

## GUATEMALA (CASE STUDY 5)

**Methodology:** The case study team conducted 23 individual and group in-country interviews, including the Front Office; DRG Team; M&E Team; OAA; Program Office; OFM; Technical Office CORs/AORs, field coordinators, project implementers, and project beneficiaries. Fieldwork occurred from December 7-16, 2015. Interviews were complemented by background documentation from USAID/Guatemala and other stakeholder sources.

**Country Context:** Guatemala is a small but resource-rich country located in the northern section of Central America. Its rapidly growing population, currently at 14 million people, is the largest in the region. In spite of its natural resource diversity, Guatemala ranks as one of the least-developed countries in the hemisphere. Economic inequality is characteristic of the country, where the majority of wealth is held by urban, non-indigenous populations; rural and indigenous populations, especially females, often lack economic and educational resources. Consequently, over half of Guatemalan youth do not attend school. Like education, social services have also received minimal investment from the government, which is widely considered to be corrupt and intransigent. Institutionalized inequality throughout the country may make the Government of Guatemala (GoG) a difficult partner for development cooperation.

**Mission Context:** USAID/Guatemala's CDCS rests on a fully integrated approach to the goal of creating a more secure Guatemala which fosters sustainable management of natural resources and greater social-economic development in its Western Highlands region.<sup>1</sup> The Mission is further guided by three DOs: greater security and justice for citizens; improved levels of economic growth and social development; and improved management of natural resources to mitigate impacts of global climate change. ADS guidance suggests that USAID missions specify geographic and sector foci in order to facilitate approaches which address these objectives in tandem. Further guided by regional biodiversity and by other opportunities and constraints pertinent to the Guatemalan context, activities planned under the Citizen Security Project are closely aligned with the GOG's established security and justice priorities, which are closely tied to the above-listed objectives.

**DRG Integration Themes and Entry Points:** DRG integration is rooted in the Development Objectives of the CDCS, which address the main challenges for the country rather than aligning with specific sectors. While DOs 1, 2, and 3 address citizen security, economic growth and social development in the Western Highlands, and protection of natural resources, respectively, each seeks to include governance components, such as strengthening the ability of local governments and CSOs to provide basic services, or building law enforcement capacity to fight environmental crimes. Integration of DRG into the activities under each DO ensures that sustainability and impact are achieved, and promotes the inclusion of traditionally marginalized groups in programming. Twelve research questions grouped into four thematic areas guided the design of data collection protocols and informed the analysis found in this report. The four themes are: key factors shaping DRG integration; key features of DRG integration; highlights of DRG integration achievements; and lessons learned and limitations on DRG integration.

**DRG Integration Accomplishments:** Some accomplishments from the Guatemala case study are already discernible, both on the management and project levels. Under the prior, a Western Highlands Integrated Program (WHIP) coordinator was appointed and has developed several recommendations to streamline the functioning of WHIP's multilayered coordinator structure by providing clear definitions of

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<sup>1</sup> The United States Agency for International Development, *Guatemala Country Development Cooperation Strategy 2012-2016* (March 16, 2012); p. 1-2

each committee's role and modus operandi. The WHIP coordinator and the Mission M&E team have formed a point system which quantifies coordination and integration levels. Furthermore, a significant amount of integration has been driven by technical staff's perceived need to achieve shared objectives. On the project level, the Security Justice and Reform Project (SJSRP) addresses environmental governance in Petén, leading to more significant collaboration with civil society groups and governmental institutions in the region. Moreover, through cooperative efforts with civil society and community partners, the Convivimos project has fostered social transformation and organizational capacity development to improve youth education and worked to make day cares, literacy programs, and healthcare services available to local communities. Lastly, the Nexos Locales program has achieved a variety of results pertaining to its goal of making municipalities more responsive, inclusive and effective in supporting socio-economic development.

**Challenges:** Significant constraints on DRG integration exist. This includes:

- A lack of familiarity or clarity about DRG integration among some Mission sectoral personnel;
- Mission workload burdens that make it difficult for staff to absorb the additional coordination and planning burdens associated with integration;
- Real or perceived restrictions placed on USAID and IPs regarding reporting and the expenditure of certain funding streams;
- GOG capacity challenges and continued questions about political/structural limits to decentralization;
- Mission leadership and organizational challenges; and
- IP buy-in, based on IP concerns about capacity and workload burdens, contractual requirements, and information-sharing.

**Conclusions:** USAID/Guatemala is a leader in integration and has a robust institutional culture supportive of the endeavor. Nevertheless, this case study serves as a confirmation that integration has no cookie-cutter approaches or solutions; cross-sectoral integration strategies must be formed tediously on a case-by-case basis. Similarly, incentives and opportunities for integration must be tailored to fit specific objectives country contexts. Regardless of mission-specific details, however, successful integration tends to be led by concerned stakeholders at all levels, rather than pushed as an agenda from above. While the WHIP process is not a DRG integration effort in a strict sense, it has several implications for DRG integration efforts that could face similar challenges when implemented on a comparable scale. Further, the USAID/Guatemala team has successfully leveraged funding to help integrate DRG within sectoral programs, and has been open to integrating sectoral concerns into DRG programs. Lastly, the Guatemala Mission's drive to integrate is fundamentally about "doing development differently," and there is broad understanding across the mission that DRG approaches can make significant contributions in this respect.

The first conclusion inspired by the USAID/Guatemala case study is that integration is hard work and there is no clear recipe for success. The WHIP driven integration process has highlighted the difficulties faced when retrofitting cross-sectoral integration into existing programs that had been designed with sectoral outcomes in mind. Yet, it is likely that even if programs had been designed with integration in mind, coordination and integration would continue to pose a major challenge. In addition, many respondents have noted that integration has often happened "spontaneously" when representatives of different technical offices find opportunities for collaboration by sharing their experience.

Likewise, the case study team was told that a lot of the integration that had taken place in the Western Highlands resulted from field level project staff trying to work together to find solution to common

problems. While it is important to incorporate integration into country strategies and project design, it is equally important to provide incentives and opportunities for integration to happen. We suspect as well that such “spontaneous” integration will generate more buy-in from concerned stakeholders than integration that is “pushed from above.” One lesson derived from the former FSO’s experience is that without the right person in place to build the trust necessary for the adoption of new ideas and ways of working, the successful introduction of WHIP may not have happened. The integration sauce needs many ingredients and significant savoir-faire to firm up. All of them should be given dedicated attention.

This case study has given a lot of attention to the WHIP process. While this process is not a DRG integration effort in the strict sense, it has many valid implications for DRG integration efforts that could face similar challenges when implemented at a comparable scale. It also raises the question of what role DRG programs can play within broader integration efforts that have been driven mostly by constraints and objectives that go beyond DRG concerns—in this case the need for greater aid effectiveness. While there is significant support within the leadership of the Mission to place DRG at the center of integration within WHIP in particular, it is fair to state that it is not currently playing this role.

This is not to say that the Guatemala DG Office has not been a key actor in promoting integration and especially DRG integration. The team has successfully leveraged available funding, especially CARSI, to help integrate DRG within sectoral programs and has been very open to integrating sectoral concerns into DG programs. This has helped build good will from other technical offices and has led to some of the most successful integration efforts we observed (SSJRP, Convivamos, Leer y Aprender). It will also be very interesting to observe how the upcoming Communities Leading Development project advocates for deeper DRG integration within WHIP. There is tremendous potential in this respect.

Finally, USAID/Guatemala’s drive to integrate is fundamentally about “Doing Development Differently.” The case study team found that there is a broad understanding across the Mission that DRG approaches have a tremendous contribution to make in this respect.