

Sida Country Report 2003

Guatemala



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1. Strategic Country Development Trends

1.1 Peace Agreements

Guatemala of today is very far from what it was during its decades of civil war. Even though the Guatemalan peace process has lost impetus during the last few years and many of the substantial reforms agreed upon still have to be implemented, it is important not to forget the improvements that indeed have been made since the signing of the Peace Accords at the end of December of 1996.¹

Thus, the war is definitely over, the guerrilla groups have disarmed and their members been reintegrated into civilian life. Furthermore, steps have been taken towards the reduction of the Armed Forces and a redefinition of their role in society. But perhaps one of the main achievements of the peace process so far has been the opening up of opportunities for political participation by a wide range of actors, representing different social interests, political currents and ideologies. Groups that earlier lacked both voice and organisation – such as women, indigenous peoples, farmers, environmental and human rights defenders – have used this recently conquered space to strengthen their movements and actively participate in the public debate, thereby acquiring both recognition and status as actors to be reckoned with.

The character of the Guatemalan Peace Accords, comprised of 12 different agreements in total, is no doubt innovative and their scope goes far beyond the mere achieving of an end to armed conflict. In addition to the necessary procedural issues for the peace, their main emphasis is on addressing the root causes of the war. Taken together, the Peace Accords can be said to constitute an outline for a long needed national development plan for Guatemala, based on social and ethnic inclusion, good governance and equitable economic growth.²

Ever since 1996, the Peace Agenda has been an important part of the official political discourse and it still constitutes the principal strategic framework for international development cooperation with Guatemala. However, its genuine and well-organised domestic support has dwindled during the last few years, but the announcement of the new government to re-launch the Peace accords might turn the trend. Most analysts today

¹ For some basic data on the impact of 35 years of civil war, see conclusions from the Commission for Historical Clarification, in Annex 2.

² For a description of the 12 different Agreements, see Annex 1.

maintain that the principal “constituency” for the Peace Agenda, is the international community— reflecting discontent among domestic groups due to the slow implementation of reforms and structural changes within crucial areas.

The principal reason for this slow and limited implementation of the Peace Accords – particularly when it comes to strategic themes – is no doubt active (and so far successful) resistance from powerful national groups with a firm interest in maintaining the status quo. As a result of this resistance, the initially agreed period for the full implementation of the Accords was prolonged (2000–2004), however during this period adverse interests have also prevailed. For example, of the 38 laws which should have been approved during this new phase, only 11 have so far been passed by Congress.³

At the same time, the *peace institutions* (the institutions and official working groups created as a result of specific commitments contained in the agreements) have lost both impetus and strength, experiencing a considerable reduction in public confidence. The very limited tangible impact the agreements have had so far for improving living conditions among the population have provoked a high degree of “non-interest” towards the Accords. On top of this, several earlier well-organised sectors have been fragmented and dispersed. Perhaps with the exception of some organisations (representing women, indigenous peoples and farmers), it is currently difficult to see any social forces which could join forces to create a movement strong enough to pressure the Government into complying with the Peace Accords.

1.2 Indigenous People and Multiculturalism

Guatemala is a multiethnic, multicultural and multilingual country where about half of the population is composed of indigenous peoples. The majority of these indigenous peoples are of Mayan descent, divided into four major linguistic groups. Among the indigenous groups there is also a small Garífuna population, and some (even fewer) Xinca. This diversity of the Guatemalan nation has hitherto not been reflected in the organisation of the state and the work carried out by its institutions. Rather, the historical relationship between the state and the indigenous population has been marked by racism, inequality and exclusion leading to, for instance, substantially higher poverty and illiteracy rates among the indigenous as compared to the rest of the population.

Within the Peace Accords, several agreements therefore dealt specifically with indigenous rights, the principal one being the Agreement on the Identity and Rights of Indigenous Peoples (AIDPI). The signing of this specific agreement was the result of the struggle by Mayan organisations to influence the peace dialogue. In signing this agreement the Guatemalan state for the first time recognized the historical discrimination of the country’s indigenous population. Due to the complexity of the subject, the peace negotiators decided to refer the specific negotiations on substantial themes – such as land rights, political participation,

³ Four of these were passed during year 2003: the legislation on SAAS (the new, civilian body responsible for security matters concerning the President, the Vice-President, members of Government, etc), the law on National (Indigenous) Languages, on Civil Service and the legislation concerning the Integral Protection of Childhood.

educational reform, etc – to so-called *two part commissions* (composed, in equal proportions, of government and indigenous representatives). These commissions opened up a possibility for further dialogue and also succeeded in reaching some agreements.

However, implementation of the issues defined in the AIDPI agreement has been slow and very limited. So far, this is due to resistance from powerful groups within the non-indigenous population who wish to maintain their political and economic hegemony in society. In this context, the rejection of the constitutional reforms in the referendum in May of 1999 was a major setback for the implementation of this Accord.

This lack of progress was also reflected in the Report on Guatemala presented in February 2003 by the UN Special Rapporteur for Indigenous Rights, Dr. Rodolfo Stavenhagen. In this Report, Dr. Stavenhagen states that the indigenous peoples in Guatemala still suffer exclusions from their rights to land, justice, education, health and full participation in the national economy. Furthermore, they still suffer attitudes of discrimination and racism.⁴ The Report drew attention to the precarious situation of the indigenous peoples in general but made special emphasis on the situation of women, as they suffer discrimination in three dimensions: as indigenous, as women and as poor people.

Nevertheless, some positive measures in this field have been undertaken such as the creation of a Presidential Commission against Racism and Discrimination, a law reform that penalizes all forms of discrimination,⁵ the passing of a law on indigenous languages and educational promotion against discrimination at school. In a symbolic act in December 2003, Government granted the Academy of Mayan Languages transmission rights for a TV channel of its own and the right to utilize a newly remodelled building for that purpose. Both rights were given for a period of 25 years without any fees or charges to be paid, but unfortunately without any budgets. Furthermore, both the transmission frequency granted and the building had formerly been used by the Armed Forces, which increased the symbolic dimension of the initiative.

1.3 Poverty Reduction

Currently, Guatemala does not have a *Poverty Reduction Strategy* of the kind nowadays promoted by the World Bank and other international organisations. The first proposal for a poverty reduction strategy was a desk product (elaborated by the Planning Secretariat in 2001, without any consultative process). A second proposal, widely consulted at local level but not on national level, was presented in 2003. Nevertheless none of them are utilized in the discussion on future development priorities and lacks the strategic framework character of, for instance, existing PRSPs in neighbouring countries. One has to note though that Guatemala is not a Highly Indebted Poor Country – HIPC, and therefore the PRSP is not a mandatory exercise.

Poverty levels in Guatemala are higher than in other Central American countries, despite its mid-range ranking if GDP per capita only is meas-

⁴ In a statement at a conference closing his exploratory Mission to Guatemala in September 2002, Dr. Stavenhagen characterized the Guatemalan society as a "de facto apartheid system".

⁵ Without specifically mentioning discrimination against indigenous peoples, however.

ured. In 2003, 60% of all Guatemalans –about 7 million people – lived in poverty; about 20% lived in extreme poverty. Poverty is predominantly rural and extreme poverty is almost exclusively rural. Three quarters of all rural residents fall below the poverty line and one quarter live in extreme poverty. Poverty is significantly higher among the indigenous population, accounting for 58% of the total number of poor and 72% of the extreme poor. Another aspect of great concern is the fact that about two-thirds of all Guatemalan children live in poverty.

Guatemala is also among the more *unequal* countries in the world. The Gini index for Guatemala is 0.587⁶, just slightly better than 10 years ago. This is more unequal than most other countries in Latin America, a continent that, as a whole, demonstrates higher inequality than other regions in the world. There are significant inequities across ethnic groups and geographical areas. Although indigenous people represent half of the population, they claim less than a quarter of total income and consumption in the country. Likewise, whereas rural residents account for almost two thirds of the nation's population, they claim only about a third of total income and consumption. Inequality within urban areas, however, is even higher than among rural residents.

International studies suggest that inequality is a handicap to longer-term poverty reduction for two reasons. First, greater income inequality leads to lower investment in physical and human capital and hence slower economic growth – which translates into higher poverty. Second, comparative country evidence suggests that higher inequality results in a lower rate of poverty reduction at any given growth rate.

Malnutrition among Guatemalan children is extremely high – among the worst in the world and the worst in Latin America – in terms of child growth attainment, with an overall stunting rate of some 50% of all children under five years of age. There is a strong correlation between poverty and malnutrition, as four fifths of malnourished children are poor. Malnutrition is higher among rural and indigenous children than their urban or non-indigenous counterparts. Moreover, malnutrition rates in Guatemala have increased during the last few years.

Guatemala also ranks poorly for *health* indicators. Life expectancy at birth (65 years) is the lowest in Central America and far lower than the average for Latin America (70 years). Infant mortality (44 per thousand births) is also the highest in Central America and far higher than the average for Latin America (30 per thousand). Only Bolivia and Haiti perform worse for life expectancy or infant mortality in Latin America. The patterns of health indicators also suggest poorer conditions for rural and indigenous populations.

In this context the situation concerning *HIV/Aids* in Guatemala should also be mentioned. In 2003 a total of some 6,000 accumulated cases were officially reported but according to estimations by UNAIDS, the correct figure of Guatemalans having contracted HIV/Aids is more likely to be about 80,000 people. According to the same source, some 1.1% of the total Guatemalan population within the range of 15–49 years of age is currently living with HIV/Aids. This rate of prevalence is somewhat higher than the average for Latin America but considerably

⁶ UNDP, 2002

lower than the corresponding figure for the Caribbean region. Hitherto, men seem to have been more affected than women, and the primary infection route is heterosexual activities.

Guatemala has made some progress in improving its position concerning the *Human Development Index*, but the current level remains below what would have been expected given the level of GDP per capita for the country. In absolute terms, the 2001 performance is well below that of Latin America's Heavily Indebted Poor Countries (HIPC). Guatemala is one of few countries for which the HDI ranking is far lower than its GDP ranking (a difference of 22 positions in the rankings). This suggests that economic growth has had very limited impact on the general human development in the country.

