors not only supported implementing agencies in complying with IPF regulations but also provided much welcomed technical expertise, while in others, especially recently, they simply limited themselves to examine evidence as to whether activities were carried out and to oversee the quality of bookkeeping of the implementing agency. Needless to say, this last modality was perceived of little use to implementing agencies and their utility for the IPF is also questionable as it appears to duplicate controls that are already carried out in the head-office in Lima.
- During the various interviews to the implementing agencies emerged indications that reports by monitoring missions were not transmitted in their entirety to implementing agencies and, in any case, this was done with considerable delays. While it is true, as it has been pointed out by the IPF, that monitors should debrief implementing agencies at the end of the field missions, the practice described above should be avoided as it greatly diminishes the significance of having such missions and the undue delay makes it difficult to incorporate changes that might have been recommended.
- In general, it is unclear to what extent the IPF acted upon recommendations formulated by monitors and evaluators. As an example, with regard to the project implemented by CESVI, one of its supervisors had recommended some changes to the logical framework as to duly incorporate the gender mainstreaming approach. The very same changes then proposed by the NGO to the IPF were then rejected.
- It seems that there are overlaps between the work carried out by the Technical Office and the Administrative one. Indeed it clearly emerged how Technical officers routinely revise not only narrative reports but also financial ones and even receipts of the expenses justifying the costs incurred in carrying out project activities. While obviously this provides an added check on the financial side, the time and energies devoted to it are subtracted to the technical oversight of the initiatives, which should instead be maximized especially in light of the recent reduction of the Technical Office personnel.
- An element contributing to the efficiency of IPF is the quality of its human resources. Moreover, especially in so far as the Technical Office is concerned, one has to notice the

wide range of expertise represented whose abilities were further strengthened by ensuring follow up to a variety of different projects. In this sense, as to better capitalize on the human capital available, it is considered particularly positive the recently introduced praxis of having interdisciplinary meetings among the components of the Technical Office as to ensure better oversight of projects that involve multiple components often of social as well as of productive nature. That said, if the IPF were to decide to numerically increase its Technical Office personnel, it would be advisable to give preference to candidates having a background in human development and/or human rights as to further a balanced staff composition otherwise somewhat skewed towards people with an engineering background.

A last comment should then be devoted to the issue of quantifying the IPF costs. Ideally to do so a full-in costing method should have been applied, including not only the costs of the IPF personnel, offices, externalized services and so on but also the hidden costs such as the cost of the time devoted to the initiative by the Italian and Peruvian government officers in charge of following the initiative, or those born by the implementing agencies personnel for fulfilling the requirements of periodic reports and so on. This clearly proved impossible albeit indications were found that the reporting requirements posed on implementing agencies were probably too high.

However it was also not doable to quantify the direct costs associated with the IPF for a number of reasons including that i) there has been a long overlap between the first and the II Agreement on debt-for-development swap and hence it would not have been correct to attribute all said costs to the initiative examined here; ii) the contribution to the IPF functioning done by Italy was made through different funding lines and the Team did not have a comprehensive figure; and iii) the costs of supervision are directly born by projects although it is the IPF that administers the earmarked sums as to contract the service.

Having said that, in designing future debt-for-development swap initiatives it would be advisable to have all the costs clearly associated with the on-site organizational structure born by the counterpart fund, a measure that would ease the managerial oversight. The same decision would also avoid relevant problems concerning the continuity of the post of the Italian Co-Director. As to favor the acceptance of a similar provision, the Italian Ministry of Foreign Affairs could consider the application of a discount rate on the amount swapped to the counterpart.

As for the efficiency of the case studies, it should be stressed that a deep analysis of this aspect has not been carried out in light of the short time available to perform it, as well as because, as indicated, the IPF has consistently devoted much attention to this aspect. That said, much of the comments made on the IPF efficiency have been based or confirmed through the interviews held within the case-studies analysis. After this preface, here are the main conclusions concerning the case studies efficiency:

- The CESVI project was judged as extremely cost-efficient and no major delays were registered. Albeit two project partners backed off, adjustments were made as to fill in with necessary expertise and personnel. The NGO asked only for a short extension of the project

deadline as to include the participation of the project as such in a big annual awareness raising event. For no apparent reason, the extension was granted only until the month before said event was to take place. The project team and its various partners eventually participated in it, only not under the IPF aegis.

- The project of Caritas Huancayo was judged as sufficiently efficient. The initiative registered indeed some delays mainly related to the fact that it had underestimated the time necessary to collect evidence to be analyzed in the various parts of the upper and middle Mantaro valley with many places located in areas that could be reached only after 4-5 hours walks, which in turn delayed the analysis of the data gathered. While not all, almost all of its planned activities have been executed with the agreed modalities.
- The project by the Junin Regional Government registered over one year of delay. According to the information retrieved there have been a number of problems related to an erroneous planning of the premises of the Regional Institute of Marble, and in particular various problems related to the edification of the structure where the cutting machinery was to be hosted as to properly function. By the time the Team visited the project, due to end in roughly 2 weeks there were still outstanding issues concerning the management of the Regional Institute of Marble: the Sicaya municipality was asking to be given the property of the Institute being the land owner of the site, while the board to administer the Institute to be formed by the 12 beneficiary communities was not yet in place. Also lacking seemed the project communication modalities as the Team noted that the interviewed community of Llocllapampa had not yet been informed about the training activities organized on how to use the cutting infrastructure due to start a few days afterwards.

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## EFFECTIVENESS

As to determine the Programme effectiveness the Team was required to address the following elements, that is : i) whether the Programme's general and specific objectives have been clearly identified and quantified; ii) whether the Programme characteristics and features were coherent with the general and specific objectives; iii) to what extent were general objectives achieved; iv) to analyze main factors that influenced whether objectives have or not been achieved.

Unfortunately as already mentioned throughout this report, the IPF did not have a logical framework in place establishing the Programme's objectives and results, albeit the initiative overall goal can be individuated in the reduction of poverty.

This does not mean that the Programme was not effective, but rather than its effects should be traced back mainly at the micro-level and in connection to each one of the funded projects rather than to the Programme level.

However, based on the case studies analyzed during the mission, there are indications that some of the initiatives funded by the IPF had an impact at policy level, which in turn contribute to IPF effectiveness as a programme.

The project led by CESVI was for instance instrumental in the creation of the Comité Interdistrictal- a body that gathers representatives of the Lima Sur municipalities and whose aim is to coordinate activities against sexual exploitation of children and adolescents- as well as in influencing local plans on childhood, and the 2013 institutional operating plans of all the participating municipalities. Moreover the project significantly contributed to the drafting of the Decreto Supremo 014 2006 on the "Lineamientos del Ministerio de la Mujer y Desarrollo Social para la Intervención en Focos de Explotación Sexual Comercial de Niñas, Niños y Adolescentes". Indeed the strategy adopted by the project, which involved a whole range of relevant actors from the local level to the national one, was envisioned and carry out remarkably well and ensured sustainability of main results achieved locally as well as an impact at the macro level.

Extremely positive, also in light of the difficult context in which the project operated, are the policy achievements of the project led by Caritas Huancayo. Indeed, thanks to the evidence provided and the wide advocacy efforts, in 2012 the Regional Government of Junin adopted the Ordenanza Regional n. 141-2012 whereby priority is assigned to persons affected by environmental contamination. Within this framework is it envisioned the creation of a registry of persons affected so that local and regional authorities jointly with enterprises that caused the environmental damages, establish an effective follow up mechanism. The regional health department (Dirección Regional de Salud) is then tasked to devise and implement a specific program targeting the affected population ranging from prevention, all the way to treatment and rehabilitation measures. Notably according to the cited Regional Ordinance the program needs to envision the active participation of civil society, an element which highlights the progress made by the project in opening up spaces of dialogue on the issue.

It is equally important to recall that the data gathered by the project was also used as supporting evidence in some of the legal proceedings concerning the responsibilities for the pollution and the ensuing violations of the right to health of the population living in the area, not least the one against the Peruvian state brought to the Inter American Commission on Human Rights demanding precautionary measures to protect the health of La Oroya residents in 2005, and in lawsuits filed in Saint Louis against Doe Run on behalf of La Oroya poisoned children.

Overall it can then be said that the project made a significant contribution not only to awareness raising among the population concerned, but also to strengthening avenues to redress violation of socio-economic rights, as well as by putting forward a model of dialogue and participation on issues concerning environmental degradation surrounding the extractive industries, a topic of pivotal importance in Peru.

However, despite some of the funded projects were able to produce an impact in local and national policies as just shown, it seemed that the IPF was not able to clearly identify these experiences and properly valorize them, a difficulty that can again be ascribed to the lack of a well defined initial strategy together with the difficulty of managing a high number of projects simultaneously. The absence of a concrete framework of the IPF and, consequently, of the funded

projects made the identification of lessons learned and good practices complicated and in some cases difficult to be identified.

Indeed the IPF did not seem to facilitate the creation of systematic exchanges between funded projects having a focus on the same sector or the same geographical area. Contacts and exchanges occurred despite the IPF support and were occasional. Actors interviewed from the three case studies confirmed that when contacts between projects occurred it was only thanks to the interest and the initiative of implementing agencies. As an example, the Italian NGO Cesvi proposed to the IPF to organize meetings with other implementing agencies working in the sector of sexual exploitation and/or related areas as to favor networking and exchange of best practices. Despite a first positive reaction, the proposal did not receive follow up.

Likewise so far not much has been done in order to establish synergies with other programs, projects or even other 'dept-for-development swap' initiatives. In particular, apart from the precedent of the Italian NGO Aspem (first funded by the Italian cooperation and then supported by IPF in Chincha) and a few other cases, synergies created with the Italian Cooperation have been limited. This can be due mainly to the diverse nature of supported interventions even though there were cases in which synergies would have been possible but not explored. As an example, it was the case of the initiative promoted by the Italian Ministry of Foreign Affairs in the microfinance – microcredit sector (*'Programma di inclusione finanziaria e produttiva attraverso lo sviluppo del microcredito nelle regioni di Apurimac, Ayauchu e Huancavelica'*).

In the same direction, no contacts were established with the European Union, and as for the other counterparts fund, not more was done than participating in the meetings of the Redinfoc, the information network of counter-value funds active in Peru. Apart from the political and institutional dimension of establishing synergies with other international actors, it is worth noticing that this lack of coordination affected the capacity of producing an impact at regional and national level and capitalizing from other experiences even though one should be mindful that, given the size of the IPF with its many initiatives in different regions and sectors, it would have been difficult to obtain bigger achievements in this realm.

