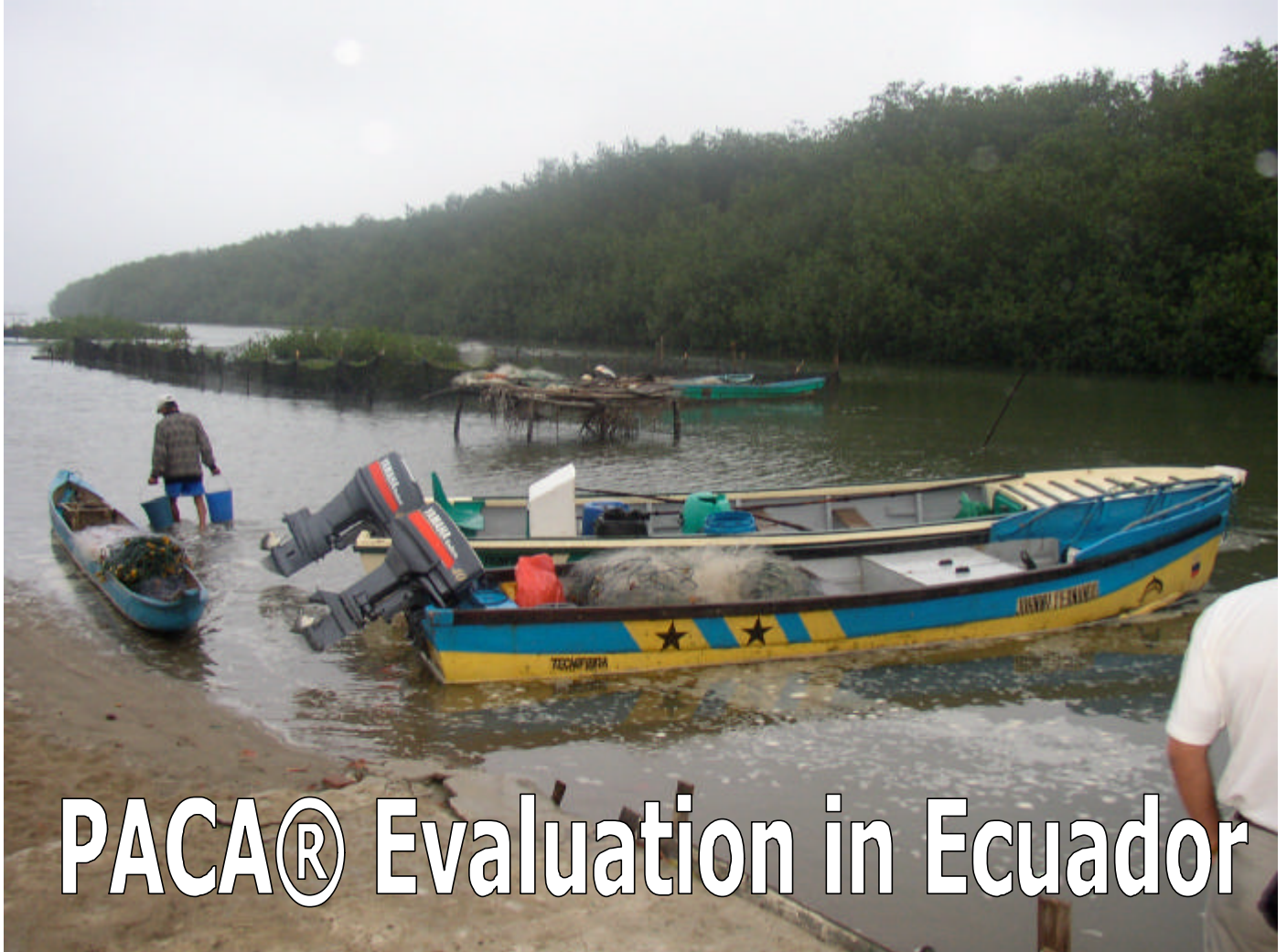


Final Report



PACA® Evaluation in Ecuador

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List of Acronyms and Abbreviations

LED	: Local Economic Development
CONCOPE	: Council of Provincial Governments of Ecuador
GTZ	: German Corporation for Development Co-operation
CNC	: National Council of Competitiveness
CORPEI	: Exports and Investments Promotion Corporation
GPLR	: Provincial Government of Los Ríos
INIAP	: Autonomous National Institute of Agricultural Research
GPAO	: Provincial Government of El Oro
INP	: National Institute of Fishing
USPAO	: Unit of Small-Scale Fisheries of El Oro
PRODEIN	: Projects of Integral Development
UTPL	: Private Technical University of Loja, branch Zamora
CSF	: Critical Success Factor

I. Introduction

The following report seeks to light shed on how PACA® unfolds in the setting of a developing country such as Ecuador. The three experiences that constitute the building blocks of this evaluation are initiatives that were undertaken by two provincial and one local government respectively, with the direct support of the Council of Provincial Governments of Ecuador (CONCOPE) and/or the German Corporation for Development Co-operation (GTZ). The structure of the report is as follows: in section II, a general overview of the country will be presented in order to understand the overall context within which those interventions are taking place; section III introduces the balanced scorecard analysis that will be utilized to evaluate all three interventions; section IV presents the cases studies with their respective assessments whereas section V contains a comparative analysis of the three initiatives, and finally, section VI presents the conclusions and recommendations.

II. Country Overview

Ecuador is a country full of contrasts. The richness of its natural resources mixes with the diversity of its human geography, consisting of several different ethnic groups and Spanish colonizers¹ that arrived five hundred years ago. Unfortunately, Ecuador has failed -up to now- to build upon its comparative advantages and is still one of the poorest countries in the region². Inequality³ -another major issue- is thought to be in part a consequence of the way that the Spanish colonization took place, excluding the local indigenous people out of the reach of any mean of production (A. Acosta, 1995:16). Furthermore, the indigenous people in Ecuador were only granted the right to vote after the second half of the 20th century and had to face before that a life with practically no rights where they were even sold as part of the 'haciendas' for which they worked for (Tortosa, 2000).

According to the Human Development Report (2001:5) the limitations that still prevent Ecuador to achieve human development are not found in the lack of available productive resources but instead in the unequal social distribution of productive assets, income and opportunities. Historically, poverty comes to be the result of a highly polarized social structure that can be tracked down to colonial times (HDR 2001:6). Another important factor that has played a major role in shaping Ecuadorian society is the high rivalry that exists between the two strongest regions in the country, the coast and the 'sierra'⁴

¹ According to the CIA World Fact Book, the following is the ethnic distribution in Ecuador: mestizo (mixed Amerindian and white) 65%, Amerindian 25%, Spanish and others 7%, black 3%.

² According to the 2002 HDI, Ecuador ranks a 100 of 177 countries. The best ranked country in Latin America and the Caribbean is Barbados (29) and the worst, Haiti (153).

³ Ecuador's gini index (1998) is 43.7 and the share of income or consumption of the poorest 20% is of 3.3% (HDR 2003)

⁴ Ecuador has four regions, the orient (Amazon), the hills (sierra), the coast and Galapagos.

(Fontaine in Ecuador y los Límites de la Democracia de Mercado and Tortosa, 2000). The coast is represented by the power of Ecuador's richest city, Guayaquil, whose people are known to be more liberal and entrepreneurially driven. This is in contrast to the people of the sierra, represented by the political power of Quito, where the population is perceived to be more conservative and less risk-taking. Regional disparities that can still be seen would be the direct consequence of such rivalry that has produced two confronting poles in a country that cannot afford such a situation. Furthermore, J. López (2002) addresses the antagonism between these two cities when she cites S. Haggard and R. Kaufman for whom the whole Ecuadorian governance crisis is the result of the historic division that exists between these two elites.

As is the condition in many countries in the developing world, corruption is part of the country's governance reality hampering any improvement in terms of development initiatives since it "discourages investment, limits economic growth, and alters the composition of government spending, often to the detriment of future economic growth" (Mauro in Hadiz, 2004:1). According to the 2003 corruption perception index prepared by Transparency International, Ecuador ranked one hundred and thirteenth (113th) with a corresponding index of 2.2⁵. The state has acknowledged the magnitude of this problem and has been taking some measures on this behalf. In 1999 the Civic Control Commission on Corruption -an autonomous body dependent on the Presidency- was created for the purpose of surveilling the performance of the three powers of the state --executive, judiciary and legislative (Ecuadorian Ministry of External Relations, 2003). Ecuador also subscribed to the United Nations Convention against corruption and is currently waiting for the Ecuadorian National Congress to ratify this agreement. A regional alliance with neighboring countries such as Argentina, Colombia and Peru has also been set so as to jointly find suitable strategies of corruption reduction.

During the past eight years, political instability has dramatically risen. Two presidents have been removed from office, first in 1997 and the latest in 2000. The last ousting represented a shift in what has been the pattern of behaviour of civil society, most importantly in the indigenous groups, since the removal of president Jamil Mahuad was promoted in great part by the social movement that represents the indigenous interests; a movement which has become a very strong political force in the country since the first indigenous uprising in 1990. In terms of the formal institutional context, the decentralization law implemented in 1997 gave local and middle government levels⁶ more space to

⁵ The best ranked country was Finland with an index of 9.7 and in Latin America: Chile holds the best position (20) with an index of 7.4.

