

Country Name	Rural Development Project for Strengthening of Territorial Management System in Itapúa and Caazapá
Republic of Paraguay	

I. Project Outline

Background	<p>In Paraguay, agriculture is a key sector, representing 30% of GDP (2010) and 40% of exports (2012)¹. Employment in agriculture accounted for 25.6% (2010)² of the total employment. On the other hand, it was often pointed out that there was an evident economic disparity among big-scale farmers and small-scale farmers (smallholders). In order to solve that problem, the Government of Paraguay had provided a variety of assistance to smallholders. Nevertheless, the effectiveness of support to smallholders had not been satisfied due to factors such as a vertically divided top-down administrative system, lack of establishment of necessary technologies to support smallholders, absence of service delivery in terms of social development, limited capacity of extension workers and technicians, insufficient coordination between services for technology development, extension and financing, and limited capacity of local governments. In addition, the country promoted a territorial approach to implement rural development in each territory by combining several cities in the same province into a single region (territory). However, the country did not have any experiences in rural development based on the territorial approach, nor did it have an implementation structure for this. Therefore, it was necessary to implement a model project based on the territorial approach, develop rural development methodologies, and establish an implementation system.</p>				
Objectives of the Project	<p>Through the 1) establishment and strengthening of the Instancias³, 2) planning, implementation and evaluation of pilot rural development projects, 3) training of the stakeholders including the Ministry of Agriculture and Livestock staff on the Territorial Approach, 4) development and distribution of the guideline on the Territorial Approach, the project aimed at achieving the development goals in the target territories, thereby contributing to the improvement of social and economic situations in a sustainable manner through the Territorial Development System and introduction of the Participatory Territorial Management system as a medium-and long-term national strategy in 13 Departments in the Eastern Region.</p>				
Activities of the project	<p>1. Overall Goal:</p> <ol style="list-style-type: none"> 1) Social and economic situations are improved in a sustainable manner through the territorial development system in the selected Territories. 2) The Participatory Territorial Management system is introduced as a medium-and long-term national strategy in 13 Departments in the Eastern Region. <p>2. Project Purpose: Development goals defined by each territory are achieved through application of participatory territorial management system and reinforcement of inter-institutional coordination mechanism.</p>				
	<p>1. Project site: Department of Itapúa (16 municipalities) and Department of Caazapá (5 municipalities)</p> <p>2. Main activities: 1) Establishment and strengthening of the Instancias, 2) Planning, implementation, and evaluation of pilot rural development projects, 3) Training of the stakeholders including the Ministry of Agriculture and Livestock staff on the Territorial Approach, 4) Development and distribution of the guideline on the Territorial Approach, etc.</p> <p>3. Inputs (to carry out above activities)</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Japanese Side</p> <ol style="list-style-type: none"> 1) Experts from Japan: 12 persons 2) Trainees in Japan: 9 persons 3) Trainees in the third country: 26 persons (7 in Chile, 14 in Costa Rica, 2 in the Dominican Republic, 2 in Honduras, and 1 in El Salvador) 4) Equipment: Grain separators, PCs, vehicles, copy machines, etc. 5) Local Cost: Activity operation expenses </td> <td style="width: 50%; vertical-align: top;"> <p>Paraguayan Side</p> <ol style="list-style-type: none"> 1) Staff allocated: 88 persons 2) Land and facilities: project offices in the Ministry of Finance, Departmental Government of Itapúa, and Departmental Government of Caazapá as well as offices of Instancia Secretariat in the Municipal Development Council of Itapúa and Municipal Government of Natalio, etc. 3) Local cost: Utility cost, etc. </td> </tr> </table>			<p>Japanese Side</p> <ol style="list-style-type: none"> 1) Experts from Japan: 12 persons 2) Trainees in Japan: 9 persons 3) Trainees in the third country: 26 persons (7 in Chile, 14 in Costa Rica, 2 in the Dominican Republic, 2 in Honduras, and 1 in El Salvador) 4) Equipment: Grain separators, PCs, vehicles, copy machines, etc. 5) Local Cost: Activity operation expenses 	<p>Paraguayan Side</p> <ol style="list-style-type: none"> 1) Staff allocated: 88 persons 2) Land and facilities: project offices in the Ministry of Finance, Departmental Government of Itapúa, and Departmental Government of Caazapá as well as offices of Instancia Secretariat in the Municipal Development Council of Itapúa and Municipal Government of Natalio, etc. 3) Local cost: Utility cost, etc.
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Project Period	May 2012 to February 2017	Project Cost	(ex-ante) 406 million yen, (actual) 386 million yen		
Implementing Agency	Ministry of Agriculture and Livestock, Ministry of Finance				
Cooperation Agency in Japan	None.				