When it comes to *education*, Guatemalan literacy is not only below average in Latin America, it is far lower. With an overall illiteracy rate of 30% in 2002, only Nicaragua and Haiti rank worse. Furthermore, this national average hides the dramatic figures corresponding to women and indigenous groups, where illiteracy is rampant. If the national figures are disaggregated by gender, the result shows 24% for adult males but 39% for women. And in the Quiché and Alta Verapaz provinces, two of many areas where the majority of the population is indigenous, overall illiteracy reaches over 50 per cent, and the average illiteracy rate among indigenous women ranges even higher.

Guatemala's net enrolment rate (84% in 2001) is the second lowest in Central America, and lags significantly behind the average for Latin America (91%). As with other indicators, enrolment is lower among girls, indigenous and rural population.

Despite this poor performance, Guatemala has seen improvements over time, with a slight quickening of the pace since the signing of the Peace Accords in 1996.

Coverage at the pre-primary, secondary, and tertiary levels is far lower and more biased against disadvantaged groups than at the primary level. Furthermore, intercultural *bilingual education* has improved since 1996, however in 2001 still only 25% of indigenous students were reported to receive education of this kind.

1.4 The Agrarian Issue

No serious attempt at explaining the root causes of the situation described so far – widespread poverty, discrimination of indigenous peoples, slow implementation of the Peace Accords – can avoid the crucial role played by the so-called agrarian issue in Guatemala. The prevailing pattern of land distribution and land use still constitutes the axis where most of the main obstacles to progress towards a genuinely democratic and less unequal Guatemala converge. The racism, the social exclusion and the appalling degree of both poverty and inequity – all unfortunate characteristics of modern Guatemala – have their origin in the colonial system created to ensure control over the country's arable lands and over the labour provided by the indigenous peoples.

Both in terms of demographic patterns and concerning the economic importance of the agrarian sector, Guatemala is by far the most rural of all Latin American countries. The national average indicates that over

60% of the total population lives in rural areas but in most parts of the country (excluding the capital city) this proportion ranges between 70 and 90 per cent. Furthermore, agricultural activities represent some 40% both of the national economy and in terms of total employment. The importance of the rural areas for the Guatemalan society as a whole is thus a combination of historical impact and its contemporary relative weight in economic, demographic and social terms.

The degree of inequality concerning access to agricultural land in Guatemala has undergone few changes since the 1950s, and is still among the worst in Latin America.

According to the agricultural census from 2003, almost half a million agricultural workers were classified as entirely landless, 87% of all farmers occupied less than 9% of total agricultural lands, whereas the remaining 13% controlled over 80% of all farming land in the country. Furthermore, well over half a million “farms” comprise less than 2 manzanas (1.4 hectares), implying that close to 3.5 million Guatemalans – a third of the country’s population – have to live on the produce of small agricultural plots, often located in hillside areas and consisting of not very fertile and generally fragile soils.

Particularly within this group of small farms, the last decades have also seen a strong tendency towards further fragmentation, resulting in so-called *minifundios*, or mini-farms. This is clearly reflected in the exponential growth of the total number of farms in the country – increasing from some 350,000 in 1950 to 830,000 in 2003 – without any change at all in the total area classified as farm land and without any dramatic alterations in the proportions corresponding to larger farms. Land fragmentation has been most severe in regions with predominantly indigenous populations, mainly due to relative land scarcity.⁷ This process has frequently led to overexploitation of the soil, with erosion and decreasing yields as a result.

Still today, many rural areas within Guatemala are thus territories where the most common landholding is a minifundio. In addition, they are often characterized by infrequent and expensive transport and by the lack of local employment or income generating activities not related to the agricultural sector. The combined result of these factors is the reproduction of poverty, illiteracy, social exclusion and food insecurity.

1.5 Macro-economic Development

In 2003, overall growth was 2.1%, the lowest figure in more than a decade. Measured per capita, this implies negative growth for the third consecutive year. This reduction of the growth rate is more pronounced in the agricultural sector, due to a weakness of the sector and low world market prices. Not surprisingly, the informal economy continued growing, and is currently estimated to employ more than 70% of the workforce.

⁷ This relative land scarcity is generally the result of population increase combined with unequal distribution of lands, sometimes aggravated by inappropriate cultivation methods. In spite of this relative scarcity, the owners of large landholdings generally lack interest in selling off or renting parts of their properties – thus giving indigenous families no option. (It should be added that most of the large landholdings, or *latifundios*, are generally not farmed in an intensive manner, thus generating relatively few employment opportunities.)

Macroeconomic stability was maintained, with relatively low inflation (6%) and a reasonable fiscal deficit (1.7% of GDP).⁸ However, this stability is not sufficient to create a favourable business climate, as the quality of public institutions and national infrastructure is still weak, corruption is omnipresent and the rule of law is more of an intention than reality. According to *the Global Competitiveness Index* (compiled by the World Bank), Guatemala currently occupies position 89 out of 102 countries. Neighbouring El Salvador and Costa Rica are found at positions 48 and 51, respectively.

In this context it is worth noting that interest rates in the national banks have been decreasing since year 2000, from 22% to 15% and 10 to 5% for lending and borrowing interest rate, respectively. The spread is still very considerable, though, suggesting high risk but also lack of competition between the many banks in Guatemala.

In 2003, external debt continued to increase. It currently reached almost BUSD 3, and the corresponding payment of interest accounts for 10% of the national budget. At the same time, total tax revenues for 2003 declined from about 11 to 9.5% of GDP, mostly due to judicial processes (financed by the private sector) against new and existing taxes as well as against proposed tax increases. In this context it is important to mention that the Peace Accords stipulates that the tax take should reach 12% of GDP.

2003 was also a disappointing year when it comes to social spending. Areas such as health, education, citizen's security, housing and the justice system all received less than the previous year. Government spending related to the Peace Accords saw its lowest level since 1997,⁹ and public investment continued to be rather insignificant (3.7% of GDP).

SIAF, a computerized program intended to give the public access to information on state expenditure, is now implemented by 43 public institutions which constitutes an important step towards some transparency. Still, the information is sometimes questionable, and access is technically difficult.

Another positive sign was the increase of the minimum salary, which nearly doubled between 1999 and 2003. Nevertheless, its current level is still insufficient to cover the calculated monthly cost for basic food articles plus other primary necessities,¹⁰ and hardly for basic food articles only.¹¹ On top of this very few employers comply with the minimum salary.

1.6 Political Development, Human Rights and Good Governance

General elections were held at the beginning of November 2003. For the past 15 years, electoral participation in Guatemala has generally been low, and many major efforts were undertaken this time in order to increase voter turnout.

The early and forceful launching of ex-general Efraín Ríos Montt – former head of a military regime resulting from a *coup d'état* in the early

⁸ This deficit is lower than for the period 1998–2001, and almost within the limits established by the IMF.

⁹ Amounting to 4.38% of GDP only.

¹⁰ The "canasta basica vital" (value approx. USD 295).

¹¹ The "canasta basica de alimentos" (value approx. USD 160).

1980s, both nationally and internationally accused of genocide – as the ruling FRG party's presidential candidate provoked strong reactions and generated a heated general climate.

As early as 1995 (and again in 1999) the ex-general had tried to be elected, but had been refused at all levels of the legal-procedural chain, always with reference to the same article in the country's Constitution which in a very clear manner excluded individuals who had been involved in non-democratic actions overthrowing the legal Government from running for Presidency. This time, however, the correlation of forces was different and combining party discipline, favours and general pressure with serious threats and outright intimidations vis-à-vis judicial and electoral authorities, the ex-general's candidacy was finally "legally endorsed".

The elections were consequently held in a climate of threats and intense rumours of major violence to come, mostly to be perpetrated by the ex-PACs¹² and the ruling FRG party. Due to the situation, the magnitude of already agreed initiatives for electoral observation – both national and international ones – were reinforced, and the presence of observers was rather massive. A few serious incidents were reported (some degree of violence in 45 of the 331 municipalities is not considered alarming in Guatemala), and despite logistical problems and rather frequent inconsistencies in the voter register, voter participation rose to almost 60 per cent.¹³

In Guatemala, no ruling party has hitherto ever been trusted with a second period, and the elections of 2003 were no exception. In the presidential elections, voters turned ex-general Ríos Montt down, giving him approximately 20 per cent which rendered him a third place. The candidate from a very recent coalition of three parties called GANA, Oscar Berger, obtained 34%, and UNEs Alvaro Colóm 26%. These two candidates were thus participants in a second electoral round in late December where victory was achieved by Oscar Berger who obtained 54 per cent.¹⁴ Whereas the main voter support for Berger was geographically concentrated to the capital (with some 3 million inhabitants) and to the eastern parts of the country, Alvaro Colóm had his strongest support in the indigenous highlands.

The government formed by President Oscar Berger is a rather traditional one, decidedly private sector friendly and with direct participation from the established business families. Among the influential groups around the President, most are directly connected to the traditional oligarchy but other tendencies also exist, such as the one symbolized by Vice-President Eduardo Stein, with a strong social commitment. The so-called emergent capital groups (including capital directly linked to drug-trafficking and other organised crime activities), which had a very strong position during the former government, are at present repositioning themselves, searching for ways of maintaining their presence within (or linked to) key areas of the public sphere.

¹² "Patrullas de Autodefensa Civil"; civil groups organised, trained and armed by the army in the 1980s and onwards to fight the guerrilla, particularly in the rural areas.

¹³ That is: 60% of registered voters. However, in most rural areas a considerable proportion of the adult population is not registered as voters.

¹⁴ Voter turnout dropped significantly in the second round, from 58 to 47 per cent of registered voters; the main reason being that General Ríos Montt already had been defeated as a presidential candidate.

Concerning results in the elections to Congress, no party or party-block achieved majority and the current situation is one of diversity and a certain degree of fragmentation. The parliamentary scene is of course dominated by the three major political groups (GANA, FRG and UNE in that order), however all of them lack strict party cohesion and their inter-party relationships are complicated and so far often unpredictable. All in all, a total of 10 parties achieved representation in Congress this election.

The situation has become even more complicated due to the fact that, with the elections in 2003, the number of Congress members was increased by one third, from 113 to 158 seats, and of these the overwhelming majority (109) lack previous experience from parliamentary work.¹⁵ The new Presidency of the Congress has shown their will to introduce several reforms aimed at more professional parliamentary work, and has also opened congressional sessions to the public, allowing citizens to meet the congress members and listen to the debates.