⁶ Ecuador has four levels of government: central, provincial, canton and parish. Middle-level refers to provincial government and local to canton (municipality).

maneuver, since it gave them the possibility to decide whether they wanted some competencies such as health, education, tourism, environment⁷ and so forth transferred to the local level. Along with this, in 2001 the National Council of Competitiveness (CNC) -an autonomous agency dependent from the Presidency- was created in order to provide the country with the right institutional framework regarding the issue of competitiveness. Such a framework expresses itself in what is called 'Ecuador Compite' (Ecuador Competes) which is the name of the National Agenda of Competitiveness. In order to achieve the desired results, Ecuador Compite seeks to coordinate policies where private and public actors actively participate and cooperate. In this respect, the CNC considers the support that local governments can provide fundamental in terms of developing competitiveness and in fostering the productive value chains in their territories (Ecuador Compite, 2003).

Hence, the role for provincial and local governments has been changing gradually towards a more active one in terms of their involvement in economic affairs. Even though part of the drive has been coming from above, there has also been an understanding -based in the generalized sense of frustration and disillusionment towards Ecuador's political class and institutions during the entire 1990's -- that change needs to be a bottom-up initiative. For J. López, this last twenty years in democracy - after a decade of dictatorships in the 1970's- has seen the country immersed in a permanent crisis which none of the successive governments have been able to solve. In her opinion the future of Ecuador's democracy is being questioned by the worsening of people's living conditions, the rising migration rate, and the lack of trust in the political class (Democracia de Oropel, 2002)

Despite good intentions Ecuador does not seem to be able to generate a trustworthy institutional framework. Once again, ad-ports an election (municipal), an electoral reform was in demand by small political parties including the presidents' own – Sociedad Patriótica. Such reforms have quite a history in the country, demonstrated by the fact that in the past 26 years, 25 electoral reforms have taken place right before elections with no clear results seen in terms of stabilizing the political spectrum. The government of current President Lucio Gutiérrez, which has been in power since January 2003, has already been put on the spot. Early this year he had to fire his minister of social welfare since the United States government had him on the list of suspected corrupted officials. Most recently, President Gutiérrez has been accused of having funded his presidential campaign with monies coming from the Colombian FARCS (Latin American Andean Group Report, 2004a).

⁷ The decentralization law establishes that the only competencies that could not be transferred are defense and national security, international relations and foreign policy, macroeconomic and taxing policies, debt management and all the ones that the Constitution of the country explicitly expresses otherwise (CONCOPE, 2004)

Trust and reliability in the national institutions is something hard to build in a country where President Gutiérrez has just met in Panama with former President A. Bucarám (ousted in 1997); an episode in the words of the head of the congress that has “endangered the security of the state”. This meeting was about different alternatives that could allow Bucarám to come back to the country. Until today the ousted president confronts an arrest warrant, resulting from the accusation of the misappropriation of US\$90 million of public funds (Latin American Andean Group Report, 2004b). Thus, today Gutiérrez manages Ecuador with very little public support -around six to eight percent- something that must be considered since he has only been in power for less than two years (El Tiempo.com, 2004). In sum, Ecuador today faces the challenges of the 21st century with a lack of a proper set of economic, political and social policies which are the building blocks for a society that urgently needs to take the right direction towards a sustainable and equitable development process.

III. Methodology of Evaluation

The three PACA® cases evaluated were selected based on the following criteria:

- (i) Time period since implementation began
- (ii) Geographical location, and
- (iii) Number of actions accomplished within the timeframe of three months.

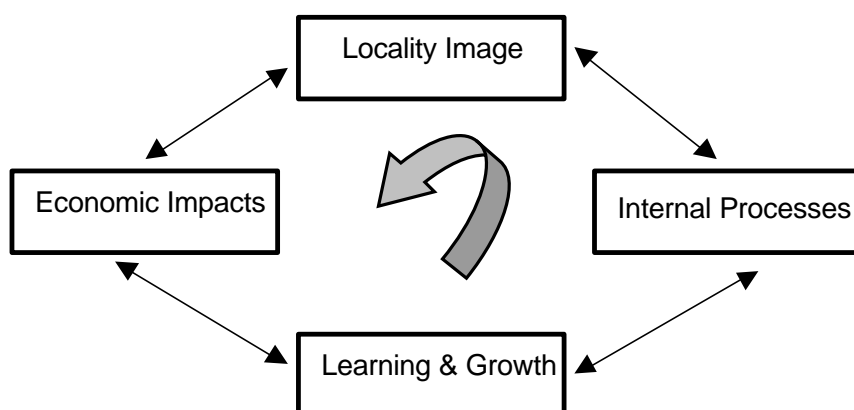
Regarding the first criteria, six months was the minimum time period required since it was important to evaluate how sustainable the initiative's results were. It was not possible to set this parameter any higher since that would have limited the choices of interventions to only two. In terms of the geographical location, it was important to evaluate initiatives in at least two different regions of the country so as to confirm how much socio-cultural factors were an influencing factor. And finally, the last parameter regarding the number of actions accomplished under the standard of three months intended to be an ‘a priori’ indicator for a successful intervention. In this way, PACA® interventions that took place in Los Ríos (coastal), El Oro (coastal) and Zamora (orient) were selected for the fieldwork. During the fieldwork conducted between July 25th and August 16th, 2004, primary data was collected through semi-structured interviews, meetings and informal gatherings with stakeholders involved in these initiatives. A list of interview participants can be found in Appendix A.

Balanced Scorecard.

The three interventions will be analyzed using the balanced scorecard developed by mesopartner who adapted the original framework developed by Kaplan and Norton (1993), modifying its clearly business orientation to one that could be used in development interventions such as a PACA® project. The adapted scorecard is a system that provides an insight into the intervention's strategic objectives, and based on that information, four main areas that are critical to the success of any LED initiative are defined: learning and growth, internal processes, locality image and economic impacts. This practice entails a more strategic view in terms of which areas should be focused on in order to have a better evaluation process. As can be seen in Figure 1, a virtuous circle that starts with learning and growth has been created, with feedback stages all throughout, which ultimately strengthens the system in moving from simple to more complex outcomes, underlying the generation of a vibrant and dynamic economic process as the ultimate goal.

Figure 1

**Balanced Scorecard
for PACA® projects**



(i) *Learning and Growth:*
Capacity to learn and adapt to new situations (mentality and attitude). To learn about LED, to evaluate and adjust the LED practice.

(ii) *Internal Processes:*
Entails the interaction and cooperation among organizations at local, meso and macro levels.

(iii) *Locality Image:*
Attractiveness of a given locality to external/internal investors.

(iv) *Economic Impacts:*
Visible results in terms of economic activity generated (growth, jobs, start-ups, business partnerships, etc).

In order to undertake the scorecard analysis, critical success factors for each area needed to be defined so as to understand what helps and what inhibits each particular area to develop. It is important to bear in mind that this is an analysis limited to a qualitative nature.

Balanced Scorecard Exercise for a PACA® project:

Learning and Growth

Critical Success Factors

☉ *Participation*

Involvement of local stakeholders in a PACA® exercise (planning & implementation process)

☉ *Local Ownership*

Local stakeholders being responsible for practical actions defined as part of a PACA® exercise.

Internal Processes

Critical Success Factors

☉ *Organizational development*

Refers to the extent to which relations and/or partnerships among different stakeholders -private, public and civil society- have evolved (inter sectoral agreements).

☉ *Mobilization*

Local stakeholders' capacity to organize themselves. It analyzes their current associative levels.

Locality Image

Critical Success Factors

☉ *Investment inflow and business retention*

Overall analysis in order to determine whether a PACA® project has brought new investments to the locality.

Economic Impacts

Critical Success Factors

☉ *Activity generation*

Concrete economic results within the targeted sector. It could be expressed in terms of increase of income, and/or decrease of expenses, sectoral growth, new jobs, new start-ups and specific business agreements.

☉ *Standing with external promotion agencies*

Overall analysis in order to determine whether a PACA® project has achieved a shift in the local private/public pattern of funding projects (less external and more local).

☉ *Relevance*

How important the chosen sector is for the PACA® intervention within the locality context.

☉ *Sustainability*

Whether the defined PACA® actions have generated a long-term process of economic development.

IV. Cases Studies

4.1 Case of Los Ríos

<i>Population</i>	650,709 (urban: 50%)
<i>Economically active population</i>	225,875
<i>Most important crops (% of national production)</i>	African Palm (22%), Rice (38%), Banana (39%), Maize (50%), Passion Fruit (78%), Soy (97%)
<i>Producers</i>	41,712

Source: Los Ríos Provincial Agricultural Strategic Plan, 2003

The province of Los Ríos is located in the coastal region of Ecuador. Its economic base is built upon agribusiness. Agriculture is the main livelihood with approximately eighty nine percent (89%) of the total land of the province being used for this purpose. Of the total number of producers, eighty four percent (84%) can be defined as small-scale with an average farm size of 5.45 hectares⁸. Human capital is evidently in shortage, with nineteen percent (19%) of all producers having no formal schooling, and a further sixty one percent (61%) with only primary education. As can be inferred, rural areas present high poverty incidence rates -an average of 71%- and infrastructure problems, evidenced for example, by only 10% of rural roads being asphalted (Provincial Agricultural Strategic Plan, 2003).

Regarding the private sector, a high level of fragmentation can be seen. The associative level among producers is very low -around four percent (4%)- according to the records of the Exports & Investments Promoting Corporation (CORPEI). The main challenges in Los Ríos today relate to issues such as technology transfer and an improvement in the commercialization and marketing capabilities within the productive sectors.