II. Result of the Evaluation

<Evaluation Constraint>

- A sufficient level of data and information could not be collected in the ex-post evaluation survey. One of the reasons was that restrictions were placed

¹ World Bank “Análisis de Riesgo del Sector Agropecuario en Paraguay: Identificación, Priorización, Estrategia y Plan de Acción.”

<https://documents1.worldbank.org/curated/en/105821468332711721/pdf/928660WPOSPANI00Box385339B00PUBLIC0.pdf> (accessed on October 24th, 2021).

² ILOSTAT, https://www.ilo.org/shinyapps/bulkexplorer5/?lang=en&segment=indicator&id=EMP_TEMP_SEX_ECO_NB_A (accessed on October 24th, 2021).

³ Instancia is a platform where the territorial development is discussed in a participatory and inclusive manner in each territory.

on travel within the country due to the outbreak of the new coronavirus infection (COVID-19), and the field survey could not be conducted. The other reason was that it was difficult to obtain the cooperation of the staff in charge due to personnel changes at the Ministry of Agriculture and Livestock, Instancia, Departmental Government of Itapúa.

1 Relevance

<Consistency with the Development Policy of Paraguay at the time of Ex-ante Evaluation>

The project was consistent with Paraguay's development policies, such as the "Public Policy for Social Development" (2010-2020) and the "Socio-Economic Strategic Plan" (2008-2013), which promoted rural development by adopting a territorial approach and setting policies to enhance social services for the poor and to improve and reform government organizations.

<Consistency with the Development Needs of Paraguay at the time of Ex-ante Evaluation>

The project was consistent with Paraguay's development needs for implementing a model project based on a territorial approach, developing rural development methods, and establishing an implementation structure.

<Consistency with Japan's ODA Policy at the time of Ex-ante Evaluation>

The project was in line with Japan's ODA policy to Paraguay, which set "poverty reduction", including "improving the livelihoods of the poor", as one of the three priority areas⁴.

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement for the Project Purpose at the time of Project Completion>

The Project Purpose was not achieved by the time of project completion. Through the project, two Instancias were established in the Department of Itapúa and one Instancia in Caazapá, and the Participatory Territorial Management system was established to a certain extent. In the Department of Itapúa, pilot projects were planned and implemented in the areas of environment and waste management, etc. "The Territory Development Vision" was formulated starting in 2014, followed by the "Itapúa Department Program" (2013-2018) and the "Itapúa Department Priorities set at the joint meeting between the Itapúa Department Development Committee and the National Strategic Team held on November 6th, 2015," and "KATUPYRY Project Territorial Development Strategy" (2014-2024). Based on these documents, "Itapúa Department Development Strategies" was developed by Provincial Decree No. 263/2016. In the Department of Caazapá, the five-year development plan equivalent to the said plan was formulated. However, since the Strategic Development Plans of the Department and Municipalities were formulated in 2016, the target was not achieved by the end of 2015 (Indicator 1). It should be noted that in the Department of Itapúa, 29 of the 30 municipalities, except for Jesus de Tavarangüé, developed their Municipal Development Strategic Plan in 2016. The formulation of these plans was led by the Technical Secretary of Planning (STP) and coordinated and supported by the constituent members of the Instancias (T1 and T2) established by the project. No facilitator team on the Participatory Territory Management system was formed (Indicator 2), because the training system was not established. On the other hand, in December 2016, the "Guidelines for Territorial Development in Paraguay" were developed, including recommendations and proposals to the central, department, and municipal governments on the territorial development approach (Indicator 3).