In so far as the case studies are concerned, while account has been given of the objectives achieved by two of them, a last comment is due on the project undertaken by the Junin Regional Government which, according to the Team had and will have major difficulties in reaching its objectives. As of June 2013, the project had not been successful in reaching a formalization of the activities of those communities inhabitants involved in mining, nor in creating a network of the 12 target communities as to administer the Regional Institute of Marble. In so far as the travertine cutting machinery is concerned, while perhaps small enterprises producing blocks will benefit from its services, local communities extracting only marble scales will not as the instruments they use to extract travertine are not sufficiently advanced from a technological point of view as to allow them to extract blocks . Similarly it is not clear how it will be reached the objective of increasing the employment level of the women living in the 12 target communities given that the training courses to be offered by the Regional Institute were supposed to last for long and premised upon



the assumption that students will be reside within the Regional Institute premises, a pre-requisite that average rural married women will hardly meet.

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## IMPACT

Being an interim evaluation, the estimation of impact transcended the mandate as impact can only be measure after the end of an initiative and not during its life. As for indications of the impact at policy level of the case-studies, the same have been detailed in the previous section.

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## SUSTAINABILITY

As for the sustainability criteria, the Team was asked whether the benefits of the Programme are likely to continue after donor funding has been withdrawn and which one were the major factors which influenced the achievement or non-achievement of sustainability of the Programme.

Considering what it was detailed in the previous sections, it follows logically that up until now the sustainability of the benefits generated by the IPF equals the sum of the benefits generated by the projects funded. Before addressing those, it should here be addressed an extremely important contribution to projects sustainability that was prompted on the side of IFP, that of gender mainstreaming.

One of the novelties introduced by the II Agreement on debt-for-development swap between Italy and Peru is indeed the attention devoted to gender and thus in article 3.3 is it said the projects to be financed shall, among others, ameliorate women socio-economic status, while article 3.4 states that preference will be given to project that devote attention to gender issues. The II Agreement then provided for the enabling framework in which the IPF adopted a gender mainstreaming approach. It should be underlined that efforts to incorporate gender mainstreaming were concrete and consistent all along, thus for instance ad hoc consultants have been contracted as to train the IPF personnel as well as implementing agencies on gender themes, an approach aiming at promote equality between women and men was a prerequisite for each project to be financed, the periodic reports issued by supervisors and monitors always addressed how that was indeed operationalized by the implementing agencies, and so on.

As a result, the importance assigned by the IPF to gender mainstreaming is clearly perceived by the implementing agencies and beyond, and nowadays considered one of the distinctive elements of the Fund's identity.

This is not to say that all the projects financed within the framework of the II Agreement do correctly incorporate a gender mainstreaming approach, but rather that the IPF was instrumental in at least forcing all the implementing agencies to being exposed to and approach the topic.

Furthermore, on average as noted by the consultant contracted to study the issue, implementing agencies did no longer display a neutral attitude towards gender.

Moreover is it worthwhile mentioning that in some instances this process induced a profound change in the implementing agencies. For instance, during the interview with CESVI no mystery was made by the organization that in its design phase the project did not correctly mainstream gender and it was only thanks to the critiques and insights offered by one of the supervisors contracted by SIM-CONSULTIP that a thorough analysis of the gender dynamics surrounding the sexual exploitation of children and adolescents was undertaken. From that moment on, CESVI decided that each one of its projects in Peru, not just the one supported by the IPF, had to benefit of a specific support and attention as to mainstream gender.

It appears then highly advisable and strategic for the IPF to maintain its policy on gender mainstreaming not only as piece and parcel of the overall sustainability of the projects financed but also as an element that contributes to increase the overall impact of the programme itself.

As for the other aspects influencing the sustainability of the project funded, according to the IPF personnel roughly a 20% of them will probably not be sustainable, while the remaining 80% it will be. This seems to be in line with the results emerged from our case-studies, as indeed:

- The benefits originated by the project led by CESVI seemed fully sustainable, especially those achieved in terms of capacity building, awareness raising, and advocacy. By the time the Team visited the country, the only really minor unresolved part was the one concerning the planned gift by CESVI to the Lima municipality of some equipment originally bought for La Casa de la Sonrisa. The NGO meant to donate said equipment for a shelter home for children at risk of sexual exploitation that the municipality of Lima intends to set up but still needs to.
- Also judged to a large extent sustainable is the project undertaken by the Huancayo Caritas, albeit some minor improvements could have been possible. A measure favoring sustainability of the civil society environmental monitoring would have been to involve at least a local university together with the one of Saint Louis (USA) in analyzing the data as to favor a transfer of knowledge. Also remains to be seen how to cover the high costs associated with the use of some of the technical equipment bought within the project also important to carry out the environmental monitoring.
- As for the project by the Junin Regional Government, the Team holds strong doubts concerning its financial and economic sustainability given the reported scarcity of even small producers, let alone communities, to produce the travertine blocks to be processed by the cutting machinery whose purported profits were then to finance the training activities.

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## EVALUATION QUESTIONS CHECKLIST

As indicated, together with the evaluation criteria the terms of reference included a number of evaluation questions. The same questions are reported below in form of checklist:

- What kind of political, economical and institutional development can be traced back to the debt-for-development swap?
  - The answer to this question is to be found in the section devoted to effectiveness and in so far as gender mainstreaming is concerned in the section devoted to sustainability.
  
- The debt-for-development swap rendered the Country's debt burden sustainable?
  - As indicated in the part devoted to the Short introduction to the Peruvian context, Peru is classified by the World Bank as an upper-middle income country. Compared to the country's economy magnitude, and to the corresponding foreign debt size, an effect of the debt-for-development swap concluded by the two countries on the debt burden could not be estimated as its size is, in this sense, negligible.
  
- What kind of role had the provisions and conditions of the debt-for-development swap agreement?
  - Answer to this question has to be found in the following sections: relevance; programme design; efficiency; and effectiveness.
  
- The operating procedures defined in the II Agreement on debt-for-development swap and in the corresponding Regulations, as well as best practices (call for proposals mechanism) adopted for its execution have been consistently applied?
  - The answer to this question is to be found in the section devoted to efficiency.
  
- Are results sustainable?
  - The answer to this question is to be found in the section devoted to sustainability.
  
- What are the lessons learned concerning the validity and pertinence of the theory whereby debt-for-development swaps are a contribution to economic growth and poverty reduction?
  - The Team feels that the Programme under evaluation cannot bring significant lessons learned as to the validity and pertinence of said theory in that it feels it is relevant whenever dealing with highly indebted poor countries with small-sized economies, a category in which Peru cannot be found. Having said that, the Team also believes that it is reasonable to believe that the debt-for-development swap between Italy and Peru contributed, at least at micro level, to reduce poverty.

## CONCLUSIONS

The II Agreement on debt-for-development swap between Italy and Peru has been found to be coherent with the Italian Development Cooperation policies and relevant with regard to Peruvian priorities for the objective pursued in terms of poverty reduction in target areas. Moreover the provision contained in the accompanying Regulation that each project be approved by the local Roundtable for the Fight Against Poverty, beside contributing to the IFP inclusiveness and transparency, is to be regarded as an important mechanism to ensure relevance of each project at the local level and to favor local ownership.

The IPF was however also found not to have a defined strategic approach as plastically represented by the lack of a programme logical framework. The domains of intervention enlisted in art.3.6 of the II Agreement and the cross-cutting themes of art. 3.4, coupled with the choice of including 8 regions with the possibility of undertaking interventions in other regions ended up diluting excessively the potential impact of the programme.

Overall the Programme design has been found to be logical and coherent: the envisaged division of functions between the IFP bodies was rational and its composition struck a good balance between the principles of ownership by the recipient and mutual accountability. Some shortcomings were however noted in that the short term appointment of non-governmental representatives in the Technical Committee was found to be an obstacle for developing at best the body's potential contribution.

Transparency came out as one of the main distinctive features of the IPF as confirmed by the majority of interviewees. The project management system adopted by the IPF includes several steps aiming at guaranteeing transparent administration of funds and initiatives. These steps can be grouped as follows: a. public dissemination of calls for proposals, b. ex ante evaluation of project proposals realized by an external agency according to public evaluation criteria, c. sharing information among key actors through Technical Committee and d. periodical technical and administrative supervision and monitoring of funded projects.

As a matter of fact, the selection of administrative and managerial procedures was refined in the transition between the first and the II Agreement on debt-for-development swap between the two countries in order to improve accountability toward the Italian and Peruvian governments, but also toward civil society organizations participating in the selection process.

In all the interviews held in Peru the IPF was perceived with an actor with its own distinctive identity, different from the Italian and Peruvian governments, and universally recognized as a trustworthy actor. Its reliability is strictly linked to the availability of funds, the 'permanent' presence in the country and the accessibility of all its personnel up to the two Co-Directors, and, indeed, to the adoption of well known rules and standards.

By and large it can be affirmed that operating procedures defined in the II Agreement on debt-for-development swap and in the corresponding Regulations, as well as best practices adopted for its execution have been consistently applied with some deficiencies registered in a couple of occasions. Also, most of the IPF procedures, with the exception of that of projects closure, are completed in reasonable timing. Some of those procedures seemed to place a relatively high burden on the implementing agencies, while others fine-tuned in the II Agreement relying on past experiences under the I Agreement on debt-for-development swap were found to be particularly efficient and capable of broadening the range of actors seeking funding.

On the other hand, it also appears that on average the IPF displayed very little flexibility whenever the implementing agencies proposed changes to their plan of activities or when they asked to make changes between budget lines even when there were solid grounds to do so.

Also it seems that the IPF used differently its margin of appreciation concerning the application of internal rules and standards to different categories of implementing agencies with more severity applied to NGOs and more leniency towards local authorities. Given the problems experienced by Peruvian local authorities in implementing projects due mainly to the scarcity of qualified human resources, this behavior on the side of the IPF might be understandable, however care should be taken not to do so at the expenses of the meaningfulness of the projects funded.

More in general the IPF could benefit from revising its projects oversight system rationalizing outsourced services -starting with the supervision which was found to have little added value- while promoting a more active role on the side of the IPF Technical Office whose mandate should be to ensure that the IPF resources are well invested as to generate effective and sustainable benefits for the target population and not just accounted for.

Indeed overlaps were found between the work carried out by the Technical Office and the Administrative one as it clearly emerged how Technical officers routinely revised not only narrative reports but also financial ones and even receipts of the expenses justifying the costs incurred in carrying out project activities. While obviously this provided an added check on the financial side, the time and energies devoted to it are subtracted to the technical oversight of the initiatives, which should instead be maximized especially in light of the recent reduction of the Technical Office personnel.