Regarding elections at the municipal level, Ríos Montt's party, FRG, had considerable success and maintained its dominance, gaining a third (112) of the country's 331 local governments, followed by GANA with some 70 and UNE with about 35 municipalities. The important City of Guatemala was won by Álvaro Arzú (from a well-known Guatemalan business family) who was also the country's President during the final phase of the peace negotiations.

Concerning respect for human rights, the situation worsened during the year. The Human Rights Ombudsman received nearly 37 000 reports, a 50% increase on 2002. More than 2000 investigations were initiated, of which 50% concerned individual rights, 40% ECOSOC rights and some 10% specific rights. The capital is highly over-represented in the statistics. In the Ombudsman's annual report, he points out that the main reason for human rights violations is the disintegration of norms within the state; resulting in arbitrary decisions, abuse by authorities, impunity, corruption, disobedience and parallel and invisible powers.

The Human Rights Ombudsman played an increasingly active role during 2003, and broadened the scope of activities, by organising electoral observation (with some 5,500 observers) and establishing a victim attention unit among other activities. The reputation and scope of the institution has improved considerably under the leadership of Dr Morales, whose candidacy was proposed by the human rights NGOs.

Threats and intimidation towards human rights activists and justice operators increased alarmingly during 2003. Several assassinations and murder attempts against judges and other categories of judicial staff occurred, and a considerable number of judges currently have security guards or police protection. Impunity still prevails, also for severe crimes such as murder and large-scale corruption. The total cost of this insecurity is enormous, preventing a higher growth rate.

The pending compensation to the civilian victims of the war and their relatives officially accepted and assumed as a responsibility by President Portillo and his FRG Government did not advance during 2003. Instead, cash compensation in three payments was decided (probably for political and electoral reasons) and initiated for members of the ex-PAC (las

¹⁵ The current legislation establishes that there should be one congressman for each 80,000 citizens, and the increase was caused by the results of a national population census carried out earlier in 2003.

Patrullas de Auto-Defensa). These groups, which were armed and controlled by the military in rural areas, are estimated to have committed almost 20 per cent of all killings and human rights violations during the civil war, and their reorganisation (which occurred or became manifest due to the compensation promise and the need to get the lists of former members together) is outlawed by the Peace Accords. Furthermore, the financing of the first payment of the compensation sum (for more than half a million people) was only achieved by the sale of State Bonds on the national and international markets. Ironically, the official name under which they were sold was “*Peace Bonds*”.¹⁶

Among the main violators of human rights in Guatemala is the National Civil Police. They are frequently accused of physical violence, torture and even assassinations. Corruption within the police is widespread and increasing, and citizens’ confidence has been reduced to the minimum levels which prevailed during the years of the armed conflict. Citizen’s insecurity (particularly in the capital) increased during the year, and the number of murders continued to rise during the course of 2003. The low levels of efficiency of police investigations and within the judicial system is demonstrated by the fact that out of the 4237 murders reportedly committed during 2003 only 80 (or some 2%) have been solved so far.¹⁷

Organised crime and corruption represent powerful forces in Guatemala, both due to their readiness to apply violence and in economic terms. The magnitude of financial capital with “unlawful origin” is such as to cause distortions within the functioning of the national economy.¹⁸ It is one major factor behind the increased levels of violence and has also succeeded in permeating the state, causing major losses to ordinary citizen due to wholesale corruption.¹⁹ The combined result is a tendency towards destabilization of civil society itself: erosion of social capital (trust, confidence) and loss of community cohesion.

The strength and wealth of organised crime in Guatemala today is due to the convergence of corrupt and brutal military groups which were formed during the civil war (then dedicated to “counter-insurgency activities”) and the increasing use of Central America as a transit region for drugs (mainly cocaine) en route from South America to the United States.

On a national level, drug trafficking in Guatemala is now severely entrenched in a number of key agencies, different branches of the public administration as well as the political and judicial system. Furthermore, Guatemalan drug trade has amalgamated with what today constitutes a diversified empire of organised crime and “normal” business and former counterinsurgency groups (or death squads) within the public administration, and has increasing links to Colombian and Mexican organisations.

¹⁶ Bonos Paz, in Spanish.

¹⁷ At the time of writing, in March 2004. The current homicide rate in Guatemala is the same (or worse, figures vary) as in Colombia.

¹⁸ For example: it brings about an overvalued exchange rate as a result of the inflow of illicit profits; it increases unfair competition (due to money laundering purposes, etc) thus depressing legitimate business and investments; it encourages conspicuous consumption at the expense of long-term investments; it encourages investments in non-productive sectors.

¹⁹ During the Portillo Government (January 2000–January 2004), corruption within state institutions reached probably unprecedented levels. Members of this administration are thought to have mismanaged and/or made disappear some MUSD 400 or even more. A considerable amount of ex-ministers and other high-ranking Government officials are currently fugitives, but some officials obviously involved have been arrested. So far, even fewer have been put on trial.

A reflection of this situation is the fact that the US Government today (early 2004) includes Guatemala in the group of “major illicit drug producing and/or drug-transit countries” in the world.²⁰ Furthermore, concerning money laundering, the Financial Action Task Force (FATF) places Guatemala within the category named “non-cooperative countries and territories”.²¹

The agreement on human rights signed March 29 1994, maybe the most important of the Guatemalan peace agreements, recognizes that there is no possibility for the state to guarantee full respect for the human rights while there exists illegal or clandestine security groups as mentioned above.

The Portillo government recognized the existence of these illegal groups (in April 2002) or mutated clandestine security groups and that the Justice system did not have capacity to impede the actions of these groups (March 2003). Due to this, and after an agreement with the Human Rights Ombudsman, the Guatemalan Government solicited the support of the international community to confront the illegal and clandestine groups within the state apparatus. After nine months of negotiation the Government and UN signed an agreement for the creation of *CICIACS*. (Comisión internacional para la Investigación de Cuerpos Ilegales y Aparatos Clandestinos de Seguridad.)

CICIACS will be a UN commission structured as an office of a public prosecutor. The Commission’s mandate (based on the convention on Human Rights and the Palermo Convention on Organised Crime) includes the right to investigate and prosecute in coordination with a Guatemalan prosecutor.

The agreement on CICIACS has not yet been adopted by Congress. It is still an open question in Guatemala as to whether this very new way for the UN system and the international community to provide cooperation funding for the promotion of respect of human rights will become a reality.

1.7 Development Cooperation and Partnership

Efforts to maintain and improve coordination between donors, and between the donor community and the national government, continued during 2003, particularly within the so-called “*Dialogue Group*”. This body (called “*Grupo de Diálogo*” in Spanish) comprises major donors active in the country (13 in total) and represents an expansion of the follow-up mechanism originally created in the aftermath of the hurricane Mitch (at the Stockholm Donor Conference in May 1999). In Guatemala, the group has mainly focused on the Peace Accords. Coordination is mainly concentrated to the political level, striving to improve dialogue with Guatemala.

Apart from the coordination efforts at the level of the Dialogue Group, a few groups for sector coordination have also been active, mainly in the areas of justice, elections, indigenous rights and HIV/Aids. The level of donor coordination achieved when it came to the electoral

²⁰ The total list comprises 23 countries.

²¹ The total figure for such countries and territories amounts to 7 only.

process was encouraging, and also included considerable participation from the national electoral authorities and civil society organisations in Guatemala.

Overall, however, the Guatemalan Government has maintained a very low profile when it comes to these efforts and has shown very limited interest only for participating in initiatives aiming at enhanced coordination.

Another mechanism for donor coordination is the so-called “*Mesodiálogo*”, run by the European Commission, which also includes European and Guatemalan government representatives as well as civil society organisations from the same countries. The main objective is to facilitate consultations among member states and with Guatemalan actors when it comes to the definition and design of new projects financed by the EU. In 2003 this body has not been very active, however, due to staff changes at the Commission and the absence of any major new projects.

The Sida-IDB Partnership initiated three major activities during the period, (a regional seminar on social housing schemes, a series of studies and seminars on taxes and on social expenditure) in coordination with IDB-Washington. The involvement of local IDB representation is still negligible.

Several Swedish NGOs are currently active in Guatemala, the largest being Caritas, Diakonia, Forum Syd, the Sami Council and Swedish Cooperative Centre. Their principal areas of activity concern local democracy, indigenous peoples, gender dimension and land issues.

2. Swedish Development Cooperation

2.1 Strategic Assessment and considerations

In order to respond to the very complex, polarized and unequal situation in Guatemala, Swedish development cooperation uses the Peace Accords as a guiding framework. The areas of intervention being;

- 1) Implementation of the Peace Accords, Human Rights and democratic participation with emphasis on the local level;
- 2) Participation of women and indigenous peoples; and
- 3) Support to activities promoting structural economic change.

The Peace Accords are still the only national plan for development in existence and even though not supported by everyone, they are accepted by most and are possibly the only agreement in Guatemala that can be called a social contract. The lack of implementation of the Peace Accords described above is a result of the polarized situation, lack of political will among the elite and low capacity levels. International donors, including Sida, have to some extent been able to counteract the specific interests of powerful groups to the benefit of the continuity of the spirit of the peace process. A special concern is national ownership of the peace agenda.

The different initiatives supported by Swedish development cooperation intend to influence on key issues which, in line with the Peace Accords, might facilitate changes in the structures that exclude the poor from any kind of access to assets. In Guatemala, the reduction of multi-dimensional poverty implies a rights-based approach and support to the respect of all human rights (civil, political, economic, social, cultural and collective rights). The very difficult situation for human rights in Guatemala, worsened by impunity and amnesty for crimes committed during the war, calls for both economic and political support to the institutions and organisations working in this field. This is especially relevant to promote and secure respect for the rights of the indigenous peoples.

Support to democracy and political participation, women and indigenous people's organisations and reform and modernization of the justice system are all key areas in the promotion of good governance. With a vision of long-term transformation, special support will be

provided for efforts at local level. Efforts to improve good governance and processes for transformation and strengthening of weak systems do need a strong support from the bottom and up.