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

The project effects have partially continued at the time of ex-post evaluation. The facilitator team has been still not formed, but as mentioned above, in 2016, the targeted Territories of Itapúa and Caazapá Departments formulated their department and municipal development plans using the "Guidelines for Territorial Development in Paraguay." Since then, activities have continued at the department level, including the submission of progress reports to STP and the roundtables for public-private partnerships. In the Department of Caazapá, the Municipal Development Strategies have been formulated by all municipalities.

In the Department of Itapúa, although the Instancias formed by the project have stopped their activities, they have been set up as places for public-private partnerships through sectoral committees and councils⁵. The Itapúa Departmental government held a meeting to revitalize the Instancia (T2) in June 2019 and developed the activity plan. However, it has been suspended due to the COVID-19 pandemic after 2020. In the Department of Caazapá, since the COVID-19 pandemic, the activities of the Municipal Development Committee, in collaboration with citizens, have been limited to addressing COVID-19, and activities related to the promotion of the Territorial Approach have been suspended. On the other hand, the Office of the President in charge of social affairs has set up the "Social Protection Roundtable in the emerging municipality of San Juan Nepomuceno, Caazapá Department, to introduce an integrated and phased social security system. The members of the roundtable have included officials from the central, department, and municipal governments, for each sector⁶. According to the Mayor of San Juan Nepomuceno and the head of the San Juan Nepomuceno branch (former Director of the Planning Department of the Caazapá Departmental Government), they have participated in meetings regarding the current situation of the municipality and the needs of the citizens, utilizing the methods of citizen participation acquired from the project. Subprojects have continued since the project completion, including an ongoing collaboration with public institutions such as the Local Agency of Technical Assistance as needed in response to local initiatives and development of collaboration with another donor (Chile).

According to the Ministry of Agriculture and Livestock and other stakeholders, the "Guidelines for Territorial Development in Paraguay" have been utilized, based on which, the Strategic Development Plans have been developed in both departments. In both departments, activities of the Instancias and municipal development committees have been suspended because, in addition to the restrictions on going out in Paraguay due to the COVID-19 pandemic, some newly appointed mayors responsible for implementing the

⁴ Ministry of Foreign Affairs (2012) "ODA Databook".

⁵ Department Development Council of Itapúa, Regional Health Council of Itapúa, Department Education Council of Itapúa, Department Emergency Council of Itapúa, Department Council of Environmental Certification, Department Child and Adolescent Council of Itapúa, Department Child and Adolescent Committee of Itapúa, Industry Development Council of Itapúa, Northeastern Industry Development Council of Itapúa, Intersectoral Table of Development Plan for Drug Prevention, Department Interinstitutional Coordination Table for Agricultural and Rural Development, Mayors' Association of Itapúa.

⁶ Ministry of Public Health and Social Welfare, Ministry of Education and Science, Ministry of Labor, Employment and Social Security, Minister of Industry and Trade, Ministry of Agriculture and Livestock, Ministry of Justice, Internal Affairs Agency, Ministry of Child and Adolescence, Ministry of Women, Adolescence Agency, Agricultural Finance Corporation, Social Welfare Institute, National Institute of Indigenous People, National Institute of Disability and Human Rights, Ministry of Information and Communication Technologies, Ministry of Public Works and Communication, National Electrical Administration, Corporation of Hygiene Services, Directorate of Environment and Hygiene, Departmental Governments, Municipalities, etc.

plan have not shown understanding, and coordination among stakeholders in the Instancias has been hampered.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