As for the IPF effectiveness on reducing poverty it is to be traced back mainly at the micro-level and in connection to each one of the funded projects, rather than to the Programme level. However, based on the case studies analyzed during the mission, there are indications that some of the initiatives funded by the IPF had an impact at policy level, which in turn contribute to IPF effectiveness as a programme.

There is room for improvement however in the IPF ability to clearly identify these experiences and properly valorize them as well as in promoting exchange of experience between funded project as to promote synergies and individuation of best practices and lessons learned to be shared among implementing agencies.

Also perhaps more could have been done to establish synergies first of all with the Italian Cooperation, but also with other programmes, projects or even other 'debt-for-development swap' initiatives.

On a positive note it should be emphasized the IPF-specific contribution to projects sustainability, that of gender mainstreaming. One of the novelties introduced by the II Agreement on debt-for-development swap between Italy and Peru is indeed the attention devoted to gender providing for the enabling framework in which the IPF adopted a gender mainstreaming approach.

It should be underlined that efforts to incorporate gender mainstreaming were concrete and consistent all along. The empirical data gathered and the ad hoc study commissioned by the IPF confirmed that overall positive results were reached and that on average it was possible to note a positive change in attitude on the side of implementing agencies towards gender mainstreaming.

## RECOMMENDATIONS

As it was indicated, shortly after regressing from its field mission, the evaluation Team, upon a specific request of the Ministry of Foreign Affairs, prepared a document distilling some preliminary findings and including a series of recommendations to the IPF. From the information gauged some of the recommendations have already been to some extent incorporated through the IPF fourth call for proposals (September 2013), while others are under consideration. That said, as the timeframe of this evaluation exercise had its cutoff date on June 2013, all of the recommendations formulated then have here been included, even if some of them are now outdated. A couple of additional recommendations that were judged not so pressing at the time have instead been added.

1. It is recommended to revise the call for proposals application form and to devise a shorter one, perhaps assigning a maximum number of pages to each part. The new form and the accompanying guidelines should emphasize a thorough description of the problem and the justification for the choice of the strategy. The proposal recently endorsed by the IPF Technical Committee to move from a full application form to a concept note seems indeed to go in this direction and is welcomed. In any case while preparing the new call for proposals and revising the ex ante evaluation grid it is advisable to take into consideration the recommendations formulated in the final reports rendered to the IPF by the consultancy firms that in the past were contracted to provide the evaluation services.
2. It is advisable to undertake a serious reflection on the added value of externalizing the ex-ante evaluation. Albeit the externalization contributed to ingenerate transparency, it is also true that the institution has sufficient internal competences to undertake an in-house evaluation and by so-doing would save resources, both in terms of money and of time. The very same resources could instead be shifted to the work of the Technical Office as to ensure an advisory role to perspective implementing agencies in fine-tuning projects and in devising consistent operating plans, but also to oversee *ab initio* the quality of products such as market studies or technical studies.
3. Procedures should be revised to verify whether there is room to alleviate the workload of the Technical Office, which otherwise risks being to a significant extent of administrative nature. The control of expenses and receipts of the implementation agencies should for instance be dealt with, totally or to a major extent, by the Administrative office.
4. More broadly it is suggested to revise the functions of the Technical personnel of the IPF as to allow them to play a role of technical supervision of funded projects, including field oversight. In particular, field missions could be an unique occasion not only to verify project progresses, but also to meet beneficiaries and key actors, understand whether any context change occurred and whether any adjustment is necessary. In this direction, the role played by 'external' supervisors could be replaced by IPF personnel by improving the

supervision service itself. The supervision would benefit from being internalized by reducing turnover of the personnel dedicated to the projects and increasing coherence between IPF overall strategy and project implementation.

5. Monitoring missions need to devote attention to project relevance, efficiency, effectiveness and sustainability while bringing the added value of their independence and impartiality. The end product of their work should be along the lines of the so-called interim evaluations and for carrying those out it should be paramount to interview not only the implementing agencies and those that up until that moment have been involved in project activities, but also key stakeholders and, if present, perspective beneficiaries. The reports rendered to the IPF should be shared with the concerned implementation agencies within the shortest timeframe and their recommendation should be the object of a joint reflection between each implementing agency and the competent Technical officer. The same Technical officer should detail for each recommendation whether it was decided to act upon it, and if so how, and if not, explain why. Overall feedback mechanism of monitoring missions should be ensured, as otherwise the very same evaluation activity is devoid of significance.
6. It would be advisable to adopt a more flexible approach to project changes proposed by the implementation agencies as well as take a proactive role in this sense recommending changes whenever projects show deficiencies. In so far as the financial aspects are concerned, IPF is encouraged to verify the applicability of the rules adopted for the European Union grants whereby changes up to 10% between expense lines and components (then not just activities) are allowed without need for previous approval. Also, given the number of conflicting interpretations that emerged during the mission concerning the flexibility of the SIGA, that is the IPF software used by the implementation agencies, it is highly recommendable to hold periodic, and not just one-off, trainings for personnel of implementing agencies on its use.
7. The procedure for projects' closure should be revised and made significantly more expeditious, as to avoid incurring in unnecessary costs on the side of IPF and of the implementing agencies. On the other hand, to ensure collaboration of implementing agencies in the process, it could be considered the option of withdrawing a small percentage of the IPF grant concessional to the completion of the closure procedure.
8. Also at operative level, as during the mission emerged that the interest rate on the Fund deposit was very low, and if doable in light of the provisions of art. 1 of the Regulations for the Implementation of the II Agreement, it could be appropriate to elicit on the side of the Bank the offer of a higher interest rate, as well as to verify whether other trustworthy banking institutions are not willing to offer better conditions.
9. For what it concerns the strategic level, the number of the sector of interventions should be reduced. This should contribute in increasing the overall impact of IPF interventions while increasing synergies and avoiding fragmentation. During the evaluation mission,



insights were elicited concerning possibly strategic axis of intervention. Among those mentioned, a certain consensus was registered around a definite number of sectors that could be addressed during the next call for proposals. These are: environmental protection (especially in the context of intensive mining activities); good governance (by concentrating on capacity building of local governments); economic development (possibly with a focus on vulnerable groups and if piloting innovative approaches while keeping in the social component).

10. In order to improve the capacity of the IPF to have an impact at country level, it should be important to use logical framework approach for planning program strategies. To guarantee coherence between projects and program level, it should be adopted an interlocking logical framework matrix by connecting the specific objectives of the program to the general objective of projects, program results to projects specific objectives, and program activities to projects results. In addition, the introduction of quantifiable and objectively verifiable indicators at program level will support IPF personnel in supervising the progresses of projects respect to program plans.
11. It should be a priority of the IPF to start a systematization of lessons learned and facilitate the exchange of experiences among implementing agencies. Activities such as capitalization and networking will contribute in increasing the capacity of the IPF to have an impact at country level. In this direction, the contribution of the Co-Directors, as well as the technical personnel, and the Management and Technical committees should be an asset. It should be introduced in the next call for proposals an incentive for the creation of synergies among implementing agencies, such as a criterion rewarding partnerships.
12. In the same direction, it would be an asset for IPF to establish the connections with other development interventions acting in the same sector or regional area, as well as other debt-for- development swap programs.
13. It is suggested to renew the invitation to the National Roundtable for the Fight Against Poverty to nominate a representative of the indigenous organizations to the IPF Technical Committee as not to the deprive the indigenous organizations from the opportunity of being represented in this important body.
14. Finally, considering that the absence of the Italian Co-Director can be prejudicial for the IPF ability to carry out administrative procedures in due time, it is recommended that a solution be found by the Italian Directorate General for Development Cooperation.

## LESSONS LEARNED

The II Agreement on debt-for-development swap between Italy and Peru offers many examples of positive elements that could be borrowed in similar initiatives: its inclusive character mirrored in its Technical Office composition and by the requirement of having projects endorsed by the local roundtables for the fight against poverty; its concrete and targeted efforts as to mainstream gender; its attention to transparency and so on.

In many regards it is a model initiative and, while each agreement on debt-for-development swap is to be tailored on the counterpart, its distinctive features could be easily borrowed. Moving from these premises, the case under examination also provides some insights on issues to be considered and potentially approached differently in future agreements. In the Team's view these are:

- The importance of targeting programme scope either by narrowing down a limited number of sectors, or of geographical areas, or both. While it might seem unrealistic to devote such a high amount of resources like the ones of the IPF to a narrow set of priority themes or areas, not to do so poses the risk of excessively diluting funding, of making it unfeasible to have a programme strategy and ultimately difficult to achieve programme -rather than projects- objectives and results.
- The importance of having a programme strategy and a programme logical framework. While by no means perfect, the logical framework is an important management tool and whenever the process that led to its approval duly involved relevant stakeholders it helps building a shared understanding of which ones are the strategic objectives to be pursued, of the underlying theory of change, of which ones are the relevant indicators to measure progress, and last but not least it eases evaluation and feedback mechanism. A well defined programme strategy also makes it easy to spot and capitalize on best practices and lessons learned of funded projects, as well as to promote synergies among funded projects and beyond.
- As of the 2005 Paris Declaration, all OECD countries committed to pursue donor coordination an objective that should be actively pursued by the debt-for-development funds as well. At a minimum, considering the scarcity of resources currently experienced by the Italian cooperation, synergies should be actively pursued with regard to the projects it funded and those financed by the debt-for-development initiative in which it is represented.
- It might be advisable to clarify *ab initio* Italian expectations with regard to transparency standards to be adopted by the debt-for-development fund. For the future it might be useful either to include meticulous provisions in the agreements' implementing regulation

or at least to prepare a concise document whereby the Directorate General for Development Cooperation details the transparency measures it expects to be followed in selecting external consultants and firms to be shared with the counterpart.

- In reviewing the available documentation concerning the IPF, the Team seemed to notice in some instances divergences in the position held by the Rome headquarters of the Italian Directorate General for Development Cooperation, the Italian Ambassador and the Italian Co-Director. Hence, it might be advisable for the future to better spell out decision making process and chain of command on the Italian side.
- As for the bodies modeled along the lines of the IPF Technical Committee, it would be highly recommendable to have terms of appointments longer than one year. Considering the complexities inherent in debt-for-development swap programmes, the risk is that by the time the person assimilated rules and procedure and started to know funded projects, her/his mandate is over. As to avoid token appearance but rather achieve true participation, terms of appointment should be coherently lengthened.
- Also in this report account has been given of a suggestion found reasonable by the Team that is to have a representative of the Italian NGOs sitting in the Technical Committee in those cases in which the same are allowed to seek funding on an equitable basis with local actors, as to favor North-South civil society alliances.
- Whenever the conditions in the country allow for that and in the cases in which local authorities are represented in the Technical Committee it could be verified the opportunity of having such representative nominated by a national local authorities association as to increase ties with the local authorities agenda and to promote a feedback mechanism.
- Lastly, in designing future initiatives it could be advisable to have all the costs clearly associated with the debt-for-development swap fund structure born by the fund itself, a measure that would ease the managerial oversight. The same decision would also avoid possible problems associated with the continuity of the post of the Italian Co-Director. As to favor the acceptance of a similar provision, the Italian Ministry of Foreign Affairs could consider the application of a discount rate on the amount swapped to the counterpart.