Strong economic development in Guatemala is not possible until current unjust and unequal structures can be transformed. There is clear evidence that inequality impedes economic development. Good statistic data and good analyses, social investments and a reliable land register are some important areas to create policies that will change the unequal situation and promote economic development. There is, for example, a need for support to a fiscal reform so that the current regressive system can be transformed into a modern and progressive tax system and at the same time ensure social investments and the efficiency of the state apparatus.

The lack of political will to support a modern land registry and a cadastre might force Sida to abandon this extremely important input.

2.2 Overall Country Program Review

Swedish development cooperation with Guatemala is guided by the Regional Strategy for Central America and Caribbean 2001–2005, the Country Program for Guatemala 2001–2005 and by the Country Plan for 2003. Main activities proposed in the annual plan have been implemented but in some cases at a slower pace than expected. This is mainly due to the fact that the electoral process in Guatemala took a great deal of time and political capacity from all the actors involved in development cooperation. For example almost 30% of Swedish support in 2003 was directly related to the electoral process.

Consequently, many assessments have taken longer than expected (Access to justice program, fund for support to indigenous people, Fund for Local Development, FDLG and the fund for support to the empowerment of women) but several were concluded during 2003 and implementation began (domestic electoral observation, local development and preparation for municipal elections, support to the health sector reform phase III, political leadership, “Defensoría de la Mujer Indígena – DEMI” etc.)

The areas of activity determined in the Regional Strategy are broad and do not give specific guidance; consequently the program and support tend to become unfocused. In 2002–2003, an effort to concentrate the support has led to the number of projects being reduced by half. Following this line programs are formulated in the areas of Access to Justice, Health Reform, Indigenous People’s Participation, Empowerment of Guatemalan Women and Micro-finance.

The indicative country allocation for Guatemala for 2003 was MSEK 115 including the Director General’s provision for over-budgeting at the Regional Department. The country allocation was adjusted to MSEK 85 in the first revision. Disbursements in 2003 reached MSEK 80 basically due to delayed implementation and slower assessments of some initiatives.²²

The special effort concerning communications continued in 2003. Emphasis has been slowly turned towards communication in development programs.

²² See annex 4 Report on implementation of Country Plan Guatemala 2003

2.3 Follow-up of Country Programme Performance

2.3.1 Implementation Of The Peace Accords, Democratic Participation And Human Rights

A. Democracy

The Guatemalan democracy is young and far from consolidated. Ex-president Portillo (1999–2003) was the first democratically elected president in the country's contemporary history who had been preceded and also followed by a democratically elected President.

Political parties are weak, depend on a few leaders, lack internal democracy and transparency and have very unclear ideologies. Consequently political participation by traditionally excluded groups is very difficult. The parties need strengthening and support to become inclusive and democratic. In 2003 Sida has provided support to strengthening the participation in political parties and participation in political forum such as the development councils, mainly at the local level.

Support to strengthening the electoral process and promoting higher levels of participation (voter turnout) in the elections has also been provided for national authorities, Guatemalan civil society and international organisations. A program for support to improve the quality of the electoral campaign in some municipal elections including an organised transition of local governments, was also implemented.

FLACSO/PPD (www.flacso.edu.gt)

Sida has provided support to the PPD since June 2002. This program is a result of a mission by International IDEA to Guatemala in 1997.

During the year, the administrative entity of the program has changed from the Rafael Landivar University to FLACSO (the Latin American Faculty for Social Science). The objective of the project is to support the development councils which constitute an important base for development of democratic processes at the local, municipal and province levels.

During this period the project has been supporting the promotion of a dialogue between the representatives of social groups and public institutions to achieve a consolidation of democracy within the “development councils” at the municipal and provincial level. Training in democracy and management has been given to civil society organisations, municipalities and other public institutions. Further on, the link between local process and the national public agenda has been emphasized. For example, the use of a new law for the election of provincial governors opened up a possibility for participation by the development councils.

The principal challenge is how to institutionalise this space as a place created to continue the dialogue, discussions and decision-making between society and government. It is also very important to continue with transparent procedures that will support the recovery of confidence between all participants.

Sida support: MSEK 6 for 2002–2005.

School for Democratic Leaders, INGEF (www.url.edu.gt)

Instituto de Gerencia Política of the Lanivár University – INGEF offered political/ democratic education for political leadership at local level. During the year, INGEF implemented political training programmes for 150 local leaders from 17 municipalities, as well as some workshops and an international seminar directed at local leaders and political parties. Both activities were supported by Sida and the OAS programme for political leadership.

A study named “Elections, Political Participation and Mayan People in Guatemala” was completed. The study aims at facilitating a discussion of political reform in a multiethnic context.

INGEP and Swedish political parties started up a new project in December 2003. The project aims at strengthening political party system at the local level and promote participation of young people and women. It will include education, workshops and visits from Swedish politicians to open a dialogue with young politicians in Guatemala. This project is financed by the special support to the foundations of the political parties in Sweden.

Sida support: MSEK 1 for 2002–2003.

Local democracy and participation (Diakonia) (www.diakonia.se)

The Swedish NGO Diakonia’s work in Guatemala focuses on the strengthening of civil society organisations who work for local democratic development, equality and cultural plurality. 20 organisations, mainly in the indigenous-dominated highlands, received support from Diakonia during the reporting period. After the passing of the three laws on decentralization, local development councils and a new municipal code, more focus has been on creation and strengthening of local development councils and increased dialogue between local authorities and the civil society. On the national level, Diakonia has been active in the preparations for the CG meeting in May 2003, as well as in the creation of the CICIACS. With its regional coverage, Diakonia plays a special role as coordinator for exchange of experience between local organisations and indigenous leaders from different Central American countries. Sida support: MSEK 21.75 for 2001–2003.

Voter registration, TSE/OAS. (www.oas.org – www.tse.org.gt)

Voter turnout in Guatemala has always been among the lowest in all of Latin America. The Electoral Supreme Court, with the technical assistance of OAS, developed a comprehensive programme to promote participation, pluralism, fairness and transparency in the November and December elections. Focus was on indigenous people, women and youth, who historically have shown extremely high abstention rates. Activities included information campaigns directed towards these groups in Spanish and the major Maya languages, special brigades for voter registration all over the country and decentralization of the voting centres. Voluntarily updating of voter information allowed 37% of them (1.8 millions) to vote where they actually live and not, as in many cases, forcing them to travel to the city of their birth. All the brigades and most of the local

TSE offices throughout the country received computer equipment that is now used in the ongoing activities of TSEs local offices.

The project is co-financed by USAID, Norway and Switzerland.
Sida support: MSEK 10 for 2003.

Electoral monitoring, NDI (www.ndi.org)

The National Democratic Institute (NDI) assisted a coalition of Guatemalan advocacy, human rights, political party training and think tank groups to organise the country's first domestic election monitoring effort, "Mirador Electoral 2003". Mirador organised observation efforts, including assistance with the development of communications systems, designing observer forms and databases, and analysis and presentation of qualitative data in a systematic manner. The group tracked and verified information on political coercion and violence, candidate compliance with codes of conduct campaign expenditures, and political advertising in the media to encourage a transparent and ethical campaign. On Election Day, the network implemented Guatemala's first quick count to systematically evaluate the quality of the electoral process. 3000 observers were mobilized to promote accountability, efficiency and non-violence during the campaign and on Election Day. As proof of the importance of this project, election authorities solicited Mirador's assistance with future electoral reform efforts.

Sida support: MSEK 4 for 2003.

Citizens' Participation and Local Government Handover (www.gtz.de)

This project was started in mid-2003 in order to address certain negative effects potentially generated at the local level by the general elections: (1) that votes for the local level would be given almost no importance of their own; (2) that the general climate in many municipalities after the elections may become characterised by tension and conflict, related to the handover of local governments and administrations.

The objectives of this project are related to:

- increasing motivation among potential voters to register and to cast their vote;
- increasing representation of women and youth among political candidates;
- facilitating the election of mayors and municipal councillors who possess good qualifications for their posts;
- facilitating an orderly and transparent transfer from outgoing local governments to their successors;
- providing training for the new local governments to better comply with their electoral promises and for civil society organisations in local development matters.

The first phases of the project have been successfully implemented in some 20 municipalities, and activities are currently concentrated to the concluding phase which offers courses and advisory services to new local governments and civil society organisations. Most likely, the project will

provide a basis for continued Swedish efforts within the field of decentralization and local development. The project is co-financed by the Government of Germany and implementation is coordinated by the GTZ, in close cooperation with a range of national actors. Sida support: MSEK 9.0 for 2003–2004.

B. Human rights and justice

The situation for Human Rights did not improve in Guatemala, on the contrary. Swedish support to respect for Human Rights has consisted of both economic support and for the dialogue with national entities. Among the main violators of human rights is the National Civil Police, but also the low efficiency of the justice system, impunity and parallel illegal and clandestine groups are some of the main reasons for the disappointing human rights situation.

The HR Ombudsman took the initiative to establish an international commission (CICIACS) to investigate illegal groups. If approved by Congress the commission is planned to be established and functional during the first half of 2004.

In 2003, support has been provided for the protection and promotion of human rights and of children's rights. Minor funding has also been provided for the documentation of violations during the civil war with a focus on promotion of true reconciliation.

Support has also been given to the justice system to assist in the implementation of the plan for reform and modernization which has its roots in the Peace Accords.

The Human Rights Ombudsman (www.pdh.org.gt)

Sida has supported the Human Rights Ombudsman since 1993. During the last year, Swedish support has been directed towards the consolidation of the strategic planning process, institutional development and the strengthening of the Special Office for Indigenous Affairs. The project also financed the creation of a unit for follow up on the Peace Accords, which also participates in the transition process with MINUGUA. Institution strengthening has been achieved through a strategy for human resources management, a system for monitoring and evaluation indicators and the development of a improvement in the reception of cases.

An increasing part of the Swedish support is directed to the further development of the Special Office for Indigenous Affairs, which includes the recruitment of 8 regional trainers who work with the department offices and with local indigenous organisations.

Sida support: MSEK 6 for 2002–2005.