The Overall Goal has been partially achieved by the time of ex-post evaluation. Based on data of the Paraguayan General Directorate of Statistics, Surveys and Censuses (DGEEC) on the socio-economic situations (five aspects: economy and production, society and culture, politics and institutions, environment, and human development), in the Departments of Itapúa and Caazapá, there was an overall improvement in economy and production, society and culture, and environment. On the other hand, there were no data on politics and institutions, and human development (Indicator 1). As for the adjustment of the Territorial Approach to the related laws and regulations, Presidential Decree No. 6715/17 (2016) was issued during the project period, requiring the department and municipal governments to develop the Development Strategic Plan. At the time of ex-post evaluation, the "Guidelines for Territorial Development in Paraguay" were being used as a tool to implement the Presidential Decree, and therefore, there was no need to adapt them (Indicator 2). In both Itapúa and Caazapá Departments, the Participatory Territory Management system has been used in daily operations. However, the system functions have been temporarily suspended due to the COVID-19 pandemic (Indicator 3). In addition, in the Department of Itapúa, the progress of subprojects has been monitored to share information among stakeholders, while the monitoring has been suspended in Caazapá due to the COVID-19 pandemic.

<Other Impacts at the time of Ex-post Evaluation>

Several positive impacts have been confirmed in the ex-post evaluation. In the Department of Itapúa, the government has been eager to utilize the project experience and acquired knowledge. Specifically, six staff members participated in the "Geographic Information System Course" provided by the National University of Itapúa, and based on the experience of the territory information system gained through this project, the government has been planning an information improvement project through an agreement with the Itapúa Branch of the Catholic University. In addition, as an initiative of the Environment Working Group, environmental education, such as waste management, has been conducted. Furthermore, in May 2018, the Environmental Certification System Project was launched in collaboration with the Ministry of Environment of Chile in order to address the importance of the environmental sector, the need to obtain external funding for ensuring the sustainability of the efforts, and the need to ensure the motivation of key actors as indicated in the Guidelines for Territorial Development. In the Municipality of Capitan Miranda, a vegetable production pilot project was implemented within the project, and after the completion of the project, the Vegetable Growers Committee established and incorporated the Capitan Miranda Vegetable and Fruit Agricultural Cooperative to promote vegetable sales.

In the Department of Caazapá, the pilot project, the cafeteria project at Kaabo Market (vegetable market), had a large number of female participants, and the meal sales activities continued until 2019 after the project was completed. Due to the subsequent measures to prevent the transmission of COVID-19, the meal service activity has stopped at the time of ex-post evaluation. The market had a legal entity and was also the provider of the school lunch program of the Ministry of Education because it was able to issue legitimate receipts. However, due to the closure of schools as a result of the COVID-19 outbreak, the market has been unable to collaborate with the school lunch program. On the other hand, Vegetable sales have continued to be conducted every Tuesday and Friday.

No negative impact on the natural environment has been caused by the project.

<Evaluation Result>

Therefore, the effectiveness/impact of the project is fair.