# ANNEX I

## LIST OF PERSONS INTERVIEWED

## LIST OF PERSONS INTERVIEWED

### **Italian Ministry of Foreign Affairs**

- Alessandro Gaudiano, former Head of Territorial Office, Directorate General on Development Cooperation
- Walter Zucconi, Officer in charge of the IPF, Technical Central Unit, Directorate General on Development Cooperation
- Sally Dagmar Schineanu, former Officer in charge of the IPF, Technical Central Unit, Directorate General on Development Cooperation

### **Italian Peruvian Fund**

- Guglielmo Ardizzone, Italian Ambassador to the Republic of Peru, Italian representative in the Management Committee
- Betty Sotelo Bazan, Director General of the National Directorate of Public Indebtedness, Peruvian Ministry of Economy and Finance, Peruvian representative in the Management Committee
- Liliana Edith Li Mostacero, National Directorate of Public Indebtedness, Peruvian Ministry of Economy and Finance, President of the Technical Committee
- Ana Marina Alvarado de Díaz, Peruvian International Cooperation Agency representative in the Technical Committee
- Antolin Huascar Flores, President of the Confederación Nacional Agraria, former representative of the indigenous organizations in the Technical Committee
- Giancarlo Castiglione Guerra, Chief Executive Officer, Forum Solidariedad Peru, Peruvian civil society representative in the Technical Committee
- Riccardo Moro, Italian Co-Director
- Maria Pia Dradi, former Italian Co-Director, Directorate General on Development Cooperation
- Sandro Targa, former Italian Co-Director
- Fernando Lituma Agüero, Peruvian Co-Director
- José Luis Cedrón Silva, Chief officer, Administrative Office

- Germán Ugaz Sánchez Moreno, Legal Counselor
- David Marrufo Zúñiga, Chief Officer, Technical Office
- Daniele Tognoli, Assistant of the Italian Co-Director
- Beatriz Becerra, Officer, Technical Office

### **Other key informants**

- Federico Arnillas Lafert, President, National Roundtable for the Fights Against Poverty
- Juan Humberto Ortiz Roca, Director, Comisión Episcopal de Acción Social
- Teodoro Sanz, General Manager, jointly with other 3 monitors from SASE Consultores
- 6 persons from the COIPE, body representing the Italian NGOs active in Peru
- Marco Gaspari, Technical Local Unit, Italian Ministry of Foreign Affairs

### **Project led by CESVI**

- Giovanna Fortuni, CESVI coordinator for Peru, with 3 persons from the project's staff
- 4 primary school pupils and Edwin Medina, school principal, San Jose Obrero School of Villa Maria del Triunfo
- Luis Llanos, Chief Officer on Social development and social inclusion, San Juan de Miraflores municipality
- 11 persons representing the Red Joven Sur, the women in charge of the Central de Comedores Autogestionarios of Villa San Salvador, and other associations benefitted by the project

### **Project led by Caritas Huancayo**

- 5 persons from the project's staff
- Fernando Serrano, University of Saint Louis
- 4 persons from the local Roundtable for the Fight against Poverty
- 12 persons from the Roundtable on Environmental issues
- 6 students and 1 teacher of one of the target communities
- 2 beneficiaries of the income-generating component

- 14 environmental communicators

**Project led by the Junin Regional Government**

- Project manager and assistant
- 2 technicians that installed the cutting machinery
- President of the community Llocllapampa
- Person in charge of the extractive activities for the community of Llocllapampa

## ANNEX II

### TERMS OF REFERENCE



**MINISTERO DEGLI AFFARI ESTERI**

*DIREZIONE GENERALE PER LA COOPERAZIONE ALLO SVILUPPO*

*Ufficio IX*

*Sezione Valutazione*

**TERMINI DI RIFERIMENTO  
PER LA VALUTAZIONE INDIPENDENTE DEL PROGETTO:  
“PROGRAMMA DI CONVERSIONE DEL DEBITO - II FASE”  
PERU’**

**MINISTERO DEGLI AFFARI ESTERI**

***DIREZIONE GENERALE PER LA COOPERAZIONE ALLO SVILUPPO***

**TITOLO DEL PROGETTO:** “Programma di Conversione del Debito - II FASE”

**LUOGO DEL PROGETTO:** Perù

**LINGUA DEL PROGETTO:** Italiano, Inglese, Spagnolo

**BUDGET:** USD 72.000.000,00

## 1. Obiettivi del programma

Il programma di conversione del debito con il Perù prevede la conversione della parte del debito estero del Perù con l'Italia in progetti di sviluppo e lotta alla povertà. Tale programma viene attuato in base a due Accordi:

- il primo, firmato a Lima nel 2001, è entrato in vigore nel 2002 e si è concluso il 28 febbraio 2011. Tale accordo ha disciplinato l'utilizzo di circa 166 milioni di dollari (inclusi gli interessi), riconvertiti in iniziative di sviluppo in 12 regioni povere ed in alcune città principali del Paese.
- il secondo, firmato a Lima nel 2007 e prorogato fino al 31 dicembre 2014, disciplina l'utilizzo di ulteriori 72 milioni di USD (inclusi gli interessi) destinati a progetti di sviluppo comunitario, protezione ambientale e sviluppo sostenibile, con una particolare attenzione alla componente di genere quale tematica trasversale. Le aree di intervento (sette in tutto) sono state selezionate tenendo conto degli alti indici di povertà rurale.

### *Il Fondo Italo Peruviano.*

Con il primo Accordo, per amministrare le risorse della conversione è stato istituito il Fondo Italo Peruviano (FIP), un'istituzione di diritto privato, senza fini di lucro, regolamentata dalle leggi peruviane applicabili a tale categoria.

Sempre nell'ambito del primo accordo è stato istituito un Fondo di Contropartita (FC) nel quale far confluire le risorse della conversione (più interessi) in valuta locale.

Come organi decisionali del FIP, il primo Accordo ha istituito due Comitati:

- un Comitato Tecnico, preposto alla supervisione di tutte le principali attività del FIP nonché alla valutazione ex -ante dei progetti e alla presentazione al Comitato di Gestione delle proposte di finanziamento;
- un Comitato di Gestione (composto da Ambasciatore d'Italia e dal Ministro dell'Economia e Finanze peruviano o da suo delegato) con poteri decisionali sul finanziamento dei progetti.

Le priorità perseguite nel corso degli ultimi anni dal programma di conversione hanno cercato di rispondere alle congiunture locali e agli orientamenti del Governo peruviano dando un significato concreto al principio di *ownership* attraverso il coinvolgimento delle controparti locali sia nella definizione delle linee di azione sia nella fase di valutazione dei progetti di seguito elencati.

<b>Entidad Solicitante</b>	<b>Nombre del Proyecto</b>	<b>Región (es)</b>	<b>Sector</b>
Terra Nuova - Centro Per Il Voluntariado	Fortalecimiento Del Liderazgo Femenino En Gobiernos Locales Con El Pueblo Awajun	Amazonas	Formación Capacidades Locales
Cáritas del Perú	Desarrollo de la Agroindustria Local de Productos Lácteos y Frutícolas con Enfoque de Genero en las Provincias de Rodríguez de Mendoza, Luya y Chachapoyas, Región Amazonas	Amazonas	Desarrollo Productivo y Comercial
Organismo para el Desarrollo Integral Sostenible - ODEINS	Mejoramiento de la Calidad de Vida de la Población de 3 Distritos Ubicados en el Ámbito del VRAE, través de la Instalación y Comercialización de los Cultivos de Sacha Inchi y Cacao	Junín	Desarrollo Productivo y Comercial
Asociación de Promoción Agraria y Defensa de la Vida - AGROVIDA	Promoción del Desarrollo Socioeconómico con Igualdad de Oportunidades entre Hombres y Mujeres en el Distrito de Cumba	Amazonas	Desarrollo Productivo y Comercial
Cáritas Ayacucho	Desarrollo de Competencias Emprendedoras y Empresariales de las Mujeres en Situación de Pobreza de la Provincia de Huamanga-Ayacucho	Ayacucho	Formación Capacidades Locales
Centro de Estudios para la Democracia y el Desarrollo - CEDEDE	Capacitación e Inclusión de la Mujer en Actividades Productivas y así mismo dar Soporte Educativo y de Salud a los Niños con la Aplicación de Algunos Rubros del Programa Sembrando	Junín	Infraestructura Básica
Centro de Estudios para la Democracia y el Desarrollo - CEDEDE	Mejora de Ingresos de Pequeños Agricultores - Hombres y Mujeres - Jefes de Familia de 11 Distritos de Rodríguez de Mendoza con la Producción de Sacha Inchi	Amazonas	Desarrollo Productivo y Comercial
Instituto para la Investigación y el Desarrollo Económico y Social de Huancavelica- INIDES	Fortalecimiento de la Actividad Pecuaria en Comunidades en Extrema Pobreza en la Cuenca del Río San Antonio de los Distritos de Cusicancha y Huayacundo Arma de la Prov. de Huaytará Región Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
Cáritas Diocesana Huancavelica	Fortalecimiento de la Seguridad Alimentaria en las Localidades De Extrema Pobreza en la Provincia de Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
Instituto de Desarrollo Regional Cesar Vallejo – IDER CV	Perforación y Electrificación de Pozos Tubulares para la Generación de Ingresos de Pequeños Productores Frutícolas del Distrito Matapalo de la Microcuenca del Rio Zarumilla del Departamento de Tumbes.	Tumbes	Desarrollo Productivo y Comercial