Digitalisation of testimonies from the Historical Memory Recovery Report – REMHI, Archbishop's Office for Human Rights (ODHAG). (www.odhag.org.gt – www.fhrg.org/remhi/)

As a continuation of earlier support for the elaboration of the REMHI report, this last phase will digitalize all oral and written testimonies which constitute the basis of the report, thus saving the information for future investigations and studies. There are a total of 6500 written and 5200 taped testimonies in 23 different languages which have been processed.

During the reporting period, the devolution of the testimonies to the different Dioceses was initiated. Project staff has been subjected to much intimidation and threats and have been forced to increase security measures.

Sida support: SEK 928 000 for 2001–2004

Children's rights, UNICEF (www.unicef.org)

Sida has supported a children's rights program through UNICEF since July 2002 with the objective of strengthening the rights of children and women in Guatemala through national legislation in line with international legislation and conventions

In 2003, UNICEF's efforts in alliance with its partners were directed towards the achievement of the following primary results:

In the context of legal reform, the Law on Integrated Protection for Children and Adolescents was approved in July 2003. The law marks a change in the paradigm, which now allows children and adolescents to be regarded as subjects with rights. With regards to the generation of public policies, the Public Policy and the National Plan of Action for Children and Adolescents 2004–2015 in compliance with a World Fit for Children was elaborated. A report on the situation of children within the framework of the Peace Accords was developed in collaboration with MINUGUA and the Ombudsman for Human Rights and is currently in its final stage of elaboration. The process took longer than expected to ensure that the voices of children were included. Significant results were achieved on the issue of children in detention. Extensive training was conducted for Judges of Children and Adolescents, Judges of Peace and other operators of justice and their auxiliary staff on the principles of the new Law and the Convention on the Rights of the Child. A major achievement was the increase in number of the Child Protection Boards to 136 of the 331 municipalities and their strengthening through training on the principles of the new Law and the CRC. With regards to child and female labour, extensive training was given to 900 women and adolescents on labour rights in cooperation with the Ministry of Labour and Social Prevision.

Sida support: MSEK 11 (2002–2005)

Modernization of the judiciary (UNDP) (www.undpguatemala.org)

In accordance with the Peace Accords, a commission presented recommendations on a comprehensive plan for the modernization of the judiciary. These recommendations constitute the basis of this support. A new organisational structure has been implemented, including a financial and administration organisation, installation of, and training in, new information systems, communications, improved routines for selection of judges and increased awareness and knowledge on alternative conflict resolution methods. A total of 1384 employees participated in the different training inputs. The unit for institutional training (UCI) has been now taken over the training. The project was concluded in November 2003.

Sida support: MSEK 9.8 for 2000–2003.

Civil society organisations and modernization of the justice system (UNDP)
(www.undpguatemala.org)

The UNDP administers this project using funds from Sweden and Norway. It provides financial support to national organisations in order to carry out activities and studies promoting the modernisation of the justice sector and increasing access to justice as stipulated in the Peace Accords. 12 organisations received funds for local and national projects, focusing mainly on access to justice and indigenous rights. Sida support: MSEK 6 for 2002–2003.

National Justice Commission (UNDP) (www.undpguatemala.org)

This support is an important part of the reformation and modernization of the judicial system, as stipulated in the Peace Accords. All public judicial institutions and universities, as well as three honourable citizens, participate in the multi-sector commission. There are also nine sub-commissions organised around themes such as access to justice, judicial career development and labour rights. Constant changes of high-level officials in the justice system are a constraint on these activities.

The Commission has, during this period, been active in the creation of a national forum against lynching, for the approval of the law on the penitentiary system, the Conscience Court on Racism, elaboration of the rules for the preparation committees of the Supreme Court and the ratification of several international treaties.

Of the sub-commissions, the labour commission deserves special mention as it has shown significant progress despite the complexity and historical difficulties around the issue. Sida support: MSEK 3 for 2001–2004.

C. Peace Accords

The implementation of the Peace accords has been very slow and the different actors have experienced a trying situation during 2003. Sida's support to the peace institutions through SEPAZ and especially "las mesas regionales de concertación" has maintained the discussion on the Peace Accords active at the local level. The adoption of the legislative peace agenda, the strengthening of conflict resolution capacity and support to the dissolution of the "Estado Mayor Presidencial" have formed concrete contributions to the implementation of the Peace Accords.

The Peace Secretariat SEPAZ (UNDP) (www.undpguatemala.org – www.procesodepazguatemala.gob.gt)

The role of SEPAZ is to promote the implementation of the Peace Accords, especially within the government and also through facilitating dialogue between state, government and civil society. The SEPAZ is a rather weak institution, but Swedish support has made the SEPAZ administration somewhat more efficient as regards strategic planning and coordination efforts. An important part of their work is to prepare analyses, reports and evaluations concerning the fulfilment of the Accords, strategy renewal and related law proposals. The political environment was not very favourable due to increased polarization during the

long election campaign and the low overall commitment to the Peace Accords. The project also presented a legal proposal for the future organisation of the peace institutionality.

The regional multi-institutional forum for coordination, “mesas de concertación” were given financial and technical support during the last 6 month of the year. This support increased their ability to act at local, regional and national levels.

Sida support: MSEK 12.5 for 2001–2003.

Legislation from the Peace Accords Agenda, PROLEY (MINUGUA)
(www.minugua.guate.net)

Sida has supported the PROLEY project since 1996. It is aimed at promoting the legislative peace agenda through technical and political support to Congress. The aim is also to foster a broader inter-sectoral dialogue on law proposals, as well as information campaigns on laws passed. In 2003 few laws were passed, mainly due to the turbulent political environment and polarization in congress. Nevertheless, four fundamental laws did make it through; Law on Civil Service, Law on Integral Protection for Children and Youth, Law on National Languages, and the law that creates the SAAS and dissolves the EMP. The two latter were translated to the four major Maya languages.

One discussion topic has been the strengthening of the internal technical capacity of congress. The progress made during the first half of the year was halted by the election period, but a proposal for a law on the internal functions of the congress was elaborated.

Sida support: MSEK 3.5 for 2002–2004.

Conflict resolution, the ProPaz Foundation (www.oas.org)

2003 is the first year of the ProPaz Foundation, a former OAS project. The main objective of this programme is to facilitate negotiation processes in conflict situations and to build human resources for conflict resolution through training. Among the most relevant activities during 2003 are:

- the Foundation coordinated the inter-sectoral dialogue group on the rights of the indigenous population, emanating from the CG meeting in February 2002.
- technical assistance to the Human Rights Ombudsman, especially the Peace Accords Unit.
- mediation in conflicts
- training of electoral staff, police and UN volunteers in conflict prevention and resolution
- training and advice to the Presidential Unit for Conflict Resolution

The Foundation is broadening their financial base, working also with private companies and state entities, thus diminishing their dependence on for foreign funding.

Sida support: MSEK 7 for the period 2002–2005.

UN Peace volunteers, UNDP/Forum Syd/UNV
(www.undpguatemala.org – www.ca.forumsyd.org)

The UNDP, the UNV and Forum Syd implement the Peace Volunteer Program. During this period 21 volunteers were employed, of whom 16 were Guatemalans and 5 Swedish. Half of them were working in organisations in the capital, and the other half in local organisations or municipalities located in the western and northern parts of the country. Their activities focused on strengthening local democracy and participation, human rights and indigenous rights, as well as reintegration of displaced groups. Several training inputs were carried out with the volunteers and the organisations where they work on electoral issues, conflict analysis and resolution, gender and intercultural relations.
Sida support: MSEK 10.8 for 2000–2003.

Creation of Civil Presidential Security Force –
SAAS (UNDP/UNOPS) (www.undpguatemala.org)

The demilitarisation of the presidential security forces has been one of the most difficult matters outstanding from the Peace Accords. In late 2003, the law that established SAAS and dissolved EMP was approved by Congress. The symbolic meaning of the transition is huge, since the country's presidents have been heavily influenced by the armed forces for many years. There are currently more than 300 trained agents who have assumed the protection of the President and Vice-President and their families as well as of several ministers. The SAAS has a clear policy of favouring female and indigenous candidates but so far interest shown by these groups has been limited. The project is co-financed with the Netherlands, Norway, USA and the UK.
Sida support: MSEK 5 for 2001–2003.

2.3.2 Participation Of Women And Indigenous Population

A. Participation of women

Guatemala is a country suffering from severe gender inequality. Different indicators in areas such as education, health, and political participation (out of 158 members of congress only 13 are women) are unfavourable to women.

Domestic violence against women is a serious problem. The situation for indigenous women is worse because they have been affected by threefold exclusion and discrimination: for being women, for being poor and for being indigenous.

Since the Peace Accords, the women's movement has gained in strength and organisational capacity. Many other institutions are now discussing gender issues. Within the government a "Gender Platform" was created on the initiative of the Presidential Secretariat for Women – SEPREM. However, all this is still insufficient. The Sida support to SEPREM has been successful in strengthening this very new, young institution.

SEPREM-SEGEPLAN “Inclusion of a gender perspective in the planning and implementation of poverty reduction strategy”. (www.segeplan.gob.gt)

The Presidential Secretariat for women – SEPREM has the role of coordinating and promoting gender perspectives in public policies and should therefore also participate in the elaboration of a national poverty reduction strategy. The main objective is incorporation of an effective and efficient strategy with operative mechanisms that consider the specific needs of women within the Poverty Reduction Strategy elaborated by SEGEPLAN.

The project has promoted the participation of women on different levels within the system of “Development Councils” as well as their participation in commissions of coordination and in the inclusion of a gender perspective in the discussion and elaboration of the Poverty Reduction Strategy.

Some technical proposals were made for the creation of a Women’s Commission in some municipalities and development councils. The legislation concerning decentralization, the Municipal Code and development councils are being used by SEPREM in all activities relating to the project. A special training input for development council members, public servants and some representatives from civil society on public management was implemented together with some development council members.

Sida support: MSEK. 5.6 for 2003–2005.

Integral support to the Women’s Presidential Secretariat

UNDP-SEPREM (www.undpguatemala.org)

The main objective of this program is to promote equal opportunities for both genders within the government and public institution. Training was held on CEDAW (Convention on Eliminating All Forms of Discrimination against women) in four regions. An institutional study was carried out on the SEPREM. This showed some weakness but UNDP together with SEPREM have been taking corrective measures. The National Plan for the Eradication of Domestic Violence and Violence against Women was discussed and approved by government representatives and women’s organisations in civil society.

