SOUTH-SOUTH KNOWLEDGE COLLABORATION:
Designing and Implementing Social Protection Programs for Employment

MANILA, PHILIPPINES
9-12 MAY 2017
Experience of HAKU WIÑAY / NOA JAYATAI in Peru
May 2017
1. Overview

✓ **Haku Wiñay / Noa Jayatai** is a productive inclusion program aimed at the population living in poverty and extreme poverty in rural areas. It is managed by FONCODES and it was created in 2012.

✓ **Objective:** To improve household income and living standards by strengthening family production systems and improving access to local markets.

✓ **Target Group:** Nested criteria:

- Rural villages with at least 40 households and 40% poverty rate or high rates of chronic infant malnutrition (total of 13,228).
- Of these, towns meeting the following criteria: (i) at least 75% of households with at least 1 unsatisfied basic need; (ii) located in provinces with at least 8 villages that meet the criteria; and (iii) located in districts with at least 400 households in eligible villages.
2. Design

Programme components:

1. **Strengthening of family production systems**: Providing small assets and technical assistance for technological innovation.
2. **Promotion of rural entrepreneurship**: Fostering competition among groups of households.
3. **Promotion of healthy households**: training to improve preparation of nutritious food, access to safe water and efficient solid waste management.
4. **Financial education**: to foster access to the formal financial system.

- Final users receive technical assistance, training and small productive assets to improve livelihood opportunities.
- Combination of individual technical assistance provided to households, group lessons and monitoring visits. Role of Yayachiq.

**Annual budget and Coverage:**

2016: 21,896 households in 16 regions - USD 30 million.
2012-2016: 1,100 projects benefitting 120,000 households - USD 141 million.
2017: 38,625 new households are expected to be incorporated.
Challenges:

- Technological solutions do not address challenges faced by rural poor villages in Amazon.
- Targeting is basically geographical and collective – there seems a need for individual targeting as third criterion to be considered (users of Haku Wiñay are not necessarily users of Juntos Program).
- Availability of enough number of Yachachiq to allow for scaling up of intervention (each yachachiq is in charge of approximately 35 households).
- Sustainability of interventions: (i) what happens to households that do not win competitions? (ii) how to overcome challenges for sustainable market integration?

Learning points and recommendations:

- Differentiation of intervention strategies in context of geographical specificities.
- Acknowledgement of different starting points and behaviours (objectives, motivations) of different households.
- Achievement of “sweet spot” between addressing individual needs and efficiency and sustainability of intervention.
- Joint funding of projects (FONCODES, local governments, users) has been proven to improve local ownership and sustainability of projects.
- Implementation modality promotes local ownership and thus it should promote sustainability of intervention.
3. Implementation

MIDIS

FONCODES

JUNTOS

LOCAL GOVERNMENTS

Convenes leaders of villages for induction process. Designates NEC member that will act as comptroller.
Convenes and integrates Local Committee for Allocation of Funds.

VILLAGES PRIORITIZED IN PROVINCES / DISTRICTS

LOCAL EXECUTION UNIT 1
LOCAL EXECUTION UNIT 2
LOCAL EXECUTION UNIT 3
LOCAL EXECUTION UNIT 4

EXECUTION AGENTS

COORDINATOR
TREASURER
YACHACHIQ

Represents the community. Receives funds and delivers: hires technical coordinator, yayachik and other providers of technical assistance.

Local Committee for Allocation of Funds (CLAR): In charge of providing access to public funds via competition. Conformed by local government, local representatives of public and private entities & FONCODES.

THE TRIPARTITE AGREEMENT IS SUBSCRIBED BY: FONCODES – LOCAL GOVERNMENT– LOCAL EXECUTION UNIT

PROJECT MANAGER: COMPILES THE PROJECT TECHNICAL FILE

THE MINISTRY OF DEVELOPMENT AND SOCIAL INCLUSION
3. Implementation

Infrastructure and institutional coordination:

• The programme is implemented through a local execution unit, whose principal function is to foster active community participation in the projects (e.g. irrigation for family farming, family groves, hydroponic crop production, breeding and trade of animals, production and marketing of textile crafts).
• FONCODES has one unit in each region (26) in order to obtain better co-ordination and engagement with local stakeholders (Core Execution Units and Local Governments).
• Articulation: Juntos' users, who will soon leave the programme, access to HW/NJ for improving their family production systems as well and income generation in absence of CCT.

