A policy for development and social inclusion in Peru

October 2012
Ollanta Humala Tasso
Constitutional President of the Republic of Peru

Ministry of Development and Social Inclusion:

Carolina Trivelli Ávila
Minister of Development and Social Inclusion

Juan Pablo Silva Macher
Vice Minister of Policy and Social Evaluation

Alfonso Tolmos León
Director General of Policy and Strategy

Aníbal Velásquez Valdivia
Director General of Monitoring and Evaluation

Carlos Gazzo Serrano
Director General (e) of Public Services

Jorge Ernesto Arrunátegui Gadea
Vice Minister of Social Provision

Janeth Bouby Cerna
Director General of Decentralisation and Coordination of Social Programmes

Gabriel Arrisueño Fajardo
Director General of Quality for Social Provision

Jacqueline Mori Chávez
General secretary

CONTENTS

4 Introduction
6 1. Development and social inclusion: a new policy for the Peruvian State
8 1.1 Social Inclusion
9 1.2 Social inclusion and relief
10 1.3 Development and social inclusion
12 1.4 A new model social policy
15 1.5 Overseeing social policy
19 A. The national growth strategy for inclusion
20 1.6 International positioning
22 2. A management model for development and social inclusion
23 2.1 Connecting people with services
24 A. Focalisation
26 B. Affiliation
26 2.2 Guaranteeing access to effective services
26 A. A quality policy
28 B. Monitoring and evaluation: relating evidence to social policy and programmes
30 2.3 Incentives for behavioural change
30 A. Gender policy as empowerment
34 B. Intercultural dialogue
36 2.4 Organization of MIDIS
38 3. Action by MIDIS in Peru: branch offices, social provisions and connecting the regions
40 3.1 Articulated Action by the state for social inclusion
42 A. Pilot project for social policy linking 20 provinces (P20)
44 B. Multi-sector Development Commission for households in the process of inclusion
44 C. National commitment for coordinating the fight against chronic infant undernutrition
45 D. Multi-sector Commission for the International Year of Quinua 2013
46 3.2 Social provisions
47 A. FONCODES
48 B. Junto: National Support Programme for the Neediest
49 C. Cuna Más
50 D. National Assistance Programme Pension 65
52 E. A new management model for food aid Qali Warma
52 F. MIDIS’ exit strategies
56 3.3 MIDIS within Peru
58 4. Transparency and public participation in social policy
60 4.1 Social inclusion policy from a personal point of view: MIDIS Orienta
61 4.2 Drawing up public policy with neighbourhood soup kitchen organisations
62 4.3 The Quipu Commission: a new way of forming public policy
62 4.4 The National Supervision and Transparency Committee
One year after it was created, the Ministry of Development and Social Inclusion (MIDIS) is now firmly established. It is that entity of the Peruvian State that conducts the nation’s development and social inclusion policy.

This policy is no longer just the sum of a number of isolated programmes. These are instruments of a strategy aimed at overcoming poverty in a country with standards of investment and economic growth that are not compatible with extreme conditions of uncertainty and vulnerability. It is a strategy which, overseen by MIDIS, involves investment and activities by other sectors whose services have so far not managed to reduce inequality of opportunity in many parts of the country—rural areas of the highlands and jungle—keeping some homes in poverty and even extreme poverty.

The creation of the MIDIS demonstrates the political will of President of Peru Ollanta Humala Tasso to make the Peruvian State more professional in its actions and to achieve social inclusion in a democracy. It is not a matter of simply making more resources available for social policy, rather of using the resources of the State to achieve results.

The following pages describe what we have done in one year to fulfil this mandate, and the reasons and grounds for so doing. Each of our actions and each of the models, strategies, programmes and systems that we have developed is aimed not at an abstract sector of the population, but at individuals, living under the most difficult conditions existing in our country.

They are, above all, those whose lives are just beginning—María, Alexis, Leidi or Wilson—who go to their first day at school with a hot drink in their stomachs and an optimism that has not yet been contaminated by the precarious nature of their environment. Jonatan and Claudia learning to crawl on a bare earth floor with a very high risk of undernutrition, are using up their energy and resources for the future. Likewise Señora Carmen or don Amador, with the weight of many years upon them, who fear an old age like that of other old people they know, who survive thanks to not always generous charity.

These are some of the millions of names and faces that have remained invisible to public policy and whom MIDIS has a duty to give them the opportunity to live better, to live dignified lives.

Not because it has to make a donation on behalf of the State, but because the State recognises their right—a right that they share with all Peruvians throughout the country, in all the languages and cultures that make up our nation—to a life of dignity and a future open to creation and innovation.

We expect to open many dialogues among society and among the political class, dialogues that should enrich the work of others and provide feedback for our own, such that social inclusion, based on individuals and focused on their rights, is taken up as a joint task by the whole nation.