Achievement of the Project Purpose and Overall Goal

Aim	Indicators	Results
<p>(Project Purpose) Development goals defined by each territory are achieved through application of participatory territorial management system and reinforcement of inter-institutional coordination mechanism.</p>	<p>1. At the end of 2015, more than 60% of the Territories will achieve the predefined goals for the same year in their Strategic Plans for the Development of the Territory.</p>	<p><u>Status of achievement: Not achieved (Not verified).</u> (Project Completion)</p> <ul style="list-style-type: none"> The Strategic Plan for Development was not formulated and implemented in Instancias in the Department of Itapúa. <p>(Ex-post Evaluation)</p> <ul style="list-style-type: none"> Although the Strategic Plan for the Development has not been formulated and implemented in Instancias in the Department of Itapúa, the Department Strategic Plan and Municipal Strategic Plans were formulated based on the "Territorial Development Guidelines in Paraguay" and the "Territorial Development Vision." And, the progress report on goal achievement has been submitted to STP each year, and therefore it is considered that efforts have been made for achieving the goals. In the Department of Caazapá, the Strategic Plan for Development was formulated, but no data directly related to the strategic goals were available. However, considering the statistics from DGEEC which showed the improvement in "economy and production," "society and culture," and "environment," there has been improvement.
	<p>2. By 2016, the team of trained and experienced facilitators for the strengthening of Participatory Territorial Management System will be established.</p>	<p><u>Status of achievement: Not achieved (Not achieved).</u> (Project Completion)</p> <ul style="list-style-type: none"> The team of facilitators was not established as planned. <p>(Ex-post Evaluation)</p> <ul style="list-style-type: none"> The team of facilitators has not been established.
	<p>3. The recommendations/proposals which are made based on the results of the project will be submitted to the central, departmental and municipal governments.</p>	<p><u>Status of achievement: Achieved (Continued)</u> (Project Completion)</p> <ul style="list-style-type: none"> The "Guidelines for Territorial Development in Paraguay" which included recommendations/proposals to the central, departmental and municipal governments were developed. <p>(Ex-post Evaluation)</p> <ul style="list-style-type: none"> The "Guidelines for Territorial Development in Paraguay" has been fully utilized by the stakeholders in sharing the Territorial Approach concept and