PACA® Los Ríos

As part of the current Agricultural Strategic Plan being implemented by the Provincial Government of Los Ríos (GPLR), a Competitive Agenda was set in collaboration with CORPEI, in order to improve the performance of the productive sectors of the province. The PACA® experience was suggested by the prefect⁹ so as to strengthen and expedite the overall process of fostering competitiveness within the *soy and maize* sectors in particular. The PACA® team was originally composed of five people: three officials of the provincial government, one faculty member of the local university and one member of a peasant organization (who was no longer active when the PACA® exercise finished). The team was assisted by three external consultants from CONCOPE. Table 1 in Appendix B contains a map of stakeholders demonstrating the participants in the value chain. As a result of the analysis undertaken by the PACA® team, eleven actions were identified to be completed during the following three months. Table 2 in Appendix C lists the actions and their current status.

Summary Table.

<i>Period</i>	Jan 20 th – May 20 th , 2004
<i>Sector of intervention</i>	Maize and Soy value chain
<i>PACA® team members</i>	5
<i>Number of actions</i>	11

Source: Provincial Government of Los Ríos, 2004

Analysis of PACA® Los Ríos

Based on the information collected through semi-structured interviews that took place in Babahoyo and Guayaquil, written reports from both CONCOPE and the provincial government of Los Ríos, the following is the balanced scorecard analysis regarding the PACA® experience in the soy and maize value chain.

Learning

Participation Highly motivated PACA® team members from the provincial government but failure of the GPLR -as champion of the initiative- in getting the private sector involved in the overall process. The lack of participation of the private sector could be explained by two reasons. The first one is the fact that both productive sectors are

⁸ Of the remaining 16%, 15% own farms with an average size of 46.53 hectares and 1% owns farms with an average size of 473.27 hectares.

⁹ Prefect is the elected head of the Provincial Government.

organizationally weak, thus mobilizing producers became a paramount task. On the other hand, 84% of farmers in Los Ríos are small-scale producers; hence they cannot afford the time to participate in activities that would divert them from their livelihood responsibilities.

The primary role played by the GPLR has meant a clear skill and knowledge transfer. The PACA® experience has resulted in a provincial government more aware of the role that they can play as promoters of economic development through public-private partnerships.

Local Ownership

The target group was the soy and maize value chain, but no representatives of this chain were managing any action. Producers, middlemen and industries have only participated as recipients of actions. In addition, despite the initial will to address the whole soy/maize value chain, the major target has mainly been the producers.

Internal Processes

Organizational Development

There has been a clear strengthening of the relations between the provincial government and other institutions such as CORPEI and INIAP¹⁰. There has been a rebuilding of trust among institutions in the private as well as the public sector. The aim of the provincial government is to become a reliable partner and source of information/support for local producers. In the same way, it has become a link between the different members of the soy value chain and is working towards an improvement in the local level of association's membership.

Issues such as the use of certified seeds and associating are slowly starting to be discussed in informal gatherings among producers.

Mobilization

Due to the fact that the private sector is highly atomized there is no evidence of joint actions in a structured and formal way. It seems that the more organized associations mobilize only for specific reasons.

In another perspective, networking is slowly starting to increase, due in part to some PACA® initiatives such as round tables, seminars and so forth, which have given producers the opportunity to interact on a more frequent basis.

¹⁰ INIAP: Autonomous National Institute of Agricultural Research

🌐 **Locality Image**

Investment inflow and business retention There was no information presently available, and with only three months having passed since the implementation process finished, it was not possible to measure if any change in terms of business and investment have resulted from a direct consequence of the PACA® intervention.

Standing with external promoting agencies The same situation as above. In general, international and non-refundable funds are defined from one year to the other. Perhaps next year it will be possible to know whether any of the new funds obtained are coming as a consequence of the PACA® experience.

🌐 **Economic Impacts**

Activity generation A very interesting agreement came as a result of the negotiating tables and was presented in the Soy Forum that took place late in May. A reference price for soy was defined that sought to benefit and protect both producers and industry. Currently the agreement is on hold, awaiting the final decision from the Ministry of Agriculture. For one producer association's leader, agreements like this one are quite positive since they introduce confidence in the traditionally unstable agricultural market. In his opinion, the number of hectares planted with soy has increased this year due to this fact. However, one official of the GPLR thinks that such an increase is relative to the fact that probably fewer hectares were planted the previous year due to a severe drought that affected the area.

Relevance Soy and maize are two of the most important crops in an eminently agrarian province. Thus, in fostering them, one is fostering part of the main economic sources of Los Ríos. And, as is the situation in many other farming-related areas, the incidence of poverty is quite high, involving a high percentage of the province's population.

Sustainability It seems that as long as the current prefect stays in office, the GPLR will keep working on completing all eleven actions. He is going for re-election for a third term and therefore has the extra incentives of performing well and showing results. In addition, INIAP seems to have found a key partner in the GPLR, since the latter provides the institute with the platform to deliver technology to their main target group

- small producers. INIAP needs the logistics that can be provided by the GPLR since one of the major drawbacks of INIAP is its lack of resources which has prevented it until now to perform its role in terms of transferring technology on a formal and periodic basis.

Very important is the fact that many of the actions are a response to the new role of middle level governments as promoters of economic development. Thus, it would be expected that despite political changes in offices this new approach for local politics is the way things are currently being done in the majority of provincial governments in Ecuador.

4.2 Case of El Oro

<i>Population</i>	527,763 (urban 76%)
<i>Economically active population</i>	195,046
<i>Small-Scale Fishermen</i>	6,000 – 7,500 app.
<i>Monthly Average Income of Small-Scale Fishermen</i>	US\$80-100 app.

Source: Provincial Government of El Oro, 2004

El Oro is located in the southwestern tip of Ecuador's coastal region and is known to be one of the richest provinces in terms of its primary production. It is the country's top producer of bananas and one of the most important in terms of shrimp. Unfortunately, not much of the income generated through these activities remains in the province. The reason for this lies in the fact that only the extractive process takes place in El Oro, with all the managerial and financial decisions being made in head offices in Guayaquil. The sector chosen for the intervention -small-scale fishing- shows lots of potential in terms of productivity and profitability improvement that could be achieved if new technology and value-added processes were incorporated into the current production system. This sector has one association that encompasses cooperatives as well as independent fishermen. The aim of the association's leaders is to regain trust and respectability and be able to deliver real answers in terms of the sector's main concerns. Civil society in El Oro seems more driven and organized, at least in terms of the environmental issue that concerns the manglar,¹¹ and has shown a concerted effort to protect it for some time.

¹¹ The manglar is an ecosystem that consists of a type of vegetation that is the habitat for shellfish and crabs.

PACA® EI Oro

The prefect of EI Oro decided to carry out a PACA® exercise so as to give new impetus to the sub-productive fishing sector. One element that played in favor of the selection of the small-scale fishing industry in finally being chosen was the fact that its leaders seemed very receptive to the proposal and showed immediate interest in starting to work on it. This proved to be a decisive factor, since the provincial government of EI Oro (GPAO) wanted the target group to be the most involved in the execution of the forthcoming activities.

The PACA® team was composed of nine people. Three officials from the GPAO, one lecturer from the Technical University of Machala (UTM), one delegate from the National Institute of Fishing (INP), one delegate from a community organization that protects the Manglar (PMRC) and three leaders from the two biggest fishermen's associations. The team was also assisted by four external consultants (3 from CONCOPE and one from GTZ). Table 3 in Appendix D shows a map of stakeholders that compose the small-scale fishing sector in EI Oro. The results of the PACA® exercise were 13 actions, listed with their current status of completion in Table 4 Appendix E. The first PACA® experience with the small-scale fishermen was a pilot project test for the GPAO. Since it was assessed as a positive experience, a new PACA® project has already been launched within the cattle farming sector.

Summary Table

<i>Period</i>	May 26 th -November 15 th , 2003
<i>Sector of intervention</i>	Small-scale fishing
<i>PACA® team members</i>	9
<i>Number of actions</i>	13

Source: Provincial Government of EI Oro, 2004.

Analysis of PACA® EI Oro

Based on the information collected through semi-structured interviews that took place in Machala, Guayaquil and Loja, written reports from both CONCOPE and the provincial government of EI Oro, the following is the balanced scorecard analysis regarding the PACA® experience with the small-scale fishermen.

Learning

Participation The composition of the PACA® team was very well balanced, since it

encompassed members from the private and public sector, as well as from civil society. Of great importance is the fact that the main beneficiaries of the intervention -the small-scale fishermen- were highly involved in the PACA® exercise as well as in the implementation phase, which meant that the actions addressed were representative of the sector's problems and challenges.

Through being highly involved in the action's implementation phase the fishermen have learned a series of new skills and have gained a whole new vision about their sector, which they did not have before.

Their leader -Tomas Cruz- has even become a motivational speaker in seminars that have been organized in Quito and elsewhere, so as to show that development and improvements in peoples' lives are possible to achieve when you have the necessary drive.

Local Ownership

Clearly there is a high level of local ownership. Small-scale fishermen have been directly or indirectly in charge of all the actions, with the unconditional support of the GPAO. Their leader's commitment is very strong towards improving the situation of the fishermen, which has entailed that other important stakeholders within the small-scale fishing sector, such as the local university and the INP, become more involved.