Now, with a new government in place, the challenge is to see how this issue will be implemented by the new government and what kind of follow up it will give for women’s organisations. Another important result was the production of a base of 90 indicators concerning education, health, jobs, agriculture and gender disaggregated statistics. Finally, the project supported the incorporation of a gender perspective into some materials for primary school and some “study guidelines for secondary school”, both were approved by the Gender Commission of the Ministry of Education.

This project will be completed in June 2004.

Sida support: MSEK 4 for 2001–2003.

B. Participation of indigenous population

There have been several attempts made to follow up on the implementation of the AIDPI and to create some type of coordination among the different groupings within the indigenous population. The visit of Dr. Rodolfo Stavenhagen, special UN Rapporteur on Indigenous People has strengthened these efforts.

In November 2003, the movement “Coordinación y Convergencia Nacional Maya – Waqib’ Kej” undertook their first march aimed at the promotion of “La Dignidad de los Pueblos Indígenas” with participation from many organizations. The objective of this march was to influence the incoming government to take up the Indigenous Peoples agenda (land issues, discrimination and racism, poverty, reparations, educational reform etc.)

Political participation is very limited for indigenous people. In the current government there are only four posts occupied by individuals with this ethnicity (Minister of Culture, Deputy Minister of Education, Secretary of Peace and Under-Secretary of Women). In the congress, only 15 out of 158 congress members are indigenous.

*“Ombudsman for the Rights of Indigenous Women in Guatemala”–
DEMI II (UNDP) (www.undpguatemala.org – www.demi.gob.gt)*

Sida has been supporting DEMI through UNDP since 1999. The first phase was completed in March. The new agreement was signed in October 2003.

The Ombudsman for Rights of Indigenous Women in Guatemala is the first institution with a mandate to defend the rights of indigenous women. It was organised as a semi-independent state institution in accordance with the Peace Accord regarding Identity and Rights of Indigenous People-AIDPI.

An evaluation of the DEMI project was carried out during 2003. It provided important inputs for this new phase. The objective of the new project continues to be to maximize the capacities and possibilities of DEMI to defend the human rights of indigenous women but new areas have been added. With Sida support, DEMI has been working with legal, social and psychological advice/support in four small offices in Quetzaltenango, Huehuetenango, Suchitepequez and Peten. Support has also been given to the political reporting unit and the strengthening of internal and external communications.

Sida support: MSEK 5.6 for 2003–2005

*National identity, cultural diversity and culture of Peace (UNDP)
(www.undpguatemala.org)*

During the period 2001 to 2003, the programme supported studies, seminars and discussions relating to public policies within the Ministry of Culture and Sports. The follow-up Commission on Public Policies prepared a proposal for the creation of “Consejo Nacional de Cultura” and an agenda for the culture sector for the period 2004–2008. An academic programme for 200 public servants, held in collaboration with the Ministry of Culture and Sports and the del Valle University, was

concluded satisfactorily. The National Council of Research was relocated within the Ministry of Culture. This space allowed the connection of some Ministry activities with universities.

Sida support: MSEK 5 for 2001–2003

CONALFA II Literacy program (UNDP) (www.undpguatemala.org)

This project supported literacy programs in two linguistic communities (Mam and Q'anjob'al) in San Marcos and Huehuetenango concerning bilingual literacy training in the Mayan languages. The programme implemented the first and second phase of Post-Bi alphabetisation. The first included having all the materials and the methodology for bilingual training designed and validated. All these materials and methodology will be adopted by CONALFA to continue in other regions. In addition, 32 technicians were trained and 569 students passed grades 1 to 3 in primary school.

The second phase is equivalent to grades 4 to 6 of the primary school. 165 students passed this phase and 10 technicians were trained. During the development of the project, some topics such as: Peace Accords, environment, gender and health were discussed. Swedish support was important for CONALFA not only for the people who passed these levels but also for the methodology and all the materials that were produced which will be used in other areas. Thus, all the technicians within the project could continue working along these lines.

Sida support: MSEK 5.6 for 2000–2003.

2.3.3 Economic And Social Structural Change

The Swedish support in this field is focused on: A) production of information and analysis on the poverty situation in Guatemala and B) to promote structures that give poor people access to important assets such as land, credits and health.

In the national debate the theme of poverty and inequality has been more discussed during the last years. Through the UNDP human development report and with the production of statistics from the national statistics institute these discussions are more realistic than before.

The coordination of donors in the microfinance sector has improved and although Sida is not a mayor player we participate actively in this coordination.

National cadastre and access to health are themes in the peace accords still unresolved. The debate on a law for cadastral registry in the congress has so far not resulted in an adoption of the proposal.

The Human Development Report Guatemala (UNDP) (www.undpguatemala.org)

The annual Human Development Report from UNDP constitutes an extensive and reliable source of information for all actors dealing with development issues. Sida has supported all reports for Guatemala, one objective being to raise the level of national debate on development. UNDP elaborates the report in consultation with five major universities in Guatemala. The report for 2003 was called “an agenda for human development” and for the first time it also included proposals on how to reduce poverty and increase human development in a broad sense. Much

effort was made to disseminate the study widely and 50 presentations and discussions were made all over the country and popular versions were made and distributed. There is also an annual award for investigative journalism that is given within the scope of the project.

Sida support: MSEK 6 for 2001–2004.

Household surveys, National Statistics Institute (UNDP)

(www.undpguatemala.org -www.segeplan.gob.gt)

This support is channelled through the UNDP to the National Statistics Institute in order to strengthen their technical capacity for household surveys and analysis. It is a component within the “Program for the improvement of surveys and measurement of living conditions in Latin America and the Caribbean, MECOVI”. During this period the fourth national survey on employment and income (ENEI 4) was carried out. The study, together with ENCOVI, constitutes vital information sources for the National Statistics System. Training was carried out and completed on poverty measurement with the University of San Carlos. The lack of future international financing is a threat to the project, as government funds are scarce.

Sida support: MSEK 6 for 2001–2003.

Poverty studies, FLACSO (www.flacso.edu.gt)

The project, initiated in June 2002, supports studies, seminars and discussion on the understanding of poverty in Guatemala. There are different scholarship programs directed towards young researchers and university students. Among the themes they have chosen are child labour, local markets and the effects of the VAT on poor people. Meetings, seminars and workshops were carried out with entrepreneurs, politicians, journalists and academics in order to promote and increase the level of discussion on poverty issues. Interest in the scholarships has been very high, the majority of the applicants being women.

Sida support: MSEK 3 during 2002–2004.

Micro credits for poverty reduction through local development

The aim of the Fund for Local Development in Guatemala (FDLG) is to contribute to improved living conditions for poor people in urban and semi urban settlements in 10 provinces. The programme works with three components of which the first two are carried out through ten micro credit organisations/cooperatives:

- micro credits for improvement of poor families’ housing. 818 credits were given during the period for MSEK 7. Women made up 42% of the beneficiaries.
- micro credits for individuals or solidarity groups; 7480 new credits of a total of MSEK 15 were granted during the period, of which 76% to women.
- support to municipalities for infrastructure projects with direct positive effects for the poor population. Three projects were successfully concluded in 2003.

Donor coordination has been emphasized during the period and the Embassy participates in monthly donor meetings.
Sida support: MSEK 50 for 1999–2004.

Development of productive agro forestry in resettled communities (UNDP)
(www.undpguatemala.org)

This is a project supporting forestry and agriculture in five communities of returned refugees in the areas of Petén, Chimaltenango and Suchitepequez. The target group consists of groups of internally and externally displaced people. They are assisted with technical support concerning alternative crops (for example mangoes, bell peppers, palm hearts) and farming techniques, sustainable forest management and the strengthening of local productive organisations, thus increasing their access to higher long-term income. Government forestry incentives used in coordination with technical support from project staff constitute an important source of income for the target group.
Sida support: MSEK 5 for 2001–2003.

Health system reform program (www.ops.org.gt – www.mspas.gob.gt)

The reform of the health system in Guatemala has a strong connection to the peace agenda from 1996 which stipulates the obligation to increase public spending on the health sector and more resources to preventive health care.

The main goal of the reform project is to develop an integrated and decentralized system for health services (SIAS), with a high level of civil participation. Swedish support aims specifically at, from a rights-based point of departure, assuring access to prevention and health services for the excluded indigenous population in Guatemala.

For the new cooperation period 2003–2005 – “Integrated health model developed and implemented based on regulation, social participation and local administration” –Sweden will sign a bilateral agreement with the Ministry of Health for the first time, limiting the role of PAHO to technical assistance and financial management.

Another change within the new agreement is the geographical concentration of cooperation to three of the poorest provinces in the country with a high percentage of rural and indigenous populations.

Since the agreement was not signed until December 2003, implementation was delayed. Nevertheless, there were some achievements during the year where a detailed set of indicators for the program was under development. In addition, the planning and development of the base line process was initiated during 2003.

Sida support: MSEK 55 (2003–2005)

Water and Sanitation (UNICEF) (www.unicef.org)

Sweden has cooperated with UNICEF within the area of Water and Sanitation since 1989. The overall goal of the UNICEF Water and Sanitation programme is to reduce the high infant mortality rate in Guatemala through combating diseases related to the water and sewage system. A final extension of the agreement with UNICEF was made to last until August 2003.

Main achievements during 2003 were:

Experience of facilitating access to safe water in small villages of dispersed population has provided not only benefits for the rural population, but also the systematisation and development of specific technical norms with the governmental counterpart of the Ministry of Health.

Community participation in the maintenance and management of the water services was strengthened; the training included groups of organised women.

Municipal governments have been strengthened technically as concerns their new role of water and sanitation managers. Parallel to the construction financed by the project, the municipalities have also made complementary investments with their own resources. All this facilitates the performance of their new roles established by the new Decentralization Law.