		collaboration principles, according to the Ministry of Agriculture and Livestock and others.																																																																																																
<p>(Overall Goal)</p> <p>1) Social and economic situations are improved in a sustainable manner through territorial development system in the selected Territories.</p> <p>2) The Participatory Territorial Management system is introduced as a medium- and long-term national strategy in 13 Departments in the Eastern Region.</p>	<p>1. Improvement of the selected social and economic indicators which present the 5 dimensions, in the Territories by 2020.</p>	<p><u>Status of achievement: Not verified.</u> (Ex-post Evaluation)</p> <ul style="list-style-type: none"> Because the definitions of the social and economic indicators were not clear, some data from DGEEC was referred to in the following tables. In the Department of Itapúa, improvement was confirmed in all indicators excluding the poverty rate, waste incineration, and landfill. In the Department of Caazapá, all indicators showed improvement, excluding waste incineration. In both departments, overall, the trend of improvement was confirmed in the aspects of “economy and production,” “society and culture,” and “environment.” However, the aspect of “politics and institutions” and “human development” could not be verified. <p>[Socio-economic indicators of Itapúa]</p> <table border="1"> <thead> <tr> <th>Indicator</th> <th>2015</th> <th>2017</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td><economy and production></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Poverty ratio (%)</td> <td>26.6</td> <td>-</td> <td>27.5</td> </tr> <tr> <td>Employment rate (%)</td> <td>53.8</td> <td>-</td> <td>57.3</td> </tr> <tr> <td><society and culture></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Enrollment ratio (%)</td> <td>95.3</td> <td>-</td> <td>98.1</td> </tr> <tr> <td>Medical insurance coverage (%)</td> <td>20.5</td> <td>-</td> <td>25.0</td> </tr> <tr> <td>Access to the water (%)</td> <td>-</td> <td>66.7</td> <td>70.8</td> </tr> <tr> <td><environment></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Waste incineration (%)</td> <td>-</td> <td>47.3</td> <td>45.1</td> </tr> <tr> <td>Waste collection (%)</td> <td>-</td> <td>45.1</td> <td>48.9</td> </tr> <tr> <td>Waste landfill (%)</td> <td>-</td> <td>7.5</td> <td>6.0</td> </tr> </tbody> </table> <p>[Socio-economic indicators of Caazapá]</p> <table border="1"> <thead> <tr> <th>Indicator</th> <th>2015</th> <th>2017</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td><economy and production></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Poverty ratio (%)</td> <td>52</td> <td>-</td> <td>35.9</td> </tr> <tr> <td>Employment rate (%)</td> <td>68.7</td> <td>-</td> <td>71.5</td> </tr> <tr> <td><society and culture></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Enrollment ratio (%)</td> <td>96.2</td> <td>-</td> <td>96.7</td> </tr> <tr> <td>Medical insurance coverage (%)</td> <td>18.7</td> <td>-</td> <td>19.2</td> </tr> <tr> <td>Access to the water (%)</td> <td>-</td> <td>71.5</td> <td>73.4</td> </tr> <tr> <td><environment></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Waste incineration (%)</td> <td>-</td> <td>75.5</td> <td>69.1</td> </tr> <tr> <td>Waste collection (%)</td> <td>-</td> <td>14.5</td> <td>16.6</td> </tr> <tr> <td>Waste landfill (%)</td> <td>-</td> <td>5.5</td> <td>7.7</td> </tr> </tbody> </table>	Indicator	2015	2017	2019	<economy and production>				Poverty ratio (%)	26.6	-	27.5	Employment rate (%)	53.8	-	57.3	<society and culture>				Enrollment ratio (%)	95.3	-	98.1	Medical insurance coverage (%)	20.5	-	25.0	Access to the water (%)	-	66.7	70.8	<environment>				Waste incineration (%)	-	47.3	45.1	Waste collection (%)	-	45.1	48.9	Waste landfill (%)	-	7.5	6.0	Indicator	2015	2017	2019	<economy and production>				Poverty ratio (%)	52	-	35.9	Employment rate (%)	68.7	-	71.5	<society and culture>				Enrollment ratio (%)	96.2	-	96.7	Medical insurance coverage (%)	18.7	-	19.2	Access to the water (%)	-	71.5	73.4	<environment>				Waste incineration (%)	-	75.5	69.1	Waste collection (%)	-	14.5	16.6	Waste landfill (%)	-	5.5	7.7
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	<p>2. Adjustment to the related laws and regulations by 2020, in accordance with the presented recommendations/proposals.</p>	<p><u>Status of achievement: Not verified.</u> (Ex-post Evaluation)</p> <ul style="list-style-type: none"> During the project period, Presidential Decree No. 6715/17 (2016) was issued, requiring the department and municipal governments to formulate Strategic Plan for the Development. At the time of the ex-post evaluation, the "Guidelines for Territorial Development in Paraguay" formulated by the project was used as a tool to implement the Presidential Decree. The need to adjust related laws and regulations for 2020 has not arisen. 																																																																																																
	<p>3. Formulation of the strategy for the implementation for the Participatory Territorial Management System.</p>	<p><u>Status of achievement: Achieved.</u> (Ex-post Evaluation)</p> <ul style="list-style-type: none"> In both Itapúa and Caazapá Departments, the Participatory Territory Management system established in this project has been used in daily operations such as collecting information on each territory. However, due to the outbreak of COVID-19, its function has been temporarily suspended. 																																																																																																
	<p>4. Progress in the follow-up to other aspects of the presented recommendations/proposals by 2020.</p>	<p><u>Status of achievement: Partially achieved.</u> (Ex-post Evaluation)</p> <ul style="list-style-type: none"> In the Department of Itapúa, the progress of the subprojects has been monitored using social networking systems and other means to share information among stakeholders. In Caazapá, the monitoring has been suspended due to the temporary interruption of the Participatory Territory Management system caused by the COVID-19 epidemic. 																																																																																																

Source: Project Completion Report and information provided by the Ministry of Agriculture and Livestock, etc.

3 Efficiency

The project cost was within the plan (ratio against the plan: 95%), and the project period was as planned (ratio against the plan: 100%). Most of the Outputs were partially, and related to the capacity building the training plan and materials were not develop as planned, which hindered the achievement of the Project Purpose. Therefore, the project efficiency is fair.

4 Sustainability

<Policy Aspect>

The Presidential Decree No. 6715/17 (2016) requires the department and municipal governments to submit to STP their development plans and to report on their progress. In addition, the “National Development Plan” (2014-2030) includes “participatory community

development in the territories" as one of its strategic objectives. Thus, the project effects have been supported by such policies.