It is important to mention that the sense of ownership within the leaders of the fishermen was a direct result of the decision of the prefect to financially support them with the equivalent of 50% of their monthly income for the first six months of the project. In this way, the leaders could actually commit, on a part time basis, to the tasks related with the actions implementation process. Without this financial guarantee, it would have been difficult to receive such a commitment, since all are the sole breadwinners for their families.

Internal Processes

Organizational Development

The PACA® experience in El Oro was able to connect all major actors involved in the small-scale fishing sector of the province. This was an opportunity that allowed them to get to know each other's positions and interests and realize that there were several ways they could work together in order to improve the productivity of the sector. Thus, partnerships were

established between the fishermen and the University, the National Institute of Fishing and also with the Seaport Commander-In-Chief, under the sponsorship of the GPAO.

Clearly, there has been an improvement in the organizational culture of the fishermen's association. Now, their leaders work on a full time basis and have set up an office, with the support of GTZ. The office and all the operational expenses –except their salaries– are financed with membership fees.

Mobilization

One of the first actions undertaken by the fishermen leaders was to merge the two biggest associations of the province into one single entity, called the Unit of Small-Scale Fisheries of El Oro (USPAO).

Through doing this, the leaders could understand early in the process the importance of organizing, and could see the benefits and synergies that could be generated through collective action. In general terms, the feeling is that the PACA® process opened doors for them that they never dared to knock on before. For the first time they felt that their sector was being considered and that situation gave them the necessary confidence to address other actors, so as to start jointly working on the initiatives that concerned them.

Locality Image

Investment inflow and business retention Difficult to determine with the lack of statistics available at the provincial level.

Standing with external promoting agencies Up to now, no new incoming resources have resulted from the PACA® experience.

Economic Impacts

Activity generation Although several of the actions defined in El Oro were directed towards decreasing the operational expenses of the fishermen, creating new sources of family income and improving their current margins through value added processes; none of them have so far showed concrete and/or meaningful results. Unfortunately, the one action, that due to its nature and scope could make the greatest contribution in relation to the fishermen's average income - the warehouse facility-, is on stand-by but with a good possibility of being realized by the end of the year.

Nevertheless, it is important to stress that regardless of the lack of any results in terms of real and measurable economic impacts, the PACA® experience made the fishermen more aware of the different potential alternatives in their power, making them more proactive in the search for new solutions and opportunities.

Relevance

The Prefectura¹² has calculated that around 30,000 people are economically dependent on this activity, representing 6% of the total population of the province.

Sustainability

Even though the official implementation period ended nine months ago, any uncompleted actions are still in process, with none having been left out.

One of the major problems the PACA® team has faced is the fact that many of the head officers of the different government agencies and/or NGOs with which they set up agreements have changed several times during the project implementation negatively affecting the issue of partnership continuity. However, based on the meetings carried out with many of these organizations, there seems to be a genuine interest to re-initiate the relationships comprising the previous agreements.

Until now the fishermen had traditionally gone to the Prefectura, on a daily basis, in order to discuss their problems and find solutions with the support of the provincial government officials, something that clearly shows improvements in terms of network development.

In addition, since the income from membership dues does not yet allow paying salaries, the leaders have had to come up with different alternatives so as to still be able to make money and support their families. This particular situation demonstrates the strong commitment towards continuing the process of change and overall improvement within the sector. Moreover, the fishermen's leadership is also working towards getting younger/newer people involved in the activities, so the process will not stop when they ceased in their associative functions.

Last but not least, three new actions have already been generated as a consequence of the thirteen initial ones.

¹² Prefectura is the name for the provincial government's head office.

4.3 Case of Zamora

<i>Population</i>	21,791 (Urban 48%)
<i>Economically active population</i>	7,613
<i>Producers</i>	1,506

Source: Census 2001, National Institute of Statistics of Ecuador

Zamora is the provincial capital of Zamora-Chinchipe province located in the oriental Amazonian region of Ecuador. The lack of opportunities and overall economic instability that dramatically increased during the nineties (1990's), hitting remote locations such as this one particularly hard, resulted in a massive migration process where approximately one third of Zamora's population moved to Spain and other locations in Europe and North America. In the end this exodus for new economic opportunities turned out to be the lifeline for many local economies -especially in the pre-dollarisation period- as remittances result in the second largest source of foreign currency (US\$) income to the country, after oil production (La Hora.com, 2004).

As in many other parts of the country, the economic base in Zamora is highly concentrated in primary activities, such as farming and forestry. The biggest employer is the public sector -municipality, provincial government, education and health units, and so forth with the rest of employment coming from the retail and construction sectors. A low level in education is evident, with only twenty one percent (21%) of the population having attended secondary school; a percentage that decreases to fourteen percent (14%) in rural areas (Census of population and housing, 2001).

In reference to the private sector, and specifically to the productive sectors where the intervention was aimed, some good indicators in terms of levels¹³ of association could be found. Nevertheless, a culture of partnerships between private and public actors, or even within the private sector itself, does not exist yet. In this particular place paternalism is highly ingrained, resulting in a lack of proactive activity from the locals in searching for solutions to their problems. From their perspective, the government should be the one providing solutions to their concerns and challenges.

¹³ According to the municipality, there are 116 fish farmers of which 87% are associated. There are 15 frog farmers with a 100% level of association. Unfortunately there was no information regarding the associative level of cattle farmers.

PACA® Zamora

The PACA® experience in Zamora was the result of an agreement between GTZ and the mayor of the city. Through this agreement, and by being part of the Territorial Economic Development (DET) program that GTZ runs throughout the country, a PACA® project was financed, providing the canton with a practical means of fostering improvements in its main productive sectors. The case of Zamora is different than that of Los Rios and El Oro since it only targets one canton (municipality) of the selected province, and it entailed a multi- sectoral approach. The PACA® team was originally composed of five people: two members of the municipality, one delegate from the local Catholic Church, one delegate from the Institute of Eco-Development of the Amazon Region -ECORAE- and finally the vice-president of the Chamber of Micro Entrepreneurs. The vice-president participated only during the PACA® exercise and the church and ECORAE delegates were only part of the team for the first month of the implementation phase. Table 5 in Appendix F shows the map of the stakeholders involved in all sectors, and Table 6 in Appendix G lists the current status of completion of the fourteen actions defined by the PACA® exercise.

Summary Table

<i>Period</i>	November 28 th , 2003-March 27 th , 2004
<i>Sector of intervention</i>	Livestock, fish farming, frog farming, tourism, migrant remittances, contract-out garbage collection
<i>PACA® team members</i>	5
<i>Number of actions</i>	14

Source: Municipality of Zamora, 2004.

Analysis of PACA® Zamora

Based on the information collected through semi-structured interviews that took place in Zamora and Loja, combined with written reports from both CONCOPE and the municipality of Zamora, the following is the balanced scorecard analysis regarding this multi-sector PACA® experience.

Learning

<i>Participation</i>	The municipality failed to include within the PACA® team any member of the producer's associations. Just as in the case of Los Ríos, the beneficiaries of the actions took a passive role as only recipients of the defined initiatives. Members of the
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target groups participated only in the interviews and workshops that took place during the PACA® exercise.

Local Ownership

Low in terms of the producers' involvement, but high in terms of the role that the municipality played in the implementation process. The impression is that local producers do not feel that the PACA® actions were their own, but rather were initiatives coming from the municipality. In any case, this does not change the general sense of gratitude that they now have towards their local government.

🔗 **Internal Processes**

Organizational Development

First of all, the municipality strengthened its links with various actors in the community such as ECORAE and the UTPL. With the latter, they have created a partnership around the cattle-farming sector, focusing on technology transfer and an artificial insemination program. This has proven to be a very good opportunity for the municipality to start networking and building partnerships. However, within the producers' associations it is not clear whether the PACA® experience has had any direct effect.

Mobilization

Within the three producer's associations it was possible to observe a slight change towards recognizing the benefits of being better organized. However, outdated practices are highly ingrained, which along with a strong paternalistic approach makes any process of change a very difficult one.

🔗 **Locality Image**

Investment inflow and business retention

No information available in the municipality. No statistics of this sort exist at the local level.

Standing with external promoting agencies

All current projects being funded by external agencies are agreements that were created last year or in previous years.

🔗 **Economic Impacts**

Activity generation

Besides the fact that milk producers have increased their daily quota by 20%, there is no other evidence yet of concrete economic improvements. Nevertheless, PACA® provided local producers with the opportunity to realize

	some possible steps that they could undertake in order to improve their current production practices. In doing so, as long as continuous improvement in production techniques is followed, positive results should start to appear.
<i>Relevance</i>	Thirty six percent (36%) of the total active economic population is involved in agricultural-related activities (farming, cattle farming, hunting, fishing and forestry). Tourism, on the other hand, is a new alternative way of generating local resources that has not yet been explored.
<i>Sustainability</i>	<p>Bureaucracy and insufficient funding are the two biggest constraints in isolated and resource-lacking municipalities like Zamora. This explains why two actions are on hold until approval is obtained for the coming year's local budget.</p> <p>Perhaps as a way to legitimize the process (or at least one way in which it could be interpreted), the municipality has already undertaken three new initiatives that seek to enhance two of the main local productive sectors (cattle and fish farming).</p>

In spite of the myriad of political problems that affect Ecuador, one positive feature of its political structure is the fact that mayors and prefects are elected positions. Thus, it could be observed that both levels of government are becoming more accountable, due to the requirement of being more responsive to their constituencies, which in some cases has provided them with the capacity to more easily mobilize other actors. For instance, the prefect of El Oro is a much-respected politician and any initiative that he promotes normally receives strong support from the community. This was the case in the PACA® experience, where all stakeholders involved in small-scale fishing gave a positive initial response in being part of the process, and are still involved in some of the ongoing activities.

