

# Evaluation of 3 NGOs cofunded by the Ministry of Foreign Affairs

Evaluation of the NGO « NIÑOS DE LA TIERRA »

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**EXECUTIVE SUMMARY**

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## 1 FACTSHEET

<b>Context of the evaluation</b>	Co-funding agreement on several development cooperation projects in Chile and Bolivia.
<b>Objectives of the co-funded projects</b>	<p><b>Student residences:</b> Improve formal and alternative education by building an appropriate infrastructure and a global educational approach (Bolivia);</p> <p><b>Kindergarten:</b> allow parents to leave their children in a safe environment, which also offers good dietary conditions, at a low cost (Bolivia);</p> <p><b>Food safety:</b> an alternative to the daily diet offered by the rural regions' agricultural production (Bolivia);</p> <p><b>Support the families of the Mapuche communities:</b> by implementing development strategies which focus on the economic sustainability and cultural literacy of these communities.</p>
<b>Planned budget (total for the projects being evaluated)</b>	€ 1.279 millions
<b>Estimated completed budget (total for the projects being evaluated)</b>	€ 0.900 million
<b>Recommendations</b>	<p><b>On the short term:</b> take into account the specific recommendations relating to the projects set up by FUNDECAM, their Chilean partner, as well as those relating to the projects set up by Fundación Cristo Vive.</p> <p><b>On the medium-term:</b> strengthen Niños de la Tierra's structure by hiring permanent and professional staff.</p>
<b>Conclusions</b>	Niños de la Tierra correctly fulfils all the obligations which are external to the organisation. However, its main weakness is the implementation of its activities, and more importantly the monitoring of its field partners and of their expenses, on every level of the project's cycle. These weaknesses have an impact on the quality of the reports that are sent to the Ministry.

## 2 EXECUTIVE SUMMARY

The Ministry of Foreign Affairs requested the evaluation of three co-funding contracts that have been signed with the following NGOs “Les Amis du Tibet”, “Niños de la Tierra” and “Unity Foundation”.

The terms of reference are as follow: carry out an accounting and financial audit, carry out an organisational and structural audit, evaluate the strategic and operational approach and undertake an evaluation on a sample of projects co-funded by the Ministry.

This document presents the evaluation results of Niños de la Tierra.

Field missions for Niños de la Tierra took place in Chile and Bolivia. These evaluations are based on documentary reviews, interviews with the projects’ main actors and surveys of beneficiaries.

Niños de la Tierra (abbreviated to NITIS), was created in 1987 and built around the work and personality of Sister Karoline Mayer, who was carrying out social and pastoral work in Chile within the Fundación Cristo Vive. NITIS started off its activities in Chile before extending them to Bolivia and Peru.

NITIS’ activities are focused on education, health, the protection of the environment and sustainable development with an emphasis and a priority set on supporting women and indigenous populations.

### Accounting and financial audit

Our examination was carried out according to the International Standard on Related services (ISRS 4400) applicable to engagements to perform agreed-upon procedures regarding financial information. It should be noted that these procedures specifically exclude the examination of NITIS’ partners’ accounts that carry out the projects abroad.

The association is not directly involved in the projects funded abroad. In accordance with specific agreements, NITIS resorts to local partners to whom it transfers funds. The organisation does not ensure any systematic monitoring of the supporting documents.

Following the audit of NITIS’ Luxembourgish accounts, we believe that, subject to the fact that some elements are not registered as a product or liability since the organisation adopted a cash-flow accounting, these Luxembourgish accounts represent a fair view of the assets, financial situation and of the results of NITIS.

This testimony excludes any opinion regarding the accounts of the foreign partners with whom the institution works.

### Organisational and structural audit

Regarding NITIS’ operational procedures, its organisational structure is equivalent to its statutory structure (General assembly and Board of Directors), onto which four working groups are added: organisation, projects, public relations, voluntary work. This organisational structure is due to the absence of permanent salaried staff within the institution. The organisation’s tasks are carried out by members and external collaborators, all volunteers. The relationship between the organisation and its partners is more on a personal than contractual level. Indeed, sharing and committing to common values is the basis of the relationship between the organisation and its partners. The partners in the North (government, municipalities, schools, etc.), are encouraged to get involved through the personal participation of their members in both the projects and the vision of NITIS.

### Evaluation of the strategic and operational approach

Globally, NITIS’ projects in Bolivia and Chile coincide with the Luxembourgish Cooperation’s priorities in terms of local integrated development and training, and small credit programmes in Chile. However, the countries in which the projects are carried out do not correspond to the Ministry’s list of partner countries.

The project's target audience, particularly the very poor Mapuche families in Chile, guarantees that the project fits within the MDGs priorities.

The logical frameworks are integrated into the projects' documents, but they are limited. Certain important aspects are still missing from these frameworks, such as a clear baseline to help identify the situation before the start of the project, and results indicators. As regards NITIS' institutional partners, we can note a lack of international public partners, whereas the organisation is linked to many NGOs in Europe and South America.

## Evaluation of a sample of projects

### Bolivia

The field mission in Bolivia included trips to the headquarters of the three NGOs supported by NITIS and to the locations where the activities are carried out which are: CONTEXTO (Pacuhani and El Alto), FUNDACIÓN CRISTO VIVE (Tirani) and ANAWIN (Chapisirca and Vila Clotilde).