Sida support SEK 750 000 (2003)

*National Cadastral System (www.pnudguatemala.org
– www.utjprotierra.gob.gt – www.swedsurvey.se)*

Swedish support to this area dates back to 1997 and has been mainly channelled through UNDP, with a smaller component consisting of contract-financed technical cooperation (CTC), with Swedsurvey providing the services. The main objective is to expand and reinforce national capacity within this field (including technical skills as well as systems development and institutional strength), in order to contribute to a functioning national cadastral system, thus increasing legal security concerning land ownership in Guatemala. The national counterpart is UTJ, a special technical and legal unit under the Ministry of Agriculture. In addition to cadastral work in the field, UTJ also carries responsibility for proposing legislation, rules and technical norms within this area.

In 2003, UTJ has continued to perform satisfactorily with increasing technical skills and geographical coverage. However, in spite of coordinated and explicit donor concern as well as repeated promises by Government and political parties, the proposed legislation on the national cadastral system has still not been passed by Parliament. In January 2003, the proposed law was suddenly withdrawn from Parliament by President Portillo's Office, but was re-introduced a couple of weeks later without any changes. Later the same year, the proposal was again withdrawn and this time replaced by a substantially reformed proposal – which was not passed either. The absence of an adequate legal framework and the way this theme was managed by Government and Parliament lead most donors to reduce or terminate their support.

In December 2003, Sida decided to prolong the current agreement through UNDP for one year, without adding any fresh funds and using remaining resources only. Sweden also officially declared that 2004 was to be the last year of Sida financed support to the cadastral project if the major national stakeholders could not agree upon technically adequate and politically operational legislation.

Sida support via the UNDP: MSEK 15 for 2001–2004

Sida support via contract-financed technical cooperation: MSEK 10.2 for 2002–2005.

National Quality Infrastructure (www.swedac.se)

This project, supported under the modality of contract-financed technical cooperation (CTC), has covered technical assistance for the establishment of all the necessary components for a national quality program, including norms and procedures for certification, accreditation and standardization. The main objective has been to enhance the international competitiveness of Guatemalan enterprises, enabling them to comply with international agreements and quality standards. The quality assurance aspect may also generate positive results within the country by improving consumer protection.

The Ministry of Finance, supported by Swedac, has implemented the project. The issuing, in April 2002, of a Government Decree which legally established a National Accreditation Body constituted substantial progress. However, to provide a solid legal platform, the Government Decree should be replaced by a fully-fledged law, approved by Parliament, which is still not the case. Initially, the project was to be concluded by mid-2003 but due to renewed governmental interest it will probably be prolonged (with remaining funds only) by at least one year. Sida support: MSEK 9.9 (for 1998 and onwards)

3. Office and Administrative Issues

Development cooperation with Guatemala, El Salvador and some regional programmes are managed by the Embassy of Sweden in Guatemala. The embassy has a total 23 employees. Out of these seven officers employed by Sida and two assistants on the embassy administrative budget work full time with development cooperation.

During the year, a longed-for update of the ICT platform was carried out. The office is now able to use Sida's in-house information and economic planning systems. The MFA ICT system is modern and well functioning. Of course this brings much better working conditions for the staff. The office can now assume all responsibilities related to the management and administration of development cooperation and can assume the delegation of the country allocation except for the right to decide on new projects.

Annex 1

The Guatemalan Peace Accords

The Peace Accords which ended the thirty-six years of armed conflict in Guatemala were the result of negotiations which began formally in 1990. They came into force with the signing of the *Accord on a Firm and Lasting Peace* on 29 December 1996 by the Government of the Republic and the URNG. The sum of the Accords corresponds to a single, integral agenda oriented towards overcoming the root causes of the armed conflict and establishing a basis for new development. The Accords are of and for the Guatemalan people, and as such require the united efforts of all Guatemalans to become consolidated and in order to succeed in their implementation.

In 1996 the two sides concurred that international verification of compliance to the signed Accords was essential in order to strengthen confidence in the consolidation of peace. As a result, the Secretary-General of the United Nations, with the approval of the General Assembly, established the United Nations Verification Mission in Guatemala (MINUGUA).

All in all, the Peace Accords comprise twelve different agreements, some covering procedural matters but most of them dealing with thematic issues of strategic importance for embarking upon the road towards genuine national development. The complete list of the Accords is found below.²³

- *Framework Agreement for the Resumption of the Negotiating Process between the Government of Guatemala and the “Unidad Revolucionaria Nacional Guatemalteca” (URNG)* (México D.F., January 10 – 1994)
- *Comprehensive Agreement Human Rights* (México D.F., March 29-1994)
- *Agreement on Resettlement of the Population Groups Uprooted by the Armed Conflict* (Oslo, Noruega, June 17-1994)
- *Agreement on the establishment of the Commission to clarify past human rights violations and acts of violence that have caused the Guatemalan population to suffer* (Oslo, Noruega, June 23-1994)
- *Agreement on Identity and Rights of Indigenous Peoples* (México D.F., March 31-1995)

²³ Placing the cursor on any one of the titles, a link to Minugua’s website will appear, where the complete text of each Agreement can be found.

- *Agreement on Social and Economic Aspects and Agrarian Situation* (México D.F., May 6-1996)
- *Agreement on the Strengthening of Civilian Power and on the Role of the Armed Forces in a Democratic Society* (México D.F., September 19-1996)
- *Agreement on the Definitive Ceasefire* (Oslo, Noruega, December 4-1996)
- *Agreement on Constitutional Reforms and the Electoral Regime* (Estocolmo, Suecia, December 7-1996)
- *Agreement on the Basis for the Legal Integration of the Unidad Revolucionaria Nacional Guatemalteca* (Madrid, España, December 12-1996)
- *Agreement on the Implementation, Compliance and Verification Timetable for the Peace Agreements* (Guatemala, December 29-1996)
- *Agreement on a firm and lasting peace* (Guatemala, December 29-1996)

Annex 2

Conclusions from the Commission for Historical Clarification

The internal conflict that lasted over 35 years produced over two hundred thousand dead or disappeared. To identify the causes of the violence, to find out what really happened and to propose actions that can help Guatemala to overcome the effects of the war the parties in the peace negotiations agreed on the creation of the commission for historical clarification (CEH – Comisión de Esclarecimiento Histórico).

The CEH concluded that among the factors that determined the conflict were; a state constructed on the exclusion of the majority – the indigenous population and poor Ladinos; authoritarianism and repression; systematic discrimination; anti-democratic institutionalism and the lack of will in the state to promote change.

During the internal conflict, the state forces and paramilitary groups were responsible for over 90% of the total of crimes against human rights. The repression was selective in urban areas and massive in some rural areas. The army committed more than 600 massacres and the geographical concentration implies that state agents, in at least five linguistic groups committed genocide. Four fifths of all victims were Mayan.

The CEH recommendations are comprehensive and attempt to reorient the state towards the implementation of public policies and programmes of renewal, reconciliation and justice. They point out measures to preserve the memory of the victims, to foment a culture of mutual respect and respect of human rights, and also to strengthen the democratic process and measures for reparations.

Advances have been very slight during the five years following the CEH report.

Actions to preserve the memory of the victims and the creation of the national reparation programme are steps in the right direction. The lack of a law that strengthens the legal basis of the program and of funding for it is worrisome. The proposed demilitarisation has seen some advances. The dissolution of the EMP and creation of the civil SAAS is a major step forward. In 2003, the three military bases in the Ixil area and the military base in Rabinal have been abandoned and the number of soldiers and officers has been slightly reduced. On the negative side, the army continued to receive significant budget transfers during the year,

thus surpassing the stipulated level from the Peace Accords. There are still legal impediments for more transparency of the military budget. Impunity for former and current officers involved in crime is still total. In addition to the above mentioned shortcomings it is important that the state investigate all cases of executions and forced disappearances, specifically cases where children have disappeared. New legislation is also needed in relation to access to archives with information on disappeared children, strengthening the national reparations program and the National Commission for Reparations, creating the “Comisión por la Paz y la Concordia” for the follow up of the CEH recommendations, regulating state intelligence institutions, promoting specific measures to protect human rights defenders and facilitating and regulating access to state information. Measures to honour the memory of the victims and promotion of the CEH report as well as recognition and incorporation of traditional mechanisms for conflict resolution are also pending. Finally it is important to adopt measures that will remove those responsible for human rights violations from public posts.

Annex 3

Guatemala Human Development Indicators

	1998	1999	2000	2001	2002	2003
General						
Inhabitants (million)	10,8	11,1	11,4	11,7	12	
Population growth% annually	2,6			2,6	2,6	
HDI Index	0,59	0,61	0,634	0,652	0,649	
World ranking	111	117	120	108	120	119
Human Poverty Index		0,54	0,56	0,27		
Economy						
GDP (million USD)	19395	18318	19289	20963	23252	24735
GDP/capita (USD)	1796	1652	1692	1791	1940	2012
GDP growth	5	3,8	3,3	2,1	2	2,1
BNI growth/capita %		13,2	6,5	16	6,48	1
Gini coefficient			0,555		0,587	
Inflation (per cent)	7,5	4,92	5,08	8,91	6,33	5,85
ODA received as percentage of GDP	N/A	N/A	1,36	1,08	1,07	N/A
ODA received per capita (USD)	N/A	N/A	23,15	19,4	20,75	N/A
Social Development						
% population living in extreme poverty			15,7		21,5	
Poorest 20% share of income/consumption			2,8		1,7	
Average life expectancy				65,2	65,2	
Infant Mortality per 1000 live birth	49				44	
Maternal Mortality per 100000 live birth					153	
Literacy rate	68,3	70,2	68,2		72,5	
Share of population with safe water	63		70,8			
Democratic Development						
Freedom house index (PF=partly free)	3,4,PF	3,4,PF	3,4,PF	3,4,PF	3,4,PF	3,4,PF
Corruption perception index (TI)	3,1	3,2	N/A	2,9	2,5	2,4
Transparency International (TI) Ranking	60	68	N/A	65	82	100
Gender related Development index	0,17		0,609	0,638	0,634	
Seats in parliament held by women %						8,8
Women in government at ministerial level						

Annex 4 REPORT ON IMPLEMENTATION OF COUNTRY PLAN GUATEMALA FOR 2003

Delimitation:
Status: A, I, P
Region/Country: Guatemala
Sector: -
Alloc account: All but NGO 15561
Other: agr end > 200112

All changes in countryplan are marked with bold.

