



Module 3: Management and Financing A New Institutional Framework for the Management and Finance of Municipal Roads: Guatemala

**Session: 3.1
Part 2 – Case Study**

Presentation: 3.1b

1. Introduction

Learning Objectives

By the end of the session participants will be able to:

- ③ Explain a new institutional arrangement for managing rural roads sustainably
- ③ Identify key lessons that can be drawn from this case study and applied to other countries and/ or projects

Session Overview

- © Poverty and rural roads in Guatemala
- © Guatemala rural roads project
- © Institutional framework for municipal roads

2. Poverty and rural roads in Guatemala

- ◎ Guatemala's rural poor have difficulty accessing markets and basic economic and social services
- ◎ Good all weather roads enhance impact of
 - agriculture
 - health
 - education
 - other interventions

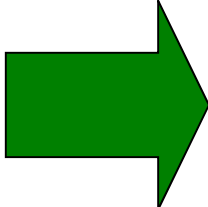
Guatemala's rural road sector

⊙ Multiple actors:

- General Highway Directorate, Office of Vice-President, development projects, municipalities, communities, NGOs

⊙ Lack of standards

⊙ Lack of coherent institutional framework for sustainable management and financing

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- poor condition of roads
 - only ad hoc emergency repairs
 - confusion over responsibility
 - lack of 'ownership'

3. Guatemala rural roads pilot project

- © Pilot project in poorest part of Guatemala: (San Marcos, Northwestern Highlands)

GOAL

Design and gradually implement institutional arrangements for sustainable maintenance of rural road network with the intention of replicating these arrangements in the rest of the country

Objectives of pilot project

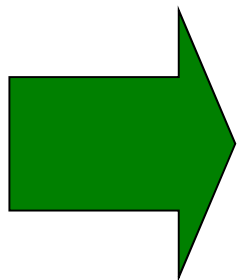
- ③ **Rehabilitate** national and key departmental routes
- ③ **Test** new technologies for cost-effective strengthening of rural road surfaces
- ③ **Pilot** new institutional framework for management and finance of municipal rural roads

4. New institutions for municipal roads

Municipal road networks too small for

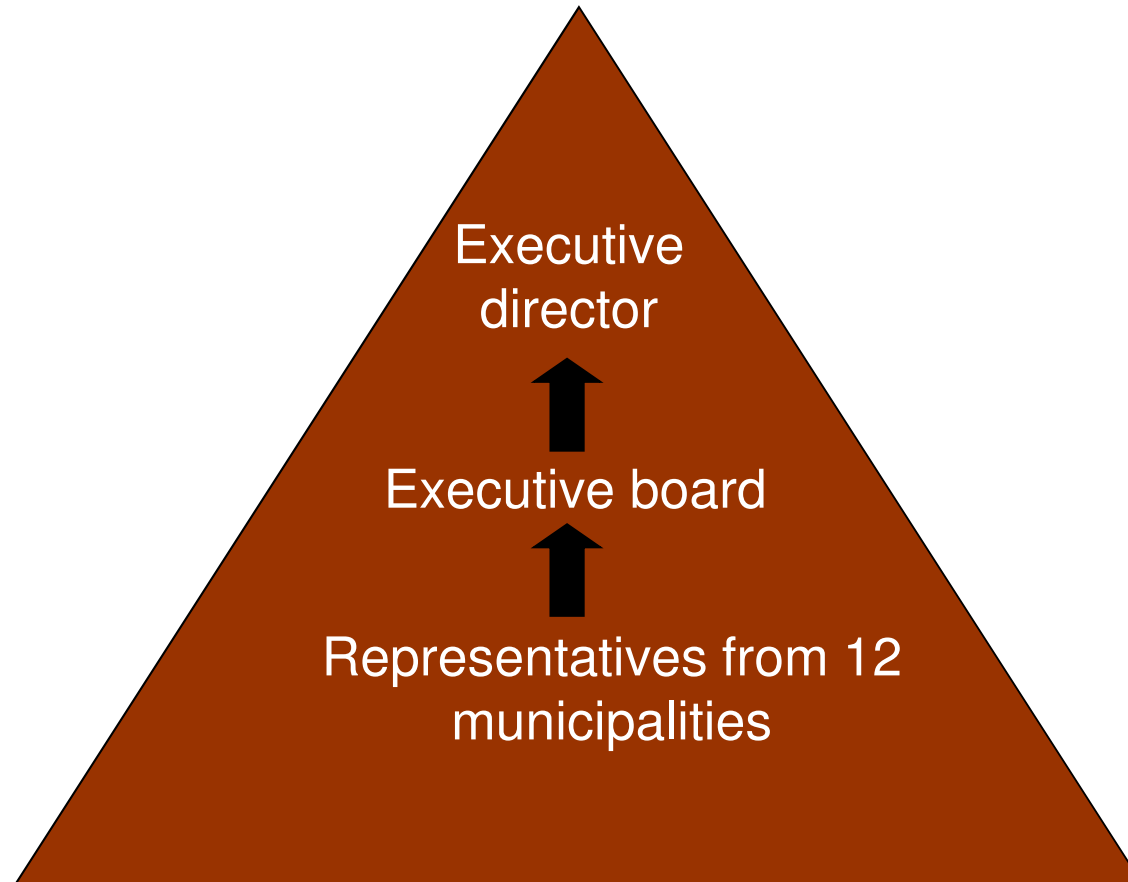
© In-house technical capacity

© Private sector contractors



- 12 municipalities joined together to achieve scale and cost efficiency
- Formed an association - AMAMNO

AMAMNO



AMAMNO Association

- © Assists municipalities with
 - Technical advice
 - Maintenance and investment programs
 - Preparation and management of road contracts
- © National municipal development agency advises AMAMNO board

Financing AMAMNO

- ③ AMAMNO will create a **road fund** with separate accounts for
 - rehabilitation
 - maintenance
- ③ Arrangements for **cost sharing** for
 - community roads
 - municipal roads

Additional activities / outputs

- ◎ Inventory, function classification, and condition survey of rural roads
- ◎ Alternative maintenance regimes
- ◎ Simple road conditioning and monitoring
- ◎ Small scale contractor management and technical training
- ◎ Appropriate technical standards and criteria for rural road investments

New institutions for managing rural roads



Group Discussion

- A. What features of the AMAMNO pilot project could be applied to other countries and projects?*
- B. What could be done to improve the management and finances of the project?*