The main observations regarding the mission in Bolivia are as follows:

#### – ***In the Contexto organisation***

Contexto set up a student residence project in Pacuhani. These residences provide appropriate food supplies and educational support to rural and suburban students, in order to help them overcome their learning disabilities.

Regarding Contexto's accounting system, the signing authority for the accounts, as well as the people who are authorised to involve the association should both be reviewed according to the mandates and responsibilities provided by the governing bodies of the organisation.

On an organisational level, Contexto is strongly influenced by its charismatic President, who is the leading figure of the institution. The responsibilities are well defined within the organisation. There are several tools used to monitor the programming of the activities.

Regarding its activities, Contexto would profit from systematizing a global methodology which would bring together all the stages of the project's cycle.

The projects set up in Pacuhani and those set up in El Alto meet the target audience's needs and have a visible impact on the populations and local institutional actors, particularly the municipalities.

#### – ***In Fundación Cristo Vive***

The project supported by the Fundación Cristo Vive (FCV) includes the creation of a kindergarten within the Tirani community. Thanks to this low cost service, parents are able to leave their small children in a safe environment, which also offers good dietary conditions, in order to pursue their economic activities in town.

The organisation employs skilled staff and its accounts are properly managed. In order to ensure a more efficient operational management of the institution, it would be useful to balance the disputes linked to past management, which could potentially damage the current accounts.

The activities set up by FCV and funded by NITIS are of a very high level. This high level of expertise is based on a team coordinated by the Director of the kindergarten, a woman who is particularly experienced in this area, and highly motivated. . The childcare team, which is made up of interns, is less experienced, and thus of a lower professional level. However, a positive point to be raised is that most of these interns are students who grew up and live in the area, and are thus aware of the local social issues.

#### – ***In the Anawin organisation***

The first project funded by Anawin is a project that focuses on food safety, and aims at offering tangible alternatives to the daily diet provided by the agricultural production of the rural communities of Chapisirca.

The second project aims at developing school buildings in order to strengthen the educational possibilities in the suburbs of Cochabamba.

Although there is no real involvement on behalf of the beneficiaries, the projects are set up in a highly professional manner.

## Chile

The field mission in Chile focused exclusively on the projects set up by the NGO FUNDECAM.

These projects were carried out in several Mapuche indigenous communities with a view to improve their living conditions through development strategies focusing on economic sustainability. These development objectives could be achieved by strengthening community associations and encourage wider ownership. Emphasis was also placed on a greater cultural literacy on the part of the Mapuche community as regards their own experience and history.

On the basis of a sample of different Mapuche communities involved in the setting up of the projects, the following communities were chosen in four different municipalities:

- Municipality of Melipeuco (Comunidad de Tranol Alonso, Cumcullaque, Juan Jose Ayenao),
- Municipality of Cunco (Comunidad de Juan Paillao, Lorenzo Nahuelhual, Tromelafken, Trasleufu),
- Municipality of Tolten (Comuna de Antonio Antillanca, Alonso Huentecura, Lemun Manquelaf) and San Jose de la Mariquina

The following observations were made during the mission in Chile:

As the legal situation of FUNDECAM comprises a certain amount of risks regarding the ownership of the assets acquired in the context of the projects, clarification is necessary as regards the legal structure linking different associations affiliated to FUNDECAM.

On a financial level, the evaluation carried out at the FUNDECAM headquarters showed a complete lack of general accountancy within the institution. There exist several accounting documents relating to expenses made in relation to projects funded by NITIS, but they do not correspond to an actual accountancy system that could be subject to an extensive audit.

From the point of view of governance, there is a discrepancy between various legal entities linked directly or indirectly to the projects. There is no real participatory dynamic within the project, or any internal control or audit.

As regards the institutional actors linked to FUNDECAM, there is a great loss in institutional network in Chile (NGO sector and public sector) as well as in European countries. Two important funders can be highlighted: the Chilean Ministry of education and the Luxembourg Ministry of Foreign Affairs via NITIS.

## Conclusions and recommendations

The great diversity of projects supported by NITIS shows a weakness regarding the orientations and priorities of the supported activities. Despite an apparent thematic diversity of the projects supported by NITIS, there is still a global relevance that relates to the needs of the affected populations, and that meets the beneficiaries' various issues.

All supported projects are largely composed of subsidies. Their sustainability is therefore limited, particularly if exterior funding is withdrawn.

Globally, NITIS correctly fulfils all obligations external to the organisation. The legal, governance and financial aspects have been crosschecked and they comply with the operating rules for non-governmental organisations.

The organisation's main weakness lies in the setting up of activities, especially the monitoring of field-based partners, on every level of the project's cycle.

In order to improve the points stressed above, the evaluation mission recommends a short term compliance with the specific recommendations related to the project implemented by the Chilean partner FUNDECAM, as well as the compliance of the specific recommendations related to the projects implemented by Fundación Cristo Vive.

Regarding NITIS' structure, the organisation is aware of the importance of the challenge it faces to strengthen its structure by hiring permanent professional staff. This idea is being processed within the organisation and should soon be finalised. However, it is important that both the associative aspect of the institution as well as the participation of volunteers, which is an essential value of the organisation, are both maintained.

The project cycle management should be professionalised at every level, from the identification, the setting up, the monitoring to the evaluation.