Terra Nuova - Centro Per Il Volontariato	Desarrollo Comunitario y Promoción de la Economía Indígena de los Pueblos Shawi y Awajún de las Cuencas de Cahuapanas-Sillay y Parapapura	Loreto	Desarrollo Productivo y Comercial
Gobierno Regional de Loreto	Mejoramiento de la Educación Rural en el Nivel Secundario a través de los Centros de Alternancia, en las Cuencas de los Ríos Napo, Pisqui y Chambira en la Región Loreto	Loreto	Infraestructura Básica
Municipalidad Distrital de Sicaya	Incremento de la Productividad Agropecuaria Mediante la Instalación de un Sistema de Riego por Aspersión e Inserción a Cadenas Productivas en el Distrito de Sicaya	Junín	Desarrollo Productivo y Comercial
Municipalidad Distrital de Chungui	Articulación Vial y Desarrollo Productivo de la Zona Alto Andina con la Cuenca del Valle Del Río Apurímac (VRAE) en el Distrito de Chungui	Ayacucho	Infraestructura Básica
Associazione Volontari per il Servizio Internazionale - AVSI	Reconstruir Juntos	Ica	Formación Capacidades Locales
Servicios Educativos Promoción y Apoyo Rural -SEPAR( ex Municipalidad Provincial de Jauja)	Mejoramiento de la Producción y Comercialización de Carne de Cuy en la Prov. de Jauja, para el Mercado Nacional y de Exportación Procuy - Región Wanka Junín	Junín	Desarrollo Productivo y Comercial
Gobierno Regional de Amazonas	Desarrollo y Manejo Sostenible de los Recursos Forestales en la Zona Alta de la Microcuenca del Río Jucusbamba - Región Amazonas	Amazonas	Protección del Medio Ambiente
Cáritas del Vicariato Apostólico de Yurimaguas - Cáritas Vicarial Yurimaguas	Educación Para El Desarrollo Amazónico: Construcción e Implementación de la Institución Educativa Pública Primaria -Secundario Técnico Misional Goretti - Distrito de Lagunas, Perú	Loreto	Infraestructura Básica
Grupo Voluntariado Civil - (GVC)	Educación Con Derechos: El Acceso a la Educación de los Niños y Niñas Rurales en Apurímac	Apurímac	Social
Asociación Ministerio Diaconal Paz y Esperanza	Desarrollo y Equidad en El Perú, Sin Violencia Hacia La Mujer	Multiregional	Social
Municipalidad Distrital de Ocobamba	Mejoramiento Trocha Carrozable Circunvalación - Ocobamba	Apurímac	Infraestructura Básica
Municipalidad Provincial de Huancañé	Desarrollo Sostenible con Aprovechamiento de la Energía Eléctrica en la Provincia de Huancañé	Puno	Infraestructura Básica
ASPEM - Asociación Solidaridad Países	Chincha Segura y Habitable	Ica	Formación Capacidades

Emergentes			Locales
Gobierno Regional de Junín	Programa de Generación de Ingresos para Pequeños y Artesanales Productores de Mármol (Travertino) Organizados en una Red y Articulados en una Cadena Productiva - Instituto Regional Del Mármol de Junín	Junín	Desarrollo Productivo y Comercial
Grupo GEA	Vive Pachacamac, Formación De Capacidades Y Puesta En Valor De Recursos Comunitarios Para El Fomento Del Turismo Rural En El Distrito de Pachacamac	Lima	Desarrollo Productivo y Comercial
Movimiento Manuela Ramos -MMR	Casa del Bienestar, una Respuesta Comunitaria y Sostenible Liderada por Mujeres en las Provincias Acobamba, Angaraes y Huancavelica	Huancavelica	Social
Centro de Atención Psicosocial - CAPS	Promoviendo la Recuperación Psicosocial de los Afectados por la Violencia Política en el Distrito de Chilca Alta	Junín	Social
Municipalidad Distrital de Balsapuerto	Instalación de Plantaciones de Especies Forestales para Protección de Riberas , Uso Familiar y de Valor Comercial , en 15 Comunidades Ribereñas del Río Cachiyacu, Distrito de Balsapuerto, Provincia de Alto Amazonas , Región Loreto	Loreto	Protección del Medio Ambiente
Cooperazione e Sviluppo - CESVI	Fortalecimiento de Capacidades de Distintos Actores para la Prevención, Atención y Lucha Contra la Violencia a Niños, Niñas, Adolescentes y Jóvenes , y Promoción de sus Derechos Humanos , en el Marco de los Planes Concertados de Desarrollo Local	Lima	Formación Capacidades Locales
Oficina Nacional de Procesos Electorales - ONPE	Estudio de Validación de Estrategias e Instrumentos de Intervención para Promover el Ejercicio de los Derechos Políticos de las Mujeres en Distritos Pobres	Multiregional	Social
Acción por los Niños	Desarrollo de Capacidades con Enfoque de Género e Interculturalidad en Organizaciones de Mujeres y Niñas para la Prevención y la Atención Integral a las Víctimas de la Violencia Familiar en los Distritos de Satipo, Mazamari, Pangoa, de la Región Junín	Junín	Formación Capacidades Locales
CEDEDE: Centro de Estudios Para la Democracia y el Desarrollo	Mejoramiento de la Educación Secundaria Rural: Construcción e Implementación en el Distrito de Santo Domingo de Acobamba, Provincia de Huancayo, Junín	Junín	Infraestructura Básica
Movimiento Manuela Ramos - MMR	Cotabambas - Apurímac - Perú : Respuesta Comunitaria desde las Mujeres por sus Derechos y Contra la Violencia	Apurímac	Formación Capacidades Locales

AI.BI. Associazione Amici dei Bambini	Luz en el Camino - Fortaleciendo la Participación Ciudadana de Adolescentes Institucionalizada/os y Jóvenes Care Leavers en Lima Sur	Lima	Social
Universidad Católica Sede Sapientiae - UCSS	Mejora de la Educación Intercultural Bilingüe en las Escuelas de Inicial y Primaria de las Comunidades Indígenas, de la Provincia de Atalaya - Ucayali	Ucayali	Social
Asociación Cáritas del Perú	Proyecto de Desarrollo de Capacidades de Comunidades en el Marco de la Agroindustria, Investigación Arqueológica y del Turismo Sostenido - PROPOMAC	Lambayeque	Desarrollo Productivo y Comercial
Asociación Solidaridad Países Emergentes - ASPEM	Cerros Seguros en el Distrito de El Agustino: Una Respuesta Social Frente al Abuso Sexual de Niñas	Lima	Social
Municipalidad Provincial de Bagua	Fortalecimiento Técnico de la Caficultura en Copallín, La Peca y Aramango de la Provincia de Bagua	Amazonas	Desarrollo Productivo y Comercial
Centro de Estudios y Promoción del Desarrollo - DESCO	Desarrollo de la Gestión Productiva del Cacao y de Cultivos Alternativos con Pequeños Productores de la Cuenca del Palcazu del Distrito de Palcazu - Oxapampa - Pasco	Pasco	Desarrollo Productivo y Comercial
Cáritas Arquidiocesana de Huancayo - Cáritas Huancayo	Fortalecimiento de la Cadena Productiva Agro Exportadora de la Alcachofa para la Promoción del Empleo Sostenido en la Región Junín	Junín	Desarrollo Productivo y Comercial
Centro de Investigación, Documentación, Educación, Asesoría y Servicios - CENTRO IDEAS	Hacia la Consolidación de la Democracia, con la Participación Equitativa de Hombres y Mujeres en la Gestión del Desarrollo Local en 09 Distritos de los Departamentos de Lima, Junín y Apurímac	Multiregional	Social
Fomento de la Vida - FOVIDA	Producción y Enegocios de Hierbas Aromáticas en la Provincia de Tayacaja, Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
Asociación Cáritas Huari	Desarrollo Económico Productivo de Actividades Agropecuarias en 24 Comunidades Altoandinas de los Distritos de Huaycabamba y Cochabamba en la Provincia de Huaycabamba, Región Huánuco	Huánuco	Desarrollo Productivo y Comercial
Asociación Cáritas Huari	Desarrollo Económico - Productivo de Actividades Agropecuarias y Mejoramiento del Medio Ambiente en 28 Comunidades Rurales de los Distritos de Canchabamba y Pinra de la Provincia de Huacaybamba, Región Huánuco	Huánuco	Desarrollo Productivo y Comercial

Municipalidad Provincial de Maynas	Construcción e Implementación Casa de la Amistad Ítalo Peruano para la Atención Integral de la Mujer y la Juventud , Distritos de Iquitos , Belén, San Juan y Punchana Provincia de Maynas Loreto	Loreto	Infraestructura Básica
Municipalidad Distrital de Incahuasi	Dinamización y Sostenibilidad de las Actividades Productivas y Económicas de las Mujeres para Mejorar las Condiciones de Vida de las Familias Campesinas de las Microcuencas Totoras, Tembladera Tungula y Lanchipampa en el Distrito de Incahuasi	Lambayeque	Desarrollo Productivo y Comercial
Municipalidad Distrital de Quinua	Instalación de Especies Forestales en Suelos Degradados a Nivel Distrital, Distrito de Quinua, Huamanga - Ayacucho	Ayacucho	Protección del Medio Ambiente
Cáritas Arquidiocesana de Huancayo	Fortalecimiento de la Gestión Ambiental para la Lucha Contra la Contaminación en la Zona Alta y Media de la Cuenca del Río Mantaro Junín	Junín	Protección del Medio Ambiente
Centro de Estudios Sociales "Solidaridad"	Desarrollo de Capacidades Económicas de las Mujeres de los Distritos de Jumbilla, Asunción, Olleros y Quinjalca de la Cuenca del Imaza - Región Amazonas	Amazonas	Desarrollo Productivo y Comercial
Municipalidad Distrital de Magdalena	Implementación del Programa de Asistencia Social en la Salud (Leishmaniosis y materno perinatal) con enfoque de género e Interculturalidad en la Microcuenca del Alto Utcubamaba - Distrito de Magdalena - Provincia de Chachapoyas - Amazonas	Amazonas	Social
Instituto Para La Investigación y El Desarrollo Económico y Social - INIDES	Sostenibilidad de la Producción Agropecuaria para el Mejoramiento de los Ingresos en las Comunidades Campesinas Altas de los Distritos de Anco y Colcabamba en la Región Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
Asociación Civil para la Preservación y el Desarrollo Sostenible de la Amazonía - Green Life	Cadena Productiva de Acuicultura Multifamiliar como Alternativa a la Sobreexplotación de Recursos Hidrobiológicos, en Cinco Comunidades de la Cuenca Baja del Río Parapapura	Loreto	Desarrollo Productivo y Comercial
Instituto de Investigación y Promoción Social del Norte - IDIPS	Desarrollo Sostenible con Biodiversidad Productiva en las Familias Extremadamente Pobres del Distrito de Antabamba	Apurímac	Infraestructura Básica