Carolina Trivelli Ávila
Minister of Development and Social Inclusion
October 2012
1. DEVELOPMENT AND SOCIAL INCLUSION: A NEW POLICY FOR THE PERUVIAN STATE

On the 20th of October 2011, the President of Peru, Ollanta Humala, promulgated Law N° 29792, which created the Ministry of Development and Social Inclusion. This is the start of a new framework for public policies aimed at closing the poverty gap and lack of access to services. MIDIS’ aim is for all Peruvians, wherever they live or wherever they were born, regardless of the language and culture of the parents, or their social condition or level of education, to receive high-quality services and have the same opportunities to benefit from economic growth and to contribute to the welfare of their families, their communities and the country.

On the 20th of October 2011, Law N° 29792 created the Ministry of Development and Social Inclusion. This was a milestone in Peruvian public policy, for the first time the State had created an agency to oversee national social policy.

GDP has been increasing steadily since 1990, when a series of structural adjustments were made. But even more important is that this long period of growth has been accompanied, for the first time, by a sustained reduction in the rate of population growth.

The net result is an increase in GDP per capita, leading to an increase in average incomes. Furthermore, economic growth has provided a sustained increase in revenue for the State and, therefore, higher social spending by the three levels of government.

In the expectation that the new direction of the Peruvian economy would lead to benefits for low-income earners, the beginning of the 1990s also saw the introduction of temporary economic measures that, it was hoped, would lead to benefits for low-income earners. This idea is supported by the network of neighbourhood soup kitchens and, little by little, improve nutrition for schoolchildren. Later, the national Wawa Wasi programme was created in 1997 to provide day care for young children thus providing access for women to the labour market and to education.

The combination of sustained growth in per capita GDP and social spending by the State has reduced monetary poverty, according to INEI figures, by 30.7 percentage points between 2004 and 2011.

The impact, however, has not been the same throughout Peru. Whilst poverty affects around 20% of those living on the coast, the figure is almost half for the people of the highlands: 41.5%. Similar territorial differences can be seen in another variable: consumption. In 2011, poverty affected 18% of the urban population but 56% of rural dwellers. These differences have tended to increase: in 2004 the difference between the poverty figures for urban and rural dwellers was 35 percentage points, whilst in 2011 it was 38. The poverty gap, measured as the difference between different areas of the country, has widened.

This relative inelasticity of poverty in rural areas, the highlands and even the jungle, compared with positive economic trends and social spending suggests two things. The first is that the drastic reduction in poverty throughout Peru is not an automatic consequence of economic growth: there are large areas of the country where people have great difficulty in taking advantage of the opportunities provided by economic growth, either because they do not have the skills and abilities or because of economic restrictions or cultural differences.

The second, that basic services—education, health, nutrition—provided by the State are not equally available to all Peruvians, probably because they are not adapted to local conditions, economic restrictions or cultural differences.

This means that economic growth and increased government spending on social services and programmes will not reduce the poverty gap. In other words, a specific public policy is required to reduce this gap. A policy of social inclusion that, in a democratic state, leads the struggle against exclusion that prevents certain areas of Peru and their people from gaining access to opportunities and from exercising their rights in equal conditions.

This is MIDIS’ mission within the Peruvian State, and in pursuing that, it has two functions: oversight of action by the different sectors and levels of government that affect poverty; and the direct provision of services through five social programmes: FONCODES, PRONAA, Juntos and the recently created Pensión 65 and Cuna Más, which are based on the Wawa Wasi and Gratitud programmes. The exercise of these functions should close the exclusion gaps in Peru.

On the 20th of October 2011, Law N° 29792 created the Ministry of Development and Social Inclusion. This is the start of a new framework for public policies aimed at closing the poverty gap and lack of access to services. MIDIS’ aim is for all Peruvians, wherever they live or wherever they were born, regardless of the language and culture of the parents, or their social condition or level of education, to receive high-quality services and have the same opportunities to benefit from economic growth and to contribute to the welfare of their families, their communities and the country.
1.1 SOCIAL INCLUSION

MIDIS defines social inclusion as a central tenet of policy aimed at achieving a situation in which everybody throughout Peru, exercises their rights, has access to high-quality public services and is able to make use of the opportunities opened up by economic growth such that their social origin or place of birth or residence is no bar to equal participation in the community.

Social inclusion as a tenet of policy means designing a framework for public policies to eliminate restrictions, vulnerability and the precarious nature of the lives and economic activities of sectors of the Peruvian population that exclude them and the families and friends from mainstream life. Thus, a policy of social inclusion is a policy that requires specific actions to guarantee the exercise of universal rights.

In contrast to other sectors that provide universal services, the interventions by MIDIS are focused: on specific people and/or regions.

The first step in building this policy is to define and refine the means of identifying the population living in such conditions, which MIDIS describes as people in the process of inclusion. This creates a need to design focalisation, and this is analysed in the next chapter. For now, it is important to point out that the target population making use of MIDIS’ interventions consists of homes that do not have the means for satisfying their basic needs; that is, those in which the gap between their reality and complete inclusion is at its widest.