<Institutional/Organizational Aspect>

[National level]

Under the Presidential Decree No. 6715/17 (2016), the General Directorate of Regional Development and Land Clearance of STP has managed the development plans of the department and municipal governments in Paraguay. According to the Director General of the Directorate, 11 staff members have been assigned to implement the Territorial Approach methodology acquired in another project (Human Resource Development for Strengthening the Territorial Approach), but the number has not been sufficient to manage the development plan of 17 Departmental Governments and 250 Municipal Governments. In addition, the Territorial Management Division of the Directorate of Agricultural Extension under the Ministry of Agriculture and Livestock established by Ministerial Order No. 700/2010 has been still in operation and its role has been to establish an organization to coordinate inter-organizational cooperation. The Director who has worked since April 2021 has been familiar with the Territorial Management approach because he was engaged in the project. He has intended to revitalize the Instancias in Itapúa and Caazapá Departments to promote the Territorial Approach. The division has had eight staff members, and the Director has planned to increase the number of members. The Territorial Management Division has managed the operations of 20 agricultural technology centers and 188 technical assistance centers nationwide, with 460 local technicians, 20 planners, and 18 soil experts.

[Department of Itapúa]

The Government of Itapúa Department has been responsible for the formulation and implementation of the department development plan, the management of the formulation and implementation of the municipal development plan, and the management of the Instancias. According to the Departmental Governmental, the Instancias have been maintained until the time of ex-post evaluation. However, due to the pandemic of COVID-19, activities of the Instancias have been suspended, and there has been no plan to resume its activities. Therefore, the Department Development Council and the sectoral councils have been playing their roles. The Department Development Council has been run by 33 members dispatched from various organizations such as universities, private sectors, and livestock associations. According to the members, the council has been able to implement the Participatory Territory Management system without any problems because the members are representatives of the Departmental Governmental and Municipal Governments which have operated the system.

[Department of Caazapá]

The Departmental Government of Caazapá, like that of Itapúa, has been responsible for the formulation and implementation of the department development plan, the management of the formulation and implementation of the municipal development plan, and the operation of the Department Development Council. According to the Municipal Government of San Juan Nepomuceno, the Municipal Development Committee, which played the role of Instancia in the project, has been maintained at the time of ex-post evaluation to respond to the COVID-19 pandemic (mainly to provide food and medicine to the citizens), not to promote the Territorial Approach. On the other hand, the Office of the President in charge of social affairs has launched the Social Protection Committee to provide social services in the municipalities⁷. Officers of the Municipality of San Juan Nepomuceno and the Director of the San Juan Nepomuceno Branch of the Departmental Government of Caazapá have participated in the committee.

<Technical Aspect>

In both Departments of Itapúa and Caazapá, the staff members trained through the project have been still working, and they have maintained the acquired knowledge and skills as they have used them in their daily work. In addition, the staff who train extension workers of the Territorial Approach have been assigned at Agricultural Development Centers of Caazapá and Guairá in the Department of Caazapá. They have conducted workshops on coordination of the stakeholders for the Territorial Approach and formulation of the development plans. The Departmental Government of Itapúa has sent its officers to take the "Geographic Information Systems Course" at the National University of Caaguazú.

<Financial Aspect>

At the national level, the Territorial Management Division of the Agricultural Extension Directorate of the Ministry of Agriculture and Livestock has had a sufficient budget. On the other hand, due to the complexity of the budgeting process at the national level, the central government has not allocated a budget for the planning and implementation of the Territorial Approach in the Departments of Itapúa and Caazapá, and thus the Department and Municipal Governments have had to secure the budget by themselves. For some time after the completion of the project, the Department and Municipal Governments of both Itapúa and Caazapá were able to secure the budget for promoting the Territorial Approach. At the time of ex-post evaluation, the Municipality of San Juan Nepomuceno answered that the budget required for the planning and implementation of the Territorial Approach, including investments outside of the administration area and the costs of promoting the Territorial Approach in the wider area, was difficult to allocate with other municipalities. Costs of maintaining the Instancias including the transportation and meeting expenses could be paid by each of the Municipal Governments, and some municipalities have got financial support from donors such as the International Fund for Agricultural Development. Therefore, overall, the budget has been sufficient.