Centro de la Mujer Peruana Flora Tristán	Fortalecimiento de las Capacidades de las Mujeres y sus Organizaciones Sociales para Contribuir a la Igualdad de Género y el Desarrollo Local de la Provincia de Lucanas - Ayacucho	Ayacucho	Formación Capacidades Locales
Municipalidad Distrital de Río Negro	Timakotantsi Kimoshiri Promoviendo la Adecuación Cultural de los Servicios de Salud Materno Perinatal para las Mujeres y Niños/as del Distrito de Río Negro	Junín	Social
Instituto de Desarrollo Regional Cesar Vallejo – IDER CV	Mejorando el Acceso a la Salud Integral en las Zonas más necesitadas de la Red de Salud de Bagua - Región Amazonas	Amazonas	Social
Gobierno Regional de Loreto - GOREL	Puesta en Valor de la Cuenca Baja del Rio Nanay para el Desarrollo de Turismo Justo	Loreto	Formación Capacidades Locales
Coordinadora Nacional de Derechos Humanos - CNDDHH	Victimas de Huánuco Ejercen su Ciudadanía y la Comunidad Mejora Mecanismos para Resolver Conflictos en el Marco del Proceso de Reconciliación	Huánuco	Social
Municipalidad Distrital de Vinchos	Construcción, Mejoramiento y Equipamiento de la I.E Secundaria Haya de la Torre de Arizona, Distrito de Vinchos, Provincia de Huamanga - Ayacucho	Ayacucho	Infraestructura Básica
CEDEDE: Centro de Estudios Para la Democracia y el Desarrollo	Cuidando la Vida, Protección Integral a Mujeres, Niñas, Niños y Adolescentes Frente a la Violencia de Género	Huánuco	Infraestructura Básica
Municipalidad Provincial de Cangallo	Fortalecimiento de los Sistemas de Producción, Transformación y Comercialización de Productos Agropecuarios en las Comunidades Alto Andinas de la Provincia de Cangallo - Ayacucho	Ayacucho	Desarrollo Productivo y Comercial
Municipalidad Distrital de Paucartambo	Construcción de Trocha Carrozable de Tingo Hualca - Marapata	Pasco	Infraestructura Básica
CESVI Fondazione ONLUS	Fortalecimiento de Capacidades de las Comunidades Nativas y Ribereñas para el Aprovechamiento Sostenible e Integral de los Bosques en las Cuencas del Tigre y Amazonas - Loreto	Loreto	Formación Capacidades Locales

Terra Nuova - Centro Per Il Volontariato	Ainbobo Koshiati: Derechos a la Participación Ciudadana de las Mujeres Indígenas y Ribereñas de los Distritos de Padre Márquez (Loreto), Iparia y Masisea (Ucayali)	Multiregional	Social
Organismo para el Desarrollo Integral Sostenible - ODEINS	Desarrollo Económico Productivo con Responsabilidad Ambiental y Equidad de Género en el Eje Vial de la Inter Oceánica - Madre de Dios	Madre de Dios	Desarrollo Productivo y Comercial
Asociación de Voluntarios para el Servicio Internacional - AVSI	Promoción de Competitividad de Productores de Café y Cacao en las Provincias de Bagua y Utcubamba	Amazonas	Desarrollo Productivo y Comercial
Municipalidad Provincial Castrovirreyna	Desarrollo Socio Económico Productivo Frutícola en la Cuenca del Río San Juan mediante la Potenciación del Vivero de Yanapampa y Producción Frutícola en 06 distritos de la Provincia de Castrovirreyna, Dpto. de Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
CEDEDE: Centro de Estudios Para la Democracia y el Desarrollo	Fortalecimiento de la Cadena Productiva de Café con Enfoque de Género en el Valle de Huayabamba, Región Amazonas	Amazonas	Desarrollo Productivo y Comercial
Centro de Estudios Sociales "Solidaridad"	Mejora de las Capacidades de las Mujeres, Desarrollando sus Iniciativas Económicas, Organizadas en Redes Sociales Empresariales, en los Distritos de Bongara - Amazonas	Amazonas	Desarrollo Productivo y Comercial
Asociación para la Investigación y Desarrollo Integral - AIDER	Fortalecimiento de la Artesanía en Comunidades Shipibo Konibo de la Región Ucayali	Ucayali	Formación Capacidades Locales
Centro Andino de Educación y Promoción José María Arguedas	Fortalecimiento de las Capacidades de los Actores Locales por la Defensa de los Recursos Naturales y la Biodiversidad	Apurímac	Formación Capacidades Locales
Centro de Desarrollo Integral de Comunidades - CEDINCO	Mejorando la Calidad de Vida de las Comunidades de Pazos y Huaribamba con los Chips de Papas Nativas de Colores en Tayacaja - Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
Centro di Educazione Sanitaria e Technologie Appropriate Sanitarie - CESTAS	Construcción de Mecanismos para Promover el Desarrollo Integrado en el Distrito Pangoa, Región Junín, Perú, Fortaleciendo la Dignidad de las Poblaciones Afectadas por la Extrema Pobreza	Junín	Social

Servicios Educativos Promoción y Apoyo Rural - SEPAR	Desarrollo Agropecuario Comunal Competitivo de Pequeños Productores y Productoras Con IOHM en la Microcuenca del Río Chinchihuasi - Churcampa - Huancavelica	Huancavelica	Infraestructura Básica
Municipalidad Distrital de Cholón	Rehabilitación, Mejora de Plantaciones de Cacao, con Enfoque Empresarial y Equidad de Género como Estrategia para el Desarrollo Sostenible de Yanajanca La Morada y Paraíso del Distrito de Cholón Provincia de Marañón	Huánuco	Desarrollo Productivo y Comercial
Cáritas del Perú	Desarrollo de la Cadena Productiva de Lácteos en las Provincias de Parinacochas y Paucar del Sara Sara, Sur de la Región Ayacucho	Ayacucho	Desarrollo Productivo y Comercial
Instituto Promoción y Desarrollo Agrario - IPDA	Incremento de la Oferta Laboral para Mujeres de Poblaciones Urbano Marginales del Cono Este de Lima, a través de la Mejora de la Productividad, Comercialización y Transformación de la Carne de Cuy	Lima	Desarrollo Productivo y Comercial
Municipalidad Distrital de Callanmarca	Mejoramiento de la Capacidad Resolutiva del Puesto de Salud de Callanmarca del Distrito de Callanmarca, Provincia de Angaraes y Departamento de Huancavelica	Huancavelica	Infraestructura Básica
Universidad Católica Sede Sapientiae - UCSS	Fortalecimiento del Centro Cultural Santa Rosa CETPRO Villaregia, mediante la Ampliación y Equipamiento de Nuevas Especializaciones con la Finalidad de Contribuir a la Formación Técnica, el Desarrollo de Valores y Reducir la Violencia y Marginación de Jóvenes-Villa Maria del Triunfo	Lima	Social
Asociación Instituto Mundo Libre	Casa para la Atención Integral del Niño y la Niña, la Mujer y la Juventud, en el Distrito de Pachacamac	Lima	Infraestructura Básica
San Javier del Perú	Desarrollo de Potencialidades Productivas Agrícolas con Equidad de Género dirigido a Nichos de Mercado con Productores Organizados en la Zona Centro de la Provincia de Huancavelica	Huancavelica	Desarrollo Productivo y Comercial
Asociación de Países Emergentes ASPEM	Promoviendo Ciudadanía para una Vida Saludable y Digna En Lomas de Carabayllo	Lima	Formación Capacidades Locales

Instituto de Desarrollo Regional Cesar Vallejo – IDER CV	Electrificación Rural para la Generación de Ingresos Económicos de los Pequeño(a)s Productores Frutícolas de la Comunidad Campesina de Sayán - Lima	Lima	Desarrollo Productivo y Comercial
Proyecto Especial Huallaga Central y Bajo Mayo	Recuperación y Manejo de la Palmera Piasaba (Aphandra Natalia) en el Distrito de Chazuta	San Martín	Desarrollo Productivo y Comercial
Municipalidad Distrital de Pucará - MDP	Mejoramiento de la Seguridad Alimentaria y Condiciones de Genero Mediante el Desarrollo de Capacidades y Fortalecimiento de la Cadena de Valor Agropecuario y Forestal en la Subcuenca del Río Chanchas en el Distrito de Pucará	Junín	Desarrollo Productivo y Comercial
Grupo GEA	Caminando con el Apu Pariacaca: Promoción del Turismo Rural Comunitario Asociado al Camino Inca del Nevado Pariacaca para la Conservación Ambiental y el Desarrollo Económico de las Poblaciones Alto-Andinas de la Rpnyc	Lima	Desarrollo Productivo y Comercial
Municipalidad Distrital de Balsas	Acondicionamiento - Manejo de Bosques y Alternativas Agrocomerciales con Enfoque de Genero para el Desarrollo Agrario del Distrito de Balsas - Región Amazonas	Amazonas	Desarrollo Productivo y Comercial
Cáritas Ayacucho	Desarrollo de la Producción Tecnificada de Cuyes con Participación de Mujeres Campesinas Emprendedoras en Comunidades Alto Andinas de la Provincia de Huamanga	Ayacucho	Infraestructura Básica

## 2. Utilità della valutazione

La valutazione dovrà accertare la coerenza tra la politica della Cooperazione Italiana e gli obiettivi degli attori coinvolti., relativamente alle politiche della DGCS ed alle priorità del Governo peruviano. Dovrà essere prevista una valutazione sul funzionamento del Fondo Italo Peruviano.

La valutazione dovrebbe altresì accertare, che l'utilizzo delle risorse della Conversione avvenga in conformità a quanto previsto dall'Accordo e dal relativo Regolamento d'attuazione nonché alle *best practice* adottate nella sua esecuzione al fine di garantire trasparenza nelle procedure di selezione dei progetti e nella contrattazione dei servizi in loco.

La valutazione dovrà pervenire a un giudizio generale sul grado in cui le strategie e il programma di riconversione contribuirà al raggiungimento degli obiettivi e dell'impatto previsto con l'ausilio di domande di valutazione.

Le conclusioni della valutazione saranno basate su risultati obiettivi, credibili, affidabili e validi e dovranno fornire alla Cooperazione Italiana raccomandazioni utili e operative.

L'utilità della valutazione è la seguente:

- rendere conto ai vari interlocutori esterni (Parlamento e opinione pubblica) sulle attività svolte attraverso un quadro conoscitivo degli esiti conseguiti;
- condividere le esperienze acquisite al fine di poter indirizzare i futuri finanziamenti nel settore creditizio in Perù.

### 3. Scopo della valutazione

La valutazione dovrà :

- esprimere un giudizio sulla rilevanza degli obiettivi e sul loro grado di raggiungimento;
- esprimere un giudizio su efficienza, efficacia, impatto e sostenibilità del progetto;
- esaminare il Progetto nella sua completezza, per identificare le buone pratiche e le lezioni apprese, in modo da usarle come base conoscitiva per sviluppare i futuri pacchetti d'assistenza;
- analizzare le strategie e le modalità d'implementazione, come fornire raccomandazioni da integrare nei programmi di conversione del debito in Perù;
- tenere in considerazione i fattori di sostenibilità e l'impatto che l'implementazione di tale programma avrà sulle condizioni socio-economiche del Paese;
- stimare i risultati e l'effettività del programma di conversione del debito.