Notwithstanding, the biggest challenge of national as well as local/middle levels of government is the issue of legitimacy, considering that Ecuador's large bureaucratic apparatus is still the major source of corruption and clientelism. The side effect of this is a lack of sustainable actions due to a context where officials are regularly removed from their posting, thereby losing any programmatic continuity. At the end, this has resulted in a complete lack of faith in the central government, which makes people prone to have bigger expectations and be more demanding with their local and provincial elected officials.

Associative practices are the biggest concern for support institutions such as CORPEI. The level of association is quite low and producers would rather not participate in sectoral organizations due to issues of credibility. Reasons for this are the history of failures of cooperatives in Ecuador and past corruptive leadership behaviors that are still discouraging people from becoming involved. This lack of organization has meant that small/medium producers do not hold any bargaining power in the market and are basically dependent on the decisions taken by big agribusiness.

For instance in Los Ríos' soy value chain, it was found that big producers have no incentive to participate in any type of collective action, unless it is with their peers. On the contrary, they seem keen to jeopardize any initiative that they feel affects their particular interests. This year a new mechanism of commercialization was defined regarding soy. The idea was that producers could directly sell their production to industry, resulting in the demise of the old practice of selling through associations. Such a situation directly threatens middlemen revenues since they would no longer collect a fee for being the bridge between producers and industry. This situation resulted in one middlemen association - APROCICO- directly pressuring the minister of agriculture to dictate a decree of returning to the old practice. This situation distinctly shows how APROCICO did not recognize the validity of an inter-association agreement.

Another issue needing attention is the type and quality of leadership. Some current organization's officers as well as public officials in all three PACA® experiences stressed the need for more innovative, visionary and entrepreneurially driven leaders. Associative levels will not likely change unless without the emergence of a new type of leader, one whose major task is to regain trust and legitimacy for the producers' organizations.

Based on the observations made on site, the primary conclusion would be that indeed the geographical location makes a difference in terms of the local idiosyncrasies found. Firstly, despite the fact that both Los Ríos and El Oro are located in what is supposed to be a more entrepreneurial region, my appraisal is that there are more *proactive* and *entrepreneurially driven people* in El Oro. Such a situation most likely corresponds to the fact that El Oro is a richer region, with a lower poverty incidence and better literacy rates as it can be seen in the following table:

	Region	Rural Population	Poverty Incidence	Illiteracy	Functional Illiteracy ¹⁴
Los Ríos	Coastal	50%	72%	15.8%	32.8%
El Oro	Coastal	24%	44%	5.9%	17.7%
Zamora	Amazon	52%	60%	9.9%	26.7%

Nonetheless, being basically an agrarian province with a higher percentage of rural population is another factor that could be negatively affecting the performance of Los Ríos. Rural areas are normally behind in terms of access to services, but also in terms of the exposure that its population can eventually face regarding technology transfer processes. The end result is people more reluctant to take risks because of the traditional fear of trying something new.

In relation to how the PACA® experience unfolded, in terms of stakeholder participation and the type of leaders that were encountered in both sites, it was noticeable that El Oro had more visionary leaders who understood their mission and the challenge of becoming a more competitive sector. On the other hand, Zamora which is located on the eastern part of the country has inevitably paid the cost of being distant from the two major poles of development. The rural pattern among the population is also highly embedded in its local social structures, resembling the case of Los Ríos but even stronger due to Zamora's geographical isolation.

Another important factor refers to a *saving culture*, which in part explains the low productivity levels in El Oro. The major issue is the fishermen's customary lifestyle of surviving on a day-to-day basis. An intricate system exists, where middlemen lend the fishermen money to buy their needed fishing inputs in exchange for half their daily catch at a pre-arranged price. In the long run, this situation has prevented the fishermen from capitalizing half of their earnings in order to improve their fishing practices. Nevertheless, the leaders of the newly created fishermen's association -USPAO- have acknowledged this situation. Training on how to create and run a small saving cooperative was provided by PRODEIN, and the association now offers their membership an operating micro credit service, thereby addressing two important constraints. Firstly, a micro credit system of their own to make up for their exclusion from the formal financial market and secondly, the opportunity to move slowly away from their current dependent relationship with local middlemen.

¹⁴ The denomination of functional illiteracy applies to people of 15 years and older that are unable to understand what they read, that cannot properly write and who cannot also undertake basic math operations.

Paternalism is yet another issue that affects interventions in Ecuador. This behaviour is most likely the result of the way the Spanish, native people and later mestizos have been interacting since colonial times. As was stated before, natives were always marginalized and never given much consideration within society. Such power relations between a small but dominant landowner elite with a large native and mestizo group has resulted in large groups of impoverished and illiterate people. From this, a culture of aid has developed out of necessity inevitably indoctrinating them in the idea that the state is the primary supporter/provider. In Los Ríos and in Zamora, my impression was that local private actors did not really appear compelled to take responsibility for any planned activities. The situation became particularly critical in Zamora, with all defined activities in the frog-farming sector jeopardized by the same farmers' unwillingness to invest and/or spend any money, due to their expectation that the municipality and international donor should cover all costs. Such behavior is commonplace for private sector members in rural areas.

Trust also plays a major role, particularly in terms of relations with the institutional framework and the organizations that comprise it. In countries where corruption is perceived to cut across all major political and economic spheres, people do not expect that institutions truly work and/or that they are enforced to the same degree for all citizens. Corruption undermines people's trust in their formal set of institutions, which in the end establishes a growing *distrusting culture* that becomes ingrained in their codes of behaviour. Such behaviour keeps feeding from a reality of a sequence of disappointing experiences; this is one of the primary reasons behind the low levels of association among producers. Cooperatives failed in Ecuador basically due to bad management and continuous fraud. Thus, people have been left with the sensation that the interests of the poor are not taken into account, and thus are no longer keen to participate in activities that have not shown serious results. This has been especially true in rural areas where distrusting behaviors seem to be the norm. That is why in all three PACA® experiences, the major emphasis was put towards regaining peoples' trust in their associations and their leadership, in order to start off any long term initiative on the right foot.

V. Comparative Analysis

The balanced scorecard provided a qualitative analysis regarding how the critical success factors (CSF) behaved in each one of the three PACA® experiences in Ecuador. Therefore, it is now necessary to generate a method that could allow a comparative exercise among the three initiatives so as to give a final assessment in terms of PACA® being a good alternative to address LED in some of the less advanced areas of the developing world. Such exercise is going to be taken in the following way: a

series of statements with an assigned plus (+) or minus (-) sign have been issued for each CSF. Every PACA® experience is going to be analyzed under these parameters and will be given its corresponding sign (+/-). This exercise will deepen the balanced scorecard analysis by means of providing a more comprehensive perspective in terms of the strongest and weakest points of each one of the economic development initiatives.

(i) Participation¹⁵

- (+) At least one member of the PACA® team belongs to the target sector.
- (+) At least 50% of the activities are implemented by the target sector.
- (-) None of the members of the PACA® team belongs to the target sector.
- (-) Less than 50% of the activities are implemented by the target sector.

(ii) Local Ownership

- (+) At least 85% of activities were run by local stakeholders.
- (+) At least 50% of the activities were run by the private sector and/or civil society.
- (-) Less than 85% of activities were run by local stakeholders.
- (-) Less than 50% of the activities were run by the private sector and/or civil society.

(iii) Organizational Development

- (+) At least one new private/public/civil society partnership defined.
- (-) No new partnerships defined.

(iv) Mobilization

- (+) At least 10% of membership increase in the target sector.
- (+) Creation of a relevant organization.
- (-) Less than 10% of membership increase in the target sector.

(v) Activity generation

- (+) At least one business agreement defined between the target sector and any other party.
- (+) At least one completed activity aiming to increase income and/or decrease expenses in the target sector.
- (+) At least 75% of the planned activities were aiming to generate business opportunities.
- (-) No business agreements generated.
- (-) No completed activity aiming to increase income and/or decrease expenses in the target sector.
- (-) Less than 75% of the planned activities were aiming to generate business opportunities.

(vi) Relevance

- (+) Targets one of the main economic activities of a locality (one of the three most important).
- (+) Targets one depressed economic sector that comprises at least 10% of the locality's economically active population.
- (-) It does not target one of the main economic activities of a locality (one of the three most important).
- (-) It targets a depressed economic sector that comprises less than 10% of the locality's economically active population.

(vii) Sustainability

- (+) At least one new initiative has been sponsored by the local/provincial government.
- (+) At least one new initiative has been sponsored by the target sector.
- (-) No new initiatives have been undertaken.

Figure 2. Comparative Analysis

	Participation		Local Ownership		Organizational Development	Mobilization	
Los Ríos		(-) (-)	(+)	(-)	(+)		N/A ¹⁶
El Oro	(+) (+)		(+) (+)		(+)	(+) (+)	
Zamora		(-) (-)	(+)	(-)	(+)		N/A

	Activity Generation		Relevance		Sustainability	
Los Ríos	(+)	(-) (-)	(+) (+)		(-)	
El Oro	(+) (+)	(-)		(-) (-)	(+) (+)	
Zamora	(+) (+)	(-)	(+) (+)		(+)	

PACA® claims to be a participatory, action-oriented and business and opportunity-driven tool to address LED. Based on what can be observed from the previous table, both participation and activity generation appeared to be weak in Los Ríos and to a lesser extent in Zamora. Such a reflection should lead towards recognizing the real need to define a specific set of parameters that should be fulfilled by every single activity that was defined to be part of the action plan. Otherwise, the risk of actions taking any other direction but the economic one –in terms of concrete business opportunities- could be quite high. Participation, on the other hand, cannot be neglected and is a matter of major importance. If one

¹⁵ All critical success factors are measured throughout the entire process (planning and implementation). Locality Image will not be assessed here since all three experiences lack the information in that regard.

