

Guatemala (2009-13)

Global Research Project: Strengthening Institutions to Improve Public Expenditure Accountability

Grantee: Fundación para el Desarrollo de Guatemala (FUNDESA)

Between 2009 and 2013, GDN provided the Fundación para el Desarrollo de Guatemala (FUNDESA) an opportunity to undergo four methodological trainings, including in Program Budgeting Analysis (PBA), Benefit Incidence Analysis (BIA), Cost-Effectiveness Analysis (CEA) and Policy Simulations exercises. The trainings were complemented by peer-review workshop as part of a cohort of 14 research grantees focusing on budget accountability in developing and transition countries – as part of GDN’s Global Research Project on Strengthening Institutions to Improve Public Expenditure Accountability.

FUNDESA carried out a BIA and CEA of Guatemala’s popular ‘Mi Familia Progresá’ Conditional Cash Transfer (CCT) programme. The study analyzed the effectiveness, cost effectiveness and side effects of the programme against income quintiles based on both unit cost and subsidy data. The study concluded that the programme was successful in increasing school attendance and access to healthcare in the poorest municipalities of Guatemala, but not cost-effective when compared to other policy options that had been discarded, such as scholarships for girl in schooling age. Further, the analysis showed that CCTs were correlated with greater corruption and higher rates of teenage pregnancy.

Captured as a Most Significant Result by the organization, with the advent of a new government in Guatemala in 2011, the results of the study were shared with government officials including the Minister of the Social Development Ministry through presentations, workshops on budgets and effectiveness of the CCT programs and a policy brief. Social media was extensively used by FUNDESA with short Knowledge Bits (<http://fundesa.org.gt/blog/capsula-programa-de-transparencia-en-el-gasto-publico-para-la-inversion-social/>). Subsequently in 2011, FUNDESA strategically leveraged the political and policy attention the CCT programme attracted in the electoral campaign, and established a working partnership with the newly established Social Development Ministry, whose creation FUNDESA had advocated as part of its original set of recommendations – the formation of a dedicated ministry to coordinate and regulate all social programs in the country. The recommendation resonated with the new government and consequently, a new Social Development Ministry was created within a short duration of 24 days catalysed by the groundwork done by FUNDESA prior to the elections. The Ministry was created with the mandate of administering social programs in Guatemala and the sustainability of the National System of Information for the beneficiaries of the Social Programs. Today, FUNDESA is part of a public-private alliance (Programa de Apoyo al Ejecutivo) dedicated to institutionalizing and evaluating the CCT programme, with a potential impact on 900,000 eligible poor families across Guatemala.