### 4. Quadro analitico suggerito

Il *team* di valutazione può includere altri aspetti congrui allo scopo della valutazione.

I criteri di valutazione si basano sui seguenti aspetti:

- **Rilevanza:** Il team di valutazione dovrà verificare il grado in cui il Progetto tiene conto del contesto e dei problemi del Paese. La valutazione riesaminerà la misura con la quale gli obiettivi del Progetto sono coerenti con i requisiti e le esigenze del beneficiario. La valutazione, inoltre, stimerà se l'approccio è strategico e in che misura sono state usate le

risorse per l'attuazione del Progetto. Nel valutare la rilevanza delle iniziative bisognerà tenere conto: 1) in che misura gli obiettivi delle iniziative sono validi, 2) in che misura gli obiettivi delle iniziative sono coerenti, 3) della percezione dell'utilità delle iniziative da parte del destinatario.

- **Validità del *design* dei progetti:** La valutazione riesaminerà la misura con la quale il *design* dei progetti è stato logico e coerente.
- **Efficienza:** Analisi dell'ottimizzazione nell'utilizzo delle risorse per conseguire i risultati dei Progetti. Nel valutare l'efficienza sarà utile considerare: a) se i risultati sono stati raggiunti con i costi previsti, b) se i risultati sono stati raggiunti nel tempo previsto, c) se l'alternativa utilizzata era la più efficiente (minori costi o minori tempi) rispetto alle altre. La valutazione indicherà come le risorse e gli *inputs* sono stati convertiti in risultati.
- **Efficacia:** La valutazione misurerà il grado e l'entità di raggiungimento degli obiettivi dei programmi. Nel valutare l'efficacia dei progetti sarà utile: 1) considerare se gli obiettivi, generale e specifico del progetto, sono stati chiaramente identificati e quantificati, 2) verificare se le caratteristiche progettuali sono coerenti con il relativo obiettivo generale e obiettivo specifico, 3) verificare in che misura gli obiettivi generali sono stati raggiunti, 4) analizzare i principali fattori che hanno influenzato il raggiungimento degli obiettivi.
- **Impatto:** La valutazione misurerà gli effetti diretti ed indiretti determinati dal progetto nel contesto di riferimento. Nel valutare l'impatto si dovrà tenere conto dei reali cambiamenti che l'iniziativa ha prodotto nella collettività. La valutazione stimerà l'orientamento strategico del progetto in relazione al contributo apportato.
- **Sostenibilità:** Si valuterà la capacità del progetto di produrre e riprodurre benefici nel tempo. Nel valutare la sostenibilità del progetto sarà utile: a) considerare in che misura i benefici di questo continuano anche dopo che è cessato l'aiuto della DGCS, b) verificare i principali fattori che hanno influenzato il raggiungimento o il non raggiungimento della sostenibilità del progetto.

## 5. Outputs

Gli *outputs* dell'esercizio saranno:

- Un rapporto finale in inglese ed in italiano con i risultati e le raccomandazioni, in formato cartaceo (dieci copie rilegate per ogni versione) ed elettronico (Word e PDF).
- Quattro pagine di sommario del Rapporto di Valutazione in inglese e in italiano.

## 6. Metodologia

### *Data Collection:*

Il team di valutazione userà un metodo di approccio multiplo che includerà la revisione della documentazione, l'analisi dei dati derivanti dalle attività di monitoraggio, le interviste individuali, i focus groups e la visita delle zone interessate dai progetti.

Il metodo finale selezionato dal team di valutazione dovrà tenere conto degli obiettivi della valutazione e delle domande di valutazione.

A questo scopo, la proposta tecnica dovrà:

- a. Identificare la metodologia;
- b. Stabilire il livello di partecipazione degli stakeholders alla valutazione.

Le domande di valutazione si basano sul rapporto esistente tra input e output (efficienza), tra output e outcome (efficacia), tra risultati e impatto (rilevanza). I dettagli sono rinvenibili nella Matrice di Valutazione (Figura 1).

E' interessante sapere se i risultati – o l'impatto, se misurabile - sono sostenibili.

Il duplice scopo della valutazione spiega l'inclusione di molte domande di valutazione, ciò grazie alle lezioni apprese dall'esperienza.

### *Efficienza, efficacia e rilevanza*

#### *Efficienza*

Per entrare nel merito dell'efficienza della conversione del debito non è sufficiente determinare soltanto una rendicontazione delle spese di transazione, ma anche investigare sulle forme e le modalità impiegate. Inoltre, è necessario considerare le condizioni imposte ai beneficiari, come il processo di preparazione e il processo di decision-making e di implementazione di conversione del debito.

Ciò dovrebbe essere comparato ai risultati diretti, in particolare alla luce della riduzione del peso del debito, del capitale del debito, delle variazioni della spesa pubblica e della bilancia dei pagamenti e della spesa corrente.

La valutazione dovrà appurare se le condizioni imposte sono state rispettate e che ruolo hanno giocato nel raggiungimento degli scopi fissati.

La domanda sull'efficienza include anche il counterfactual. In generale, con il termine counterfactual si indica la situazione immaginaria che si sarebbe profilata in assenza della conversione del debito, incluse le condizioni politiche.

In questo contesto, dovranno essere affrontati anche gli argomenti correlati, come ad esempio: l'ammontare del debito cancellato, e riportato come ODA (Official Development Assistance), era addizionale al flusso ODA verso il Perù da parte dei creditori coinvolti nel prestito del debito?

L'ultima domanda si baserà sulle statistiche DAC delle performance ODA dei membri DAC.

### *Efficacia*

L'intervento di conversione del debito è accordato con l'obiettivo di raggiungere specifici risultati. Il più ovvio di questi è rendere il peso del debito di un Paese, divenuto oramai insopportabile, più sostenibile. Ciò si raggiunge cercando di portare a pareggio la relazione tra debiti ed esportazioni, e tra il debito totale e il PIL. Inoltre, ridurre lo stock del debito significa che, riducendo l'eccedenza del debito, si incentivano gli investimenti e si aumenta la capacità di credito internazionale (e quindi l'afflusso di capitale privato).

L'apertura dei fondi ODA è giustificata dall'obiettivo di cooperazione allo sviluppo: la riduzione della povertà. La domanda sull'efficacia della conversione del debito deve perciò concentrarsi anche sugli outcomes o sugli impatti a livello micro, per esempio a livello familiare o commerciale.

### *Rilevanza*

La rilevanza fa riferimento alla misura in cui gli input, attraverso gli output e i risultati contribuiscono all'impatto.

### *Domande sulla valutazione*

#### **Le principali domande sulla valutazione sono:**

- 1) Quale sviluppo politico, economico e istituzionale è correlato all'ammontare del prestito sul debito?
- 2) I prestiti sul debito sono riusciti a renderne il peso sostenibile?
- 3) Quale ruolo hanno avuto le condizioni che vincolavano l'accordo sul debito?
- 4) Le modalità operative definite nell'Accordo di conversione e nel relativo Regolamento di attuazione nonché le *best practice* (meccanismo delle convocatorias) adottate per la sua esecuzione sono state coerentemente applicate?
- 5) I risultati sono sostenibili?
- 6) Quali lezioni si possono apprendere riguardo la validità e la pertinenza della teoria di intervento di conversione del debito quale contributo alla crescita economica e alla riduzione della povertà?

Elaborazione delle principali domande di valutazione:

- 1) ***Quale sviluppo politico, economico e istituzionale è correlato all'ammontare del prestito sul debito?***



Quando appropriato, le risposte alle domande devono specificare in che misura i diversi livelli statali sono stati implicati nel processo.

Domande supplementari:

- a) Qual è stata l'origine e la natura del debito sovrano e la ragione del problema sul debito?
- b) Chi sono stati gli attori principali in Perù nella fase di preparazione del prestito sul debito e quale ruolo hanno ricoperto?
- c) Quale era la politica sul debito del Perù, in particolare la politica di gestione del debito?
- d) Quali risultati ha ottenuto il Governo Peruviano concludendo l'accordo riguardante il prestito sul debito?
- e) Quali risultati ha ottenuto l'Italia concludendo l'accordo riguardante il prestito sul debito?
- f) Qual è stata la politica di gestione del debito dell'Italia? Quale riflesso ha avuto questa sull'accordo riguardante il prestito sul debito e sulle condizioni che lo accompagnavano?
- g) Come si è arrivati all'accordo sulla conversione del debito e come esso si colloca all'interno della politica sulla conversione del debito a livello internazionale?
- h) In termini di *ownership*, chi è il detentore del processo dell'accordo sulla conversione del debito?

## **2) *I prestiti sul debito sono riusciti a renderne il peso sostenibile?***

Domande supplementari:

- a) Se la risposta alla domanda "I prestiti sul debito sono riusciti a renderne il peso sostenibile?" è affermativa, individuare i fattori che hanno contribuito a questo risultato;
- b) Se la risposta alla domanda "I prestiti sul debito sono riusciti a renderne il peso sostenibile?" è negativa, interrogarsi sui fattori che hanno contribuito a questo risultato;
- c) Sono stati coinvolti altri creditori – all'infuori dell'Italia – nell'alleggerimento del debito in Perù in seguito alla prima fase e che ruolo ha avuto l'Italia?;
- d) Quale ruolo ha avuto il FIP? Questa domanda si dovrà fare anche riguardo l'autorità che ha contratto il prestito.
- e) Le altre istituzioni in Perù hanno ricoperto qualche ruolo manageriale del debito del paese e nel conseguimento di un debito sostenibile?
- f) In seguito al prestito sul debito, lo status del Perù è cambiato da LIC a MIC? Se sì, ciò può essere attribuito al prestito sul debito? Se no, per quale ragione?

## **3) *Quale ruolo hanno avuto le condizioni che vincolavano l'accordo sul debito?***

Si esamini la relazione tra i singoli *input* e *output*, e la relazione tra *output* e risultati. Inoltre si indirizzeranno qui, sia le domande riguardanti l'efficienza che quelle riguardanti l'efficacia.

Domande supplementari:

- a) Quali misure sono adottate dal programma del prestito sul debito per la riduzione della povertà nell'area? Si quantifichi il contributo delle politiche, degli investimenti e delle riforme finalizzate alla riduzione della povertà;
- b) La spesa pubblica era a sostegno della fascia povera della popolazione (a livello statale e locale)?
- c) Le politiche monetarie e fiscali erano a sostegno della fascia povera della popolazione?
- d) Qual è lo status del Perù nel raggiungimento dei MDGs e, in particolare, cosa è stato raggiunto dal prestito sul debito? Ci sono altre differenze notevoli tra stati e, se sì, quali sono le ragioni?
- e) Qual è il trend di povertà del Perù?