Specifically, and in order to monitor the impact of its actions on the poverty gap using statistical means, MIDIS has identified an emblematic group, referred to as people in the process of inclusion, which meets at least three of the following criteria: a) Rural dwellers: homes in villages of less than 400 houses or 2000 people. b) Ethnicity: homes in which the father or mother have a native language as their mother tongue. c) Low level of education: homes in which the head of the household or his wife have not completed primary schooling. And d) Poverty: homes which, because of their incomes, are in the lowest quintile of income distribution in Peru.

Pensión 65 improves the quality of life of senior citizens living in extreme poverty. Men and women who have spent their entire lives working hard for the benefit of their families and the country, but have not managed to accumulate pension funds, now have a non-contributory pension, integral health insurance and, shortly, a series of activities to enhance their role as creators and guardians of the everyday culture of their villages. Pensión 65 provides 125 soles to each senior citizen (250 soles to couples). By October 2012, the scheme had helped 247,000 senior citizens living in 988 districts of Peru.

1.2 SOCIAL INCLUSION AND RELIEF

A sustainable reduction in exclusion requires a complex intervention that will be described in detail below. But above all, it requires time: it is not possible to effect an immediate change in conditions that restrict the ability of people in the process of inclusion to take advantage of economic opportunities and enjoy high-quality public services.

Nevertheless, there are Peruvian households today living in conditions of extreme poverty and vulnerability that cannot wait for new investment and programmes designed to improve their lives. Furthermore, these homes shackle future generations to the same conditions of exclusion, as they have never been able to feed their children adequately or to pay the costs of healthcare and education.

Even knowing that welfare is not a sustainable means of resolving poverty—because it does not change the conditions that have condemned these homes to such a precarious state that their personal efforts have no effect on their situation—the State must make an effort in the short term to mitigate this condition of extreme exclusion and avoid its consequences.
For that reason, MIDIS is implementing—and will continue to do so as long as necessary—relief programmes involving the transfer of money. In the Juntos programme, these transfers are conditional upon the children of recipients attending school, as well as receiving health checks. As far as Pensión 65 is concerned, monetary transfers provide a dignified old age for people whose poverty has prevented them from participating in the pensions system.

A central concern that has guided the construction of the focalisation instruments described in the following chapter—a concern that is shared by the media and different sectors of politics and society—is to avoid leakage. MIDIS must ensure that monetary transfers reach those who need them, no matter where they are. Public institutions such as the national Statistics and Information Technology Institute (InEI), the National Identity and Vital Records Bureau (REnIEC) and local governments are the principal allies in this search being carried out all over Peru to identify vulnerable people in extreme poverty and to provide them with money to alleviate their situation and stop it from continuing through to the next generation.

However this is not the only concern. There is another that is almost never discussed in Peru: avoiding gaps in the coverage of social policy—gaps such as the lack of basic infrastructure—water, drainage, telecommunications, electricity and roads—affecting rural areas, in specific regions. MIDIS’ strategy for combating poverty through development requires us to identify the regions where restrictions on the formation of human capital, access to or the quality of available services, or the availability of natural resources limit the opportunities for households to increase their incomes, provide their children with what they need to prepare themselves for a better life and contribute to the advancement of their communities and the country as a whole. Identifying the territory—that is, the space in which daily socioeconomic, cultural and political relationships take place—as the focal point for development interventions means that strategies are required to intervene not only in people’s lives—education, health, nutrition—or economic activities—transport, farm productivity—but also to remove restrictions and lift up the level from which people can design their own economic strategies, become incorporated into development programmes and exercise their rights.

The aim, therefore, is to ensure that households in the same region have access to high-quality public services adapted to their own socio-cultural norms and improve their ability to take advantage of opportunities such that they can develop sustainable strategies for income generation, food security, reduced vulnerability and employment. And as a result, to overcome in the medium term their poverty and vulnerability. Poverty has multiple causes and in order to overcome it in a sustainable manner it, coordinated action must be taken in specific regions.

MIDIS defines two means of intervention to encourage development as a way to fight poverty. One is supply based: it involves centrally planning the action necessary to overcome the lack of basic infrastructure—water, drainage, telecommunications, electricity and roads—affecting rural dwellers in coordination with other ministries, and to earmark a budget for the purpose. The other is demand based and consists of supporting initiatives arising from people in the process of inclusion and providing options to improve their productive abilities, access to markets and food security.

The direct link—that is, the link between users themselves—between relief and development action, defines the exit strategies described below.
1.4 A NEW MODEL SOCIAL POLICY

Simultaneous action to temporarily relieve extreme poverty and develop specific regions suffering from poverty, in order to achieve social inclusion implies that MIDIS bases its intervention on a social policy model that covers three timescales, as shown in figure 1.

The achievements of the new social policy should be measured over these three timescales using the following indicators:

I. Short-term strategies for temporary relief or immediate assistance
- A reduction in the number of people who cannot afford basic foodstuffs —or a reduction in extreme poverty—.
- A reduction in the poverty gap, or the average gap between per capita spending by poor people and the poverty line.

II. Medium-term strategies aimed at improving the ability to generate income
- Improved access to basic services such as better drinking water and drainage provisions, electrification and telephones.
- A sustainable reduction