<Evaluation Result>

In the light above, there have been issues in the institutional/organizational and financial aspects. Therefore, the sustainability of the effects is fair.

5 Summary of the Evaluation

Both of the Project Purpose, which was to achieve the development goals defined by each territory through application of Participatory Territorial Management system and reinforcement of inter-institutional coordination mechanism, and the Overall Goals, which were to improve social and economic situations through the said system and to introduce the system as a medium-and long-term national strategy in 13 Departments in the Eastern Region, have not been achieved. Regarding sustainability, the roundtable has been established, replacing the Instancia established by the project. Although the Departments of Itapúa and Caazapá have not secured the necessary budget for the planning and implementation of the Territorial Approach, its maintenance costs have not been almost needed. However, some financial challenges have remained. Concerning efficiency, the project cost and period were within the plan, but the outputs were not produced as

⁷ The Social Protection Committee has been established in the following four municipalities: 1) Santa Rosa de Aguaray of San Pedro Department, 2) Mariscal Estigarribia of Boquerón Department, 3) Villeta de Central Department, and 4) San Juan Nepomuceno of Caazapá.

planned.

Considering all of the above points, this project is evaluated to be partially satisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing agency:

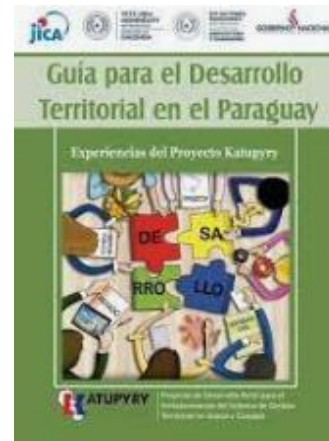
- It is recommended to continue the promotion of the Territorial Approach method in both Departmental Governments, since they have had staff members who have shown high interest in the approach.
- To make the mechanism for promoting the Territorial Approach in Instancias effective, the central government needs to be more involved in providing appropriate incentives to the main actors for implementation, which are Municipal Governments and others, so that they could carry out their mission properly.

Lessons Learned for JICA:

- The method for promoting the Territorial Approach introduced by the project aims at "overcoming structural barriers to sustainable and inclusive development" and "establishing the development mechanism which brings about local cohesion." After the project was completed, some subprojects of the Territorial Approach were taken over by other donors' projects, thus contributing to the continuation of the impact. Thus, it is effective to develop a comprehensive and versatile approach which could promote collaboration with other donors even after the project for enhancing sustainability.
- The project established a system to promote the Territorial Approach using the "Guidelines for the Territorial Development in Paraguay," but this system was not continued after the project was completed. When strengthening a system which is not well established or introducing a new system for the target country, it is essential for JICA and the implementing agency to thoroughly examine not only the effectiveness of the system but also its applicability to the target country.
- One of the indicators for the Overall Goal of the project had not been clear which data was to be measured, and although supplemental data was used in the ex-post evaluation, the achievement status was judged unverifiable. At the time of completion of the project, it was pointed out that the indicator was inappropriate because there were many uncertain factors, but no suggestion for revision was presented. The clear setting of the Overall Goal and its indicator is important not only for the ex-post evaluation but also for the implementing agency to monitor the status of their efforts after the project completion. For this purpose, it is essential to set an indicator that can confirm the contribution of the project as much as possible, and to clarify which specific data will be collected and verified by the time of project completion at the latest.



Participatory Workshop in the target sites



"Guidelines for Territorial Development in Paraguay"