ALLOC ACC TITEL	DEV/NO DEV AGR	OP AREA	Status	AGR. ID	AGR PERIOD	CONTRIBUTION ID AND TITEL	RESP UNIT	PLANNED ACTIVITIES	RESP UNIT SUP	Data			comment
										FC 2003	Revised FC 2003	Disbursed 2003	
01 Guatemala	NO DEV	1.HR/DEM		A6100141	200202 - 200608	61000606 HR Ombudsman Guatemala	DESA	Annual meeting	DESA	2 000	2 000	2 000	
				A6100174	200201 - 200406	61000611 UNDP PROFED OSC	DESA	Annual meeting	DESA	3 000	3 000	3 000	
				A6100253	200012 - 200406	61000470 Diakonia Guatemala 01-03	RELA	Annual meeting	RELA	10 250	6 150	6 150	First disbursement done in 2002
				A6100300	200109 - 200406	61003926 UNDP SEPAP 01-04	AMB GTM	Annual meeting	AMB GTM	4 050	6 700	6 700	Additional disbursement of funds from 2002
				A6100303	200109 - 200406	61003929 UNDP PROFED- CN	DESA	Annual meeting	DESA	1 740	1 740	1 740	
				A6100304	200109 - 200406	61003930 UNDP MECOVI 01-04	AMB GTM	Annual meeting	AMB GTM	2 000	2 000	2 000	
				A6100305	200109 - 200406	61003931 UNDP HDR 2001-2004	AMB GTM	Annual meeting	AMB GTM	2 000	2 000	2 000	
				A6100306	200109 - 200406	61003932 UNDP Womens Secretariat	AMB GTM	Annual meeting	AMB GTM	1 500	1 500	1 500	
				A6100308	200109 - 200406	61003938 UNDP Min Culture	AMB GTM	Annual meeting	AMB GTM	2 000	2 000	2 000	
				A7250018	200211 - 200305	72500036 FUPEDS	KULTU R	External Evaluation	KULTU R	385	176	176	
				A6100377	200210 - 200312	61000648 MINUGUA/PROLEY V	AMB GTM	Annual meeting	AMB GTM	2 000	2 000	2 000	
				A6100363	200206 - 200412	61000267 PPD/IDEA democracy work	AMB GTM	Annual meeting	AMB GTM	3 000	1 500	1 500	Slow impl. moved to 2004
				A7260224	200212 - 200406	61000376 Electoral Support	DESA	Annual meeting	DESA	0	0	0	
					200109 - 200412	UNDP Demilitarization	AMB GTM		AMB GTM	0	1 600	1 600	Extended for another year additional funds

ALOC ACC TITEL	DEV/NO DEV AGR	OP AREA	Status	AGR. ID	AGR PERIOD	CONTRIBUTION ID AND TITEL	RESP UNIT	PLANNED ACTIVITIES	RESP UNIT SUP	FC 2003	Revised FC 2003	Disbursed 2003	comment
				A6100367	200207 - 200506	61000539 UNICEF Child rights	AMB GTM	Annual meeting	AMB GTM	4 000	1 687	1 687	Slow implementatio n
			A Total							37 925	34 053	34 053	
			P			61000251 MUNI-K'AT Leadership	AMB GTM	I.A. 200205, FA 200210	AMB GTM				Due to electoral process moved to 2004
						200303- 200606 HR Ombudsman, transition Minugua	DESA	I.A. 200302, F.A. 200304	DESA	750	0	0	Rejected
						200306- 200606 Access to Justice Program	DESA	I.A. 200303, F.A. 200306	DESA	4 000	0	0	IA 200312, FA 200406
						200306- 200606 Strengthening of Political Parties	DESA	I.A. 200302, F.A. 200306	DESA	8 000	0	0	Due to electoral process moved to 2004
						200306- 200606 Indigenous Fund	AMB GTM	I.A. 200302, F.A. 200305	AMB GTM	4 000	0	0	IA 200312
						200301- 200606 61000366 Caritas Guatemala Program	RELA	I.A. 200210, F.A. 200212	RELA	7 000	0	0	PLUS
						200306- 200606 DEMI, Indigenous womens ombudsman	DESA	I.A. 200302, F.A. 200304	DESA	2 050	2 050	2 050	61000366 PLUS
						200301- 200606 Womens Fund	AMB GTM	I.A. 200212, F.A. 200302	AMB GTM	1 500	2 352	2 352	64000031 FA 200310
						200401- 200706 Diakonia Guatemala 2004- 2006	RELA	I.A. 200309, F.A. 200311	RELA	4 000	0	0	FA 200402
						200301- 200506 610003933 Decentralization	AMB GTM	I.A. 200304, F.A. 200306	AMB GTM	0	0	0	FA 200401
						External evaluations: MINUGUA and SEPTEM	AMB GTM		AMB GTM	4 000	6 124	6 124	Changed to electoral support at municipal level
			P Total							1 000	0	0	
										36 300	10 526	10 526	
			I			200306- 200506 UNHCHR Guatemala	AMB GTM	I.A. 200305, F.A. 200309	AMB GTM	2 000	0	0	Opening of office in 2004 FA 200406
						200306- 200405 64000028 National electoral obs.	AMB GTM		AMB GTM	0	4 000	4 000	Included during year 2003
						200309- 200405 EU Electoral Observation	PEO		PEO	0	369	369	Included during year 2003

ALLOCC ACC TITEL	DEV/NO DEV AGR	OP AREA	Status	AGR. ID	AGR PERIOD	CONTRIBUTION ID AND TITEL	RESP UNIT	PLANNED ACTIVITIES	RESP UNIT SUP	FC 2003 2003	Revised FC 2003	Disbursed 2003	comment
					200312- 200806	UNDP Human Development report	AMB GTM		AMB GTM	0	2 000	2 000	Included during year 2003
					200303- 200503	Anti-Corruption Commission	AMB GTM	I.A. 200301, F.A. 200303	AMB GTM	2 000	0	0	Rejected
			I Total							4 000	6 369	6 369	
			1. HR/DEM Total							78 225	50 948	50 947	
		2. SOCIAL	A	A6100296	200106 - 200303	61000534 Study male sexuality	AMB GTM	Final Report 200301	AMB GTM	0	0	0	
				A6100361	200207 - 200503	61000276 FLACSO Poverty Reduction	AMB GTM	Annual meeting	AMB GTM	1 000	1 000	1 000	
				A6100379	200211 - 200606	61000103 SEPREM Poverty/Gender	AMB GTM	Annual meeting	AMB GTM	2 414	2 414	2 414	
				A7200280	199812 - 200306 II	61000054 HSR Guatemala	HALSO	Closing 2003	HALSO	0	0	0	
				A7250917	200005 - 200303	72000353 National Library GTM	KULTU R	Closing 2003	KULTU R	0	0	0	
			A Total							3 414	3 414	3 414	
			P Total							20 000	9 612	9 612	Contract delayed by Gua gov.
		2. SOCIAL	Total							20 000	9 612	9 612	
										23 414	13 026	13 026	
		3. INFRA	A	A7171999	199906 - 200306	71600613 GTM FDLG Local Development	URBA N	Follow up/Annual meeting	URBA N	0	0	0	
				A7100896	199810 - 200306	71005054 GTM Nat. Quality System	KTS	Annual meeting	KTS	4 012	1 103	1 103	
			A Total							4 012	1 103	1 103	
			P Total							8 000	0	0	FA 200408
		3. INFRA	Total							8 000	0	0	
										12 012	1 103	1 103	
		4. NATUREA		A6100302	200109 - 200406	61003928 UNDP Agroforestry Refugee	AMB GTM	Annual meeting	AMB GTM	2 000	1 000	1 000	Slow implementatio n
					200007 - 200406	UNICEF Water and Sanitation	NATU R		NATU R			550	Extended for another year additional funds
				A7160011	200109 - 200503	71007010 GTM Landsurvey phase 2	KTS	Annual meeting	KTS			550	Slower implementatio n
				A6100307	200109 - 200406	61003934 UNDP Land Registration	AMB GTM	Annual meeting	AMB GTM	4 000	2 143	2 143	
			A Total							5 500	5 500	5 500	
		4. NATURE	Total							11 500	9 193	9 193	
										11 500	9 193	9 193	

ALLOC ACC TITEL	DEV/NO DEV AGR	OP AREA	Status	AGR. ID	AGR PERIOD	CONTRIBUTION ID AND TITEL	RESP UNIT	PLANNED ACTIVITIES	RESP UNIT SUP	FC 2003 2003	Revised FC 2003	Disbursed 2003	comment		
	7. HUM	A		A6100008	199710 - 200303	61000014 OAS Culture of Dialogue	RELA	Closing 2003	RELA		0	0	0		
				A6100202	200001 - 61000400	UNDP Vol Fund II	AMB GTM	Annual meeting	AMB GTM	1 446	1 446	1 446			
				A6100203	200001 - 61000401	Forum Syd Vol. Fund II	RELA	Annual meeting	RELA		0	0	0		
				A6100301	200109 - 61003927	UNDP Demilitarization	AMB GTM	Closing 2003	AMB GTM		0	0	0		
				A6100310	200109 - 61000421	ODHAG REMHI	AMB GTM	Annual meeting	AMB GTM	255	255	255			
				A6100364	200207 - 61000630	OAS/PROPAZ	AMB GTM	Annual meeting	AMB GTM	2 000	2 000	2 000			
				A Total						3 701	3 701	3 701	3 701		
	7. HUM Total									3 701	3 701	3 701			
	9. OTHER	A		A6100281	200206 - 64000027	Assistant NPO	AMB GTM		AMB GTM		217	111	111		
				200412	GUA			FU						PLUS	
				200301 - 200501	Field Officer, Health GUA					1 600	1 064	1 064	61000380		
				A6100209	200208 - 64000026	Nat Progr Officer	AMB GTM		AMB GTM	573	382	382			
				200412	GUA										
	9. OTHER			A6100324	200001 - 61000370	Field Officer	FU		FU		1 600	1 827	1 827		
				200301	Guatemala					3 990	3 384	3 384			
	9. OTHER Total										3 990	3 384	3 384		
	NO DEV Total										132 843	81 355	81 355		
	01 Guatemala										132 843	81 355	81 355		
	Grand Total										132 843	81 355	81 355		

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



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