¹⁶ Regarding Los Ríos and Zamora, there is no information available about increase/decrease of associations' membership.

wants to make sure that all three PACA® principles are achieved, a formal evaluation process is a must. There is a real need to understand the reasons that prevented concrete and measurable economic results to happen in Ecuador. Only when those reasons are understood within the context they took place measures can be taken. Therefore, this constitutes truly valuable information for future PACA® experiences. The socio-cultural context cannot be neglected just like any other important aspect within the economic and political realm where the intervention is taking place. The best way to improve the performance of PACA® is to be able to realize –based on its previous experiences- what lies outside of its reach and what is a matter of change and thus, of future improvement.

VI. Conclusions and Recommendations

Decentralization has been the main force behind the new role that local and provincial governments presently play in Ecuador. The formal recognition by the state of their role as economic promoters comes to be a way of legitimizing the real importance that competitiveness holds within the national economic agenda. Chiefly, provincial governments have taken the road towards becoming enablers of a process that is meant to bring economic well being into the territorial jurisdictions they represent. Due to the inherent factors that constitute the current social, political and economic context, this enabling role needs to go beyond its primarily definition and embrace not only a direct role as providers of economic opportunities but also in handing over appropriate alternatives, where the private sector and to a lesser extent civil society can acquire the skills they currently lack.

One of the key pillars on which to build sustainable economic development is the one regarding the provision of technical support by meso-institutions. Unfortunately, the Ecuadorian situation is a case where these types of institutions are in clear deficit. Only two agencies are found to have taken a predominant role -CONCOPE and CORPEI- in terms of providing provincial governments, and the private-export-oriented-sector respectively, with some of the necessary tools in order to better face increasing worldwide competition. From another perspective, it would be fair to say that local associative levels are still low, and associations as a whole have a quite negative outlook among producers. Thus, an important issue regarding association and leadership legitimacy needs to be solved. Lack of entrepreneurial drive, a paternalistic approach, a deficient saving culture and distrustful behavior come to be the major socio-cultural factors influencing the outcomes of interventions in all three settings. All these factors take individual forms and intensities, with different regional idiosyncrasies playing a part. Special attention needs to be placed in rural locations, since the rural pattern tends to intensify some of these features in a particularly strong manner.

Undoubtedly, the three PACA® initiatives presented show positive results in terms of the dynamism – not necessarily with an economic outlook- generated in the sectors that were targeted through the interventions. It is possible to observe that Los Ríos and Zamora acted in similar terms due most likely to their shared agrarian background, which seems to be an important factor when analyzing the experiences' constraints and difficulties. El Oro on the other hand, targets a sector outside the agricultural realm, thereby encompassing people with a different set of socio-cultural factors; perhaps a possible reason why the fishermen embraced the intervention in the way they did. The experience in El Oro provides interesting evidence of a move towards a systematic and continuous social and human capital building-up process. Moreover, both can be considered important elements in reinforcing the sustainability that the initiative has showed thus far. Some small and measurable economic results have been produced, but on the whole the major gain has been in relation to private-public governance structure strengthening, where local and provincial governments have seriously taken on the task of constructing new partnerships based on trust and reliability. It is also relevant to mention the fact that in all three experiences the public sector highly benefited in terms of capacity building processes, allowing this latter to learn a series of new skills that will most likely improve its performance.

Based on the results of the case studies, PACA® has proven to be a useful and practical methodology. But, despite the initial positive evaluation, the PACA® framework could benefit from reflection on three important issues. First of all, it is my perception that the implementation timeframe for the actions -three months- does not realistically allow enough opportunity for these initiatives to be fully completed. Secondly and also related to the previous point is the fact that these initiatives need to be better evaluated -before being selected- in terms of their level of complexity and also in terms of what their actual end goals are. There is still the need to undertake a basic planning process, so the implementers of the actions have a better understanding of what exactly they are aiming for. Finally a formal follow-up process, encompassing different timelines, is a must as a way of measuring whether the results were achieved and if so, in a sustainable way. Otherwise, any other type of analysis will always have a subjective nature. For instance, in this particular case, it is not possible to compare the initiatives based on how many of the actions were completed within the time frame of three months because all of them greatly differ in terms of their level of complexity.

In summary, more time should be made available to plan each activity so as to understand its objectives, scope, target group, and so forth. In this way, the later evaluation process would be easier to undertake. As important as it is to be able to mobilize stakeholders and produce some local economic dynamism is to be able to have the clarity to understand the why's, the how's and the who's

of every activity defined. Otherwise, there is always the risk of not being able to take full advantages of opportunities due to the lack of preparation of the implementers.

Appendix A – List of Semi-Structured Interviews and Meetings

☉ Meso Institutions and International Donors. City of Quito.

<i>Name</i>	<i>Position</i>	<i>Organization</i>	<i>Date</i>
Jorge Olmedo	Executive Director	CONCOPE – Council of Provincial Governments of Ecuador	29/07/04
Janos Zimmermann	Programme Director	GTZ – German Technical Cooperation	29/07/04
Sergio Ochoa	Advisor	CNC – Council of National Competitiveness	30/07/04
Mario Unda	Sociologist	NGO 'Ciudad'	31/07/04

☉ Meso Institutions. City of Guayaquil.

<i>Name</i>	<i>Position</i>	<i>Organization</i>	<i>Date</i>
Ana Jaramillo	External Consultant	CORPEI– Exports & Investments Promoting Corporation	02/08/04
Lizzy Velez	External Consultant	CORPEI– Exports & Investments Promoting Corporation	02/08/04
Giovanni Ginatta	National Coordinator Bio-commerce Program	CORPEI– Exports & Investments Promoting Corporation	02/08/04
William Revelo	Biologist	INP – National Institute of Fisheries	04/08/04

☉ PACA® of Los Rios. City of Babahoyo.

<i>Name</i>	<i>Position</i>	<i>Organization</i>	<i>Date</i>
Ricardo Muñiz	Planning Department's Director	GPLR – Provincial Government of Los Rios	02/08/04
Victoria Rendón	Lecturer	UTB – Technical University of Babahoyo	02/08/04

Pedro Romero	Planning Department staff	GPLR– Provincial Government of Los Rios	02/08/04
Name	Position	Organization	Date

Willman García	President of Association	APA– Association of Agricultural Producers	03/08/04
Fernando Onofre	Provincial Council member	GPLR– Provincial Government of Los Rios	03/08/04
Jessenia Onofre	Planning Department staff	GPLR– Provincial Government of Los Rios	03/08/04

☉ PACA® of El Oro. City of Machala.

<i>Name</i>	<i>Position</i>	<i>Organization</i>	<i>Date</i>
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Lourdes Luna	Planning Department	GPAO – Provincial Government of El Oro	04/08/04
Hugo Añazco	Planning Department	GPAO– Provincial Government of El Oro	04/08/04
Ítalo Encalada	Planning Department	GPAO– Provincial Government of El Oro	04/08/04
Oscar Ordóñez Durán	Vice-Prefect	GPAO– Provincial Government of El Oro	05/08/04
Tomas Cruz	Leader	USPAO– Unit of Small-Scale Fisheries of El Oro	06/08/04 07/08/04
Silvino Cruz	Leader	USPAO– Unit of Small-Scale Fisheries of El Oro	06/08/04 07/08/04
Sabino Pezo	Leader	USPAO– Unit of Small-Scale Fisheries of El Oro	06/08/04
Patricio Quishpe	Lecturer	UTM – Technical University of Machala	06/08/04
Montgomery Sánchez	Prefect	GPAO– Provincial Government of El Oro	06/08/04
Rolando Bravo	Director	PRODEIN – Projects of Integral Devt.	09/08/04

Roland Montealegre	Coordinator	PRODEIN – Projects of Integral Devt.	09/08/04
Francisco Arrobo	Chief of Bureau	Provincial Police Department	10/08/04

☉ **International Donor and NGO. City of Loja.**

<i>Name</i>	<i>Position</i>	<i>Organization</i>	<i>Date</i>
Fausto López	Executive Director	NGO 'Arco Iris'	11/08/04
Jurgen Popp	A.P. PROMODE – Advisor Programme of Modernization and Decentralization	GTZ – German Technical Cooperation	11/08/04
Ricardo Pazmiño	Advisor	GTZ– German Technical Cooperation	11/08/04

☉ **PACA® of Zamora. City of Zamora.**

<i>Name</i>	<i>Position</i>	<i>Organization</i>	<i>Date</i>
Saúl Jiménez	Department of Community Development	Municipality of Zamora	12/08/04
Ángel Valladares	Department of Community Development	Municipality of Zamora	12/08/04
Delia Sivisaca	President of Association	Fish Farmer Association of Piuntza	12/08/04
Víctor Reyes Z.	Mayor	Municipality of Zamora	16/08/04
Ángel Flores	Director of Finance	Municipality of Zamora	16/08/04
Carlos Castillo V.	Cattle Farmer	Association of Cattle Farmers from Piuntza	16/08/04
Luis Erráez	Frog Farmer	Association of Frog Farmers from Piuntza	16/08/04