#### ***4) I risultati sono sostenibili?***

Questa domanda si concentrerà:

- a) sul peso del debito, ad esempio il miglioramento prolungato della sostenibilità del debito;
- b) sul miglioramento sostenibile del quadro macroeconomico che contribuisce alla crescita economica;
- c) sul miglioramento sostenibile nel management della finanza pubblica – inclusa la gestione del debito pubblico – con particolare attenzione agli effetti sostenibili nei processi di pianificazione, rendicontazione, implementazione, *governance* e contabilità delle spese;
- d) sul miglioramento sostenibile del conto attuale della bilancia dei pagamenti;
- e) sul miglioramento sostenibile delle condizioni di intensificazione della lotta alla corruzione e alla povertà.

#### ***5) Quali lezioni si possono apprendere riguardo la validità e la pertinenza della teoria di intervento di conversione del debito quale contributo alla crescita economica e alla riduzione della povertà?***

Le risposte alle domande precedenti dovranno essere redatte secondo la matrice di valutazione della *figura 1*. La matrice necessiterà di aggiustamenti nel corso della valutazione. Successivamente, durante l'ultima fase della valutazione, la risposta a questa domanda risulterà dalle raccomandazioni finalizzate a migliorare la teoria esistente.

## **La logica dell'intervento**

La logica dell'intervento (intervention theory) si basa sull'assunto che la conversione del debito può rendere il debito sostenibile in due modi, e su questa base essa contribuisce alla crescita economica e/o alla riduzione della povertà attraverso:

- 1) Miglioramento della liquidità: alleviando l'impegno del mantenimento del debito (interessi e principali impegni di restituzione), l'aumento delle risorse disponibili può essere usato come importo addizionale per la spesa pubblica. Ciò può, a sua volta, contribuire alla crescita economica attraverso un aumento degli investimenti privati, un uso migliore delle merci capitali disponibili, un aumento delle spese nel settore sociale e maggiori investimenti pubblici.
- 2) Miglioramento della solvenza del paese: riducendo il peso del debito (stock del debito) del paese beneficiario si migliorerà la sua capacità di credito, si incoraggeranno gli investimenti, l'afflusso di capitale privato straniero e la disponibilità di maggiore capitale privato interno. Ciò a sua volta contribuirà alla crescita economica e, in alcune circostanze, alla riduzione della povertà.

In aggiunta a ciò, è necessario individuare un altro effetto o miglioramento: l'opportunità di un nuovo fondo e il supporto generato per concentrare e rinnovare l'enfasi su specifici investimenti (sociali) può creare un catalizzatore per migliorare la pianificazione, la *governance*, la coordinazione e la responsabilità. La conversione del debito, perciò, fornisce un'opportunità per infondere le *best practices*, riforme istituzionali e un nuovo programma al fine di raggiungere un obiettivo nazionale identificato a priori.

**Figura 1 Matrice di valutazione della Conversione del Debito in Perù**

<b>Obiettivi – significato</b>	<b>Indicatori</b>	<b>Fonti</b>	<b>Valutazione</b>
Input			
- Spese e modalità della conversione del debito - Dialogo politico	- Ammontare della spesa - Condizioni	Documenti parlamentari, policy papers, archivi/files del Ministero degli Affari Esteri, del Ministero della Finanza; Memorandum per la conversione del debito e altri documenti, Global Development Finance; FMI/WB Country Reports....  Interviste	
<b>Comparazione tra input e output</b>			<b>Efficienza</b>

Output			
<ul style="list-style-type: none"> <li>- Riduzione del debito e del “<i>servizio sul debito</i>”</li> <li>-Aumento degli importi</li> <li>-Aumento delle spese del governo peruviano</li> <li>- Cambiamenti nelle politiche</li> <li>- Cambiamenti nella governance</li> </ul>	<p>Debito totale (nominale al netto del valore presente);</p> <p>pagamento e ammortizzamento degli interessi;</p> <p>bilancia dei pagamenti;</p> <p>conti governativi;</p> <p>riforme del settore pubblico;</p> <p>misure e spese pro-poveri;</p> <p>misure anti-corruzione;</p>	<p>Global Development Finance; indicatori dello Sviluppo Mondiale; Country Reports del FMI/WB;</p> <p>Consultazione dell’Articolo 4 del FMI; statistiche e policy papers del Perù; interviste</p>	
<b>La misura in cui gli input, attraverso gli output, contribuiscono al raggiungimento dei risultati</b>			<b>Efficacia</b>
Risultati			
<ul style="list-style-type: none"> <li>-Riduzione del gravame del debito/ rendere il debito sostenibile</li> <li>-Aumento della capacità di credito</li> <li>- Miglioramento del clima degli investimenti</li> <li>-Miglioramento della gestione del debito</li> <li>-Diminuzione della povertà</li> </ul>	<p>Rapporto tra debito e PIL; rapporto tra impegno del debito ed esportazioni; Rating internazionale del credito; statistiche di impiego; indicatori di povertà/performance nei MDGs; budget a sostegno dei poveri</p>	<p>Global Development Finance; Indicatori dello Sviluppo Mondiale; Country Reports del FMI/WB; Consultazione dell’articolo 4 del FMI;</p> <p>Interviste</p>	
<b>La misura in cui gli input, attraverso gli output e i risultati, contribuiscono all’impatto</b>			<b>Rilevanza</b>
Impatto			
<ul style="list-style-type: none"> <li>- Crescita economica</li> <li>- Riduzione della povertà</li> </ul>	<p>Cambiamenti del PIL; Status nel raggiungimento dei MDGs</p>	<p>Indicatori di Sviluppo; Reports del FMI/WB;</p> <p>Interviste</p>	

### **Validation:**

Il team di valutazione userà diversi metodi (inclusa la triangolazione) al fine di assicurare che i dati rilevati siano validi.

### **Coinvolgimento degli stakeholders:**

Sarà usato un approccio inclusivo coinvolgendo un ampio numero di stakeholders e di partners.

Dovranno essere coinvolti rappresentanti di istituzioni sociali, governative, di organizzazioni della società civile, del settore privato e, più importanti, i beneficiari dei progetti.

La valutazione sarà effettuata attraverso analisi di varie fonti informative, indagini di dati derivanti dalle attività di monitoraggio dei vari settori, in particolare quello della conversione del debito. Inoltre saranno utilizzate interviste con le controparti governative, con i *partners* dei progetti, con i beneficiari diretti ovvero con la popolazione delle suddette zone, con i gestori e con lo *staff* dei progetti e le agenzie partner.

A questo scopo, il *team di valutazione* intraprenderà una missione in situ in Perù.

## **7. Piano di lavoro**

<b>1. Desk Analysis</b>	Revisione della documentazione relativa ai progetti.
<b>2. Field visit</b>	Il team di valutazione visita i luoghi dei progetti, intervista le parti interessate, i beneficiari e raccoglie informazioni supplementari.
<b>3. Rapporto di valutazione</b>	Bozza del rapporto di valutazione
<b>4. Commenti delle parti interessate e feedback</b>	La bozza della relazione circola tra le parti interessate per commenti e feedback. Queste vengono consolidate ed inviate al <i>team</i> di valutazione.
<b>5. Workshop</b>	Workshop sulla presentazione della bozza del rapporto di valutazione con relativo coinvolgimento delle parti interessate.

<b>6. Relazione finale</b>	Il team di valutazione mette a punto la relazione finale incorporando i commenti.
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E' previsto che il *team di valutazione* conduca consultazioni ed incontri con i rappresentanti delle seguenti istituzioni:

- Ministero degli Affari Esteri peruviano
- Ministero delle Finanze peruviano
- Vari Ministeri coinvolti;
- Istituzioni coinvolte.
- Fondo Italo Peruviano

## **8. Profilo del team di valutazione**

La valutazione dovrà essere svolta da un *team* di valutatori con avanzata conoscenza in cooperazione allo sviluppo e nella gestione di progetti di cooperazione. E' richiesta una buona esperienza nella conduzione di valutazioni per lo sviluppo. E' richiesto inoltre:

- Laurea magistrale;
- Esperienza in interviste, ricerche documentate, redazione e scrittura di relazioni;
- Eccellenti capacità analitiche e di sintesi;
- Eccellenti capacità comunicative e di scrittura;
- Eccellente padronanza della lingua Inglese.

## FORMATO SUGGERITO DEL RAPPORTO DI VALUTAZIONE

<b>Copertina</b>	Il file relativo alla prima pagina sarà fornito dall'Ufficio IX della DGCS.
<b>1. Sintesi</b>	Quadro generale che mette in rilievo i punti di forza e di debolezza del progetto. Max 4 pagine, focalizzandosi sulle lezioni apprese e raccomandazioni.
<b>2. Contesto del progetto</b>	<ul style="list-style-type: none"> <li>- Situazione paese</li> <li>- Breve descrizione delle necessità che il progetto ha inteso soddisfare</li> <li>- Analisi del quadro logico</li> <li>- Stato di realizzazione delle attività e stima dei tempi di completamento del progetto</li> </ul>
<b>3. Obiettivo</b>	<ul style="list-style-type: none"> <li>- Tipo di valutazione</li> <li>- Descrizione dello scopo e dell'utilità della valutazione</li> </ul>
<b>4. Quadro teorico e metodologico</b>	<ul style="list-style-type: none"> <li>- Gli obiettivi della valutazione</li> <li>- I criteri della valutazione</li> <li>- L'approccio e i principi metodologici adottati</li> <li>- Fonti informative: interviste, focus groups, site visit</li> <li>- Le difficoltà metodologiche incontrate</li> </ul>
<b>5. Verifica della realizzazione</b>	Verifica dei principali stadi di realizzazione del progetto.
<b>6. Presentazione dei risultati</b>	
<b>7. Conclusioni</b>	Concludere la valutazione facendola derivare dai risultati e dalle comunicazioni principali.
<b>8. Raccomandazioni</b>	Le raccomandazioni dovrebbero essere volte al miglioramento dei progetti futuri e delle strategie della DGCS.
<b>9. Lezioni apprese</b>	Osservazioni, intuizioni e riflessioni generate dalla valutazione, non esclusivamente relative all'ambito del progetto, ma originate dai findings e dalle raccomandazioni.
<b>10. Annexes</b>	Devono includere i TORs, la lista delle persone contattate e ogni altra informazione/documentazione rilevante.