Monitoring and evaluation:

• At the local level, it is performed through the coordinator of the core execution unit (NEC) and the Yachachiq.
• FONCODES supervises and monitors the NEC.
3. Implementation

Implementation: The process of cascaded capacity development

Execution Modality: FONCODES model of Core and Local Execution Unit
Average cost per household: (USD: 1,218 – 2,070)
3. Implementation

Implementation: Stages, monitoring and evaluation

- **STAGE 1**: Implementation of best practices and technical innovation
- **STAGE 2**: Ownership and adoption of productive innovations
- **STAGE 3**: Consolidation of learning

Elaboration of technical documentation (demand estimation)

Yachachiq/Users

Monitoring, evaluation and knowledge management
3. Implementation

Challenges:

- Standardization of duration of steps in process. Streamlining of some processes (e.g. elaboration of technical documentation may take more than 35 days).
- Supply gap of yachachi and third party service providers at local level (particularly challenging in the Amazon).
- Need for financial inclusion solutions for groups “at base of pyramid” (for the poor).
- Role of Central Treasury / Local Execution Units.

Learning points and considerations:

- Local ownership needs to be fostered throughout the process and FONCODES phasing-out should be planned appropriately.
- Supervision and monitoring and evaluation are key and should be strengthened in all phases of process.
- Financial inclusion has been addressed basically via pilot interventions – it is necessary to design alternatives and scale – up.
- Sustainable market integration is not necessarily prioritized and should be seen as the key measure of success of the intervention.
- Central Treasury / Local Execution Units need to be reliable and independent to reduce risks of fraud and corruption.
- Political cycles and high rotation of public servants at local level needs to be taken into account and measures implemented to ensure continuity and sustainability.
4. Results

Promotion of inclusive rural entrepreneurship:
• % of households have access to local markets to sell their produce – increased by 16.7 percentage points.

Strengthening of families’ production systems:
• Gross Production Value (GPV) oriented to self consumption – increased by S/.125 (approx. 150%)
• % of households applying new technologies – increase of 33 percent
• % of households applying technical irrigation: from 11% (in early 2013) to 25% (September 2015). Outcome: more than one harvest per year.

Enhancement of healthy households:
• Access to “improved” stoves: 84% of households.
• Reduction of acute respiratory infections (-5.6%) and diarrhoeal diseases (10.7%).
• Improvement in quality of food consumed through improved productivity of native Andean crops, diversification of crops, and handling

% increase of households’ income : 7%.

Programme impact – evaluation ongoing.

5. Political Context

• MIDIS was created in 2011. The National Strategy for Development and Social Inclusion (ENDIS) was approved, and adopted as policy (PNDIS) in 2016. FONCODES operates under MIDIS administration since 2011.

• **ENDIS / PNDIS are focused on the household level, informed by a life cycle approach.** FONCODES is one of a number of economic inclusion policy instruments, which belong to the 4 axis, which seeks to enhance rural households’ income generation capacity as part of a local rural development approach.

• **Haku Wiñay / Noa Jayatay are aligned with the ENDIS/PNDIS 4 axis** (to increase household income through provision of productive assets and technical capacity development).

• **Priorities of the Social Policy Agenda 2016-2021** approved by the Inter-sectoral Commission of Social Affairs and aligned to the Agenda 2030: (i) eliminating extreme poverty and reducing poverty and inequality by 2021 – the specific actions include scaling-up de HW / NJ; (ii) closing gaps of access to basic services and housing infrastructure; (iii) childhood; (iv) closing gaps in the Amazon rainforest.
National Policy for Development and Social Inclusion (PNDIS)

**Tools for implementing the PNDIS**

- National Strategy for reducing anemia among mothers and children
- National Strategy for reducing urban poverty
- Social Action with Sustainability Strategy
- National Strategy of Rural Development*
- National Strategy for Reducing vulnerability to natural disasters risks*

Aligned to:
- OECD
- SDG

*In process of elaboration.*
6. Learning aspects

Pre-requirements to success:

• Good design, space for flexibility, results orientation (HW /NJ is a Programa Presupuestal).
• Ownership of Local Government and local communities.
• Intention to take into account of indigenous technological innovations in combination with traditional ones (especially in case of rural highlands).
• Build upon existing evidence.

What would you do different, if you can?

• Improve linkages between social protection programme (Juntos) and productive inclusion program.
• Design of variations in strategies to improve alignment with local cultural specificities.
• Consider scaling-up and sustainability strategies since design process.
La experiencia de HAKU WIÑAY / NOA JAYATAI en el Perú
Mayo 2017