Appendix B – Map of Stakeholders PACA® Los Ríos

☉ Table 1. Map of Stakeholders in the soy and maize value chain

Producer's Associations	10
Producers & Middlemen Associations	3
Middlemen	5
Industries	5
Financial Institutions	1
Support/Research Agricultural Institutions	4
Universities/Technical Schools	4
Public Institutions	4
Other associations	1
Private Supporting Institutions	2
TOTAL	39

(i) Producers' Associations

Name	Place	Membership
Centros Agrícolas (Agricultural centers) (only two operational ones)	Ventanas Palenque	300 154
FENAMAIZ –National Federation of Maize Producers	Ventanas	N/A ¹⁷
UOCQ – Union of Peasant Organizations of Quevedo	Quevedo	N/A
UNOCAVB – Union of Peasant Organizations of Vinces & Baba	Quevedo	N/A
UOCLOR – Union of Peasant Organizations of Los Ríos	Babahoyo	N/A
UCUM – Union of Urban Marginal Peasants	Babahoyo	N/A
Federación Tierra Fértil	Ventanas	700
APA – Association of Agricultural Producers	Ventanas	40
APAM – Association of Agricultural Producers of Montalvo	Montalvo	N/A

(ii) Association of Producers and/or Middlemen

Name	Place	Membership
ADEPA –Association of Agricultural Producers	Babahoyo	16
ACPA – Association of Agricultural Buyers & Producers	Babahoyo	N/A
APROCICO – Producers' Association of Short Cycle	Quevedo	N/A

(iii) Middlemen (retailers)

Name
AGRIPAC
EICOPA
Villares
Manobanda
COD-PROAGRO

(iv) Industries

Name	Place
La Oriental	Quevedo
Ales	Manta
Grasas Unicol	Guayaquil
Ingranagro	Duran
La Fabril	Quevedo

(v) Financial Institutions

Name	Place
BNF – National Bank of Development	Babahoyo

(vi) Support and/or Research Institutions

Name	Place	Role
INIAP	Quevedo	-Research &

¹⁷ Information unavailable.

Autonomous National Institute of Agricultural Research		technology transfer
Name	Place	Role
AGRIPAC	Babahoyo	-R&D -Selling of inputs & seeds
PROMSA –Agricultural Service Improvement Programme	Quito	-Agricultural training services (low coverage in the province)
IICA – Inter American Institute of Agricultural Training	Quito	-Training and support

(vii) Universities and/or Technical Schools

Name	Place
ITAV –Agricultural Technological Institute of Vinces	Vinces
UTB – Technical University of Babahoyo	Babahoyo
CTA – Agricultural Technical School	Pueblo Viejo
UTEQ – Technical University of Quevedo	Quevedo

(viii) Public Institutions

Name	Place
GPLR – Provincial Government of Los Ríos	Babahoyo
MAG – Ministry of Agriculture, branch Los Ríos	Babahoyo
Municipalities	Provincial
Consultative Council of Maize	Guayaquil

(ix) Other associations

Name	Place
Agronomists' association of Los Ríos	Babahoyo

(x) Private Supporting Institutions

Name	Place
CONCOPE- Council of Provincial Governments of Ecuador	Quito
CORPEI – Exports & Investments Promoting Corporation	Guayaquil

Appendix C – Actions Defined for Los Ríos

📌 **Table 2. Lists of Actions.**

Action	Responsible	Collaborator
(1) Support to INIAP in terms of importing genetic (hybrid) seeds	GPLR	INIAP
<p><i>Progress:</i></p> <p>This action is in stand by because of money matters. Seeds are costly and nor INIAP nor the GPLR have extra resources. The GPLR is hoping to find an international donor that could finance the initiative</p>		
(2) Technical support & training for producers per zones	GPLR	INIAP
<p><i>Progress:</i></p> <p>Two seminars on Management of the Soy have been held in July and August of 2004 with a total attendance of 184 producers.</p>		
(3) Awareness campaigns about the use of certified seeds	GPLR	INIAP
<p><i>Progress:</i></p> <p>Awareness campaigns through local radio stations already took place. Material such as brochures and leaflets have been distributed in all seminars and workshops organized.</p>		
(4) Provincial Forum for Commercialization Alternatives	GPLR	CORPEI
<p><i>Progress:</i></p> <p>Formulated based on the results of the round tables, it took place on May 20th, 2004 in Babahoyo with the attendance of 224 producers and members of the soy value chain.</p>		
(5) Negotiating Tables between producers and industries	CORPEI	GPLR
<p><i>Progress:</i></p> <p>They were the anteroom of the Soy Provincial Forum organized in late May. It allowed producers and industrial representatives to discuss common interests and come up with a price agreement for the upcoming soy harvest. There were at least three organized (2 in Guayaquil and one in Babahoyo).</p>		
(6) Children's Soy and Maize School's Breakfasts	GPLR	-
<p><i>Progress:</i></p> <p>At this point the GPLR is just concentrating in creating awareness among producers about other alternative uses for both crops. They have a cadastre of all the public schools that are subscribed to the breakfast program. To be able to carry this initiative they need the intervention of the ministry of Welfare but they have not addressed any authority yet.</p>		
Action	Responsible	Collaborator

(7) University's alliances in order to better the Agricultural Curricula	Technical Univ. of Babahoyo	GPLR
<p><i>Progress:</i></p> <p>This action is being managed by the UTB and despite the fact that reflects a problem that is critical to Los Rios, it has a national scope and the resolution needs to come from an agreement from the rest of universities along with the Minister of Education.</p>		
(8) Spreading out Agricultural information and Research	GPLR	-Universities - INIAP
<p><i>Progress:</i></p> <p>This action is been implemented along with action 2.</p>		
(9) Identification of micro entrepreneurial initiatives in the maize and soy value chain	GPLR	-OIT -CONCOPE
<p><i>Progress:</i></p> <p>People from the GPLR, University, and council members from other provinces were trained in a workshop that took place from the 3rd to 7th of May, 2004.</p>		
(10) Directory of Enterprises and Participant Institutions of the productive chains	GPLR	CORPEI
<p><i>Progress:</i></p> <p>The GPLR is still collecting information. There is a lack of cadastres; the information needs to be collected in a door to door basis.</p>		
(11) Collective action's good practices	GPLR	-
<p><i>Progress:</i></p> <p>They are still at the point of identifying local organizations with good associative practices with which they could develop partnerships with.</p>		

Appendix D – Map of Stakeholders PACA® EI Oro

☉ **Table 3. Map of Stakeholders in the small-scale fishing sector**

Public Institutions	5
NGOs	2
Small Scale Fishermen's Associations	3
Supporting Private/Public Institutions	3
Universities	3
International Donor	1
TOTAL	17

(i) Public Institutions

Name	Place
GPAO- Provincial Government of EI ORO	Machala
PRODEIN – Projects of Integral Development (Agency dependent of the Ministry of Social Welfare)	Machala
Seaport Commander in chief	Machala
Police force	Machala
Sub-secretariat of Fisheries	Guayaquil

(ii) NGOs

Name	Place
Arco Iris Foundation	Loja
Pro-Naturaleza (counterpart of Arco Iris)	Peru

(iii) Small-Scale Fishermen Associations

Name	Place	Members
UOPPAO- Union of Small-Scale Fishermen Organizations of El Oro (comprises 28 associations)	Puerto Bolívar	
UCOPROPAO – Union of Cooperatives of Small-Scale Fishermen of El Oro (comprises 5 cooperatives)	Puerto Bolívar	
USPAO – Unit of Small-Scale Fisheries of El Oro	Puerto Bolívar	1,200 app.

(iv) Supporting Public and Private Institutions

Name	Place
PMRC – Coastal Resources Management Program	Machala
INP – National Institute of Fisheries	Guayaquil
UCV – Unit of Surveillance and conservation	Machala

(v) Universities

Name	Place
UTM – Technical University of Machala	Machala
UTPL – Private Technical University of Loja	Loja
University of El Azuay	Loja

(vi) International Donor

Name	Place
GTZ – German Corporation for Development Co-operation	Quito

Appendix E – Actions Defined for El Oro

Table 4. Lists of Actions.

Action	Responsible	Collaborator
(1) Motorboats' workshops	GPAO	-
<p><i>Progress:</i></p> <p>The workshops took place on July, August and September of this year. Eighteen workshops were initially planned and 360 people expected. By early August the planned agenda was on track and 8 workshops had already taken place with 107 participants.</p>		
(2) Inspection of middlemen's scales in the local seaport	UOPPAO, UCOPROPAO	Police force, Seaport Commander in Chief
<p><i>Progress:</i></p> <p>Two inspections have taken place already in Puerto Bolivar.</p>		
(3) Formalization and legalization of fishing practices	UOPPAO, UCOPROPAO	Seaport Commander in Chief
<p><i>Progress:</i></p> <p>Still running. Up to now 600 hundred new registrations have taken place. Major difficulty encountered has been to get independent fishermen to follow the procedure.</p>		
(4) Creation of a single small scale fishing organization	UOPPAO, UCOPROPAO	GPAO
<p><i>Progress:</i></p> <p>A new association was created -USPAO- that encompasses UOPPAO and UCOPROPAO associate members; it has a provisional board constituted with leaders from the former two. Its legalization has already been processed and they are waiting for the final approval.</p>		
(5) Handicraft's workshops	UOPPAO, UCOPROPAO	PRODEIN
<p><i>Progress:</i></p> <p>The workshops were targeted for the spouses of the fishermen so families could have an extra income. The fishermen's leaders feel that the workshops did no leave women prepared to start on their own so they are trying to get new ones. So far, 151 women were trained.</p>		

Action	Responsible	Collaborator
(6) Study to regulate the opening and closing of the fishing season of endanger species	UOPPAO,INP, UCOPROPAO	UTM
<p><i>Progress:</i></p> <p>This is long term project since it entails the study of the species reproductive patterns (16 months). It is currently being handled by the UTM which through student's thesis is getting the necessary information so as to produce a formal proposal that will be presented to the INP which is the official body that regulates the opening and closing of every species fishing season.</p>		
(7) Zoning to sow and fatten shells	UOPPAO, UCOPROPAO	UTM, INP
<p><i>Progress:</i></p> <p>The zones have been already identified. This action also has a long term scope since the management of the resources needs to be a matter of formal study. The UTM is also handling this activity through students' internships and thesis.</p>		
(8) Group purchase of fishing inputs and articles	UOPPAO, UCOPROPAO	
<p><i>Progress:</i></p> <p>So far, a list has been produced with all the fishing inputs and articles that fishermen need to properly operate their businesses. The next step is to get funds so as to start buying wholesale materials and in this way, make them available to the association's membership at lower costs.</p>		
(9) Internship in Puerto Lopez in order to learn small scale fishing good practices	GPAO	
<p><i>Progress:</i></p> <p>It took place on July this year. Eight fishermen were trained whom are supposed to prepare workshop sessions so as to spread the new practices among their fellow fishermen.</p>		
(10) Direct selling of fishing products (without middlemen)	UOPPAO, UCOPROPAO	Arco Iris Foundation
<p><i>Progress:</i></p> <p>This action is in stand-by. The warehouse that was going to be provided by Arco Iris so fishermen could sell their product there is yet not available due to some financial problems. The foundation is currently searching for alternatives so as to make the warehouse operational by the end of the year.</p>		

Action	Responsible	Collaborator
(11) Surveillance squad	UOPPAO, UCOPROPAO	GPAO, Arco Iris Foundation
<p><i>Progress:</i></p> <p>Due to maritime piracy there is an urgent need to create a squad to guard the entire coast of El Oro. The fishermen are contributing with logistics and volunteers; the army with one official; the GPAO with fuel so at this point only radio transistors are missing in order to start operating. These devices were going to be provided by Arco Iris foundation but due to two consecutive changes of the executive directors and lack of resources, the GPAO is now going to fund this purchase.</p>		
(12) Typical food workshop	UOPPAO, UCOPROPAO	GPAO, PRODEIN
<p><i>Progress:</i></p> <p>It took place in march this year and 25 people were trained. It was funded by the GPAO.</p>		
(13) Creation of eco-tourism packages	GPAO	UTPL
<p><i>Progress:</i></p> <p>Information has already been collected by the UTPL. Next step is to define the packages and make them available for local tourist operators.</p>		

Appendix F – Map of Stakeholders PACA® Zamora

Table 5. Multi-sector map of stakeholders

Public Institutions	6
Financial Institutions	4
Chamber of Commerce	1
Frog Farmer's Association	1
Fish Farmer's Association	3
Cattle Farmer's Association	3
Supporting Private/Public Institutions	3
Universities and Training Centers	5
International Donor	1
TOTAL	27

(i) Public Institutions

Name	Place
Municipality of Zamora	Zamora
Governor of the Province	Zamora
MAG – Ministry of Agriculture, branch Zamora	Zamora
Ministry of Social Welfare, branch Zamora	Zamora
Ministry of Environment, branch Zamora	Zamora
Mining Regional Office	Zamora

(ii) Financial Institutions

Name	Place
National Development Bank	Zamora
Bank of Loja	Loja
Cooperative 11 de Julio	Zamora
Savings & Credit Cooperative Manuel Esteban Godoy	Zamora

(iii) Chambers

Name	Place
Chamber of Tourism	Zamora
Chamber of Mining	Zamora
Chamber of Agriculture	Zamora
Chamber of Commerce of Micro Entrepreneurs	Zamora

(iv) Frog Farmer Association

Name	Place	Number of Associates
Association of Frog Farmers of Piuntza	Piuntza	13

(v) Fish Farmers Associations

Name	Place	Number of Associates
Association of Fish Farmers	Namacuntza	12
Agro-Industrial Association of Fish Farmers	Cumbaratza	75
Association of Fish Farmers	Piuntza	14

(vi) Cattle Farmers Associations

Name	Place	Number of Associates
Association of Cattle Farmers	Cumbaratza	16
Association of Cattle Farmers	Piuntza	12
Association of Cattle Farmers	Guadalupe	15

(vii) Retailer's Association

Name	Place
Retailer Association of Zamora	Zamora

(viii) Supporting Public and Private Institutions

Name	Place
ECORAE – Institute for the Eco-Development of the Amazon Region	Zamora
PREDESUR – Development Program for the Southern Region	Zamora
Name	Place
Pastoral Social del Vicariato Apostólico	Zamora

(ix) Universities and Training Centers

Name	Place
UNL – National University of Loja	Loja
UEA – Amazon Ecologic University	Loja
UCC – Catholic University of Cuenca	Cuenca
UTPL – Private Technical University of Loja, branch Zamora	Zamora
Amazons Training Center	Zamora

(x) International Donor

Name	Place
GTZ – German Corporation for Development Co-operation	Quito

Appendix G – Actions Defined for Zamora

Table 6. Lists of Actions.

Action	Responsible
(1) Design of standard barn and water trough for livestock Beneficiaries: Cattle farmers	Municipality
<i>Progress:</i> The drawing design is ready and available for the farmers. The municipality also agreed to donate building materials and is going to build eleven barn floors.	
(2) Meeting with farmers and UTPL Beneficiaries: Farmers that have milk distribution contracts with UTPL	Municipality
<i>Progress:</i> The meeting took place February 7 th of this year. Measures such as improving the hygienic procedures, better cattle feed and the purchase of new breed of cattle were direct results of this activity.	
(3) Benchmarking of Sport fishing in Loja Beneficiaries: Fish farmers (11)	Municipality
<i>Progress:</i> The one-day visit took place on February 14 th , 2004 and exposed local fish farmers to a good practice venture which also entailed them to become aware of new business opportunities.	
(4) Quality Certificate for Tilapia ¹⁸ Beneficiaries: Fish farmers	Municipality
<i>Progress:</i> The municipality is currently working with the Ministry of Fisheries so as to get a formal certification from them.	
(5) Definition of a unique selling price for Tilapia Beneficiaries: Fish farmers	Municipality
<i>Progress:</i> This action did not progress since the producers did not agree to set a fix price.	

¹⁸ Tilapia is a type of fish.

Action	Responsible
(6) Business tables in Quito regarding the frog business Beneficiaries: Frog farmers	Municipality
<p><i>Progress:</i></p> <p>This action did not progress since the producers were not willing to finance any part of it. Logistics and contacts were ready in Quito and producers just needed to self-support themselves a couple of days in the capital but they decided that it was not worth it.</p>	
(7) Agreement with ECORAE regarding financing the last phase of a plant of feed food. Beneficiaries: Frog farmers	Municipality
<p><i>Progress:</i></p> <p>It is in stand by even though the funds are available mainly due to some individualistic behaviour from one of the most influential producers who happens to have a feed distribution business and is not interested in having competition.</p>	
(8) Up to date web page of Frog Producers Beneficiaries: Frog farmers	Municipality
<p><i>Progress:</i></p> <p>The same issue encountered before. Producers are not willing to spend any money in the initiatives. Even though the cost to maintain a web page per year is quite low, they did not want to undertake that expense.</p>	
(9) Web page of Zamora's tourist attractions	Municipality
<p><i>Progress:</i></p> <p>It was supposed to be operational by the end of September this year.</p>	
(10) Training in Community Tourism in San Carlos de las Minas	Municipality
<p><i>Progress:</i></p> <p>It comprised a two day workshop. In the first one, Introduction to tourism 20 people attended and in the second one, Customer Service 19 people attended.</p>	
(11) Creation of tourist packages that link Zamora with Loja and Vilcabamba ¹⁹	Municipality

¹⁹ Loja and Vilcabamba are two very tourist cities in the neighboring province of Loja.

<i>Progress:</i> Packages have been already created and have been presented in some inter-municipal meetings regarding tourism. The next step is to get the private sector involved so as to bring tourist operators into the province.	
(12) Business contact so as to commercialize shuar's ²⁰ crafts in Loja	Municipality
<i>Progress:</i> A business contact was set and some shuar crafts are already being sold in a shop in Loja. The municipality of Loja has also agreed to facilitate them some logistics for their business.	
(13) Creation of an Agency of Entrepreneurial Development (ADE) in Zamora	Municipality
<i>Progress:</i> The project outline is ready and is going to be presented for the municipality's budget of next year.	
(14) Feasibility study of garbage collection contracting-out	Municipality
<i>Progress:</i> The terms of reference of the project have been elaborated and presented to the municipal council which gave its approval. The study will be undertaken as part of next year's budget.	

²⁰ Shuar is a local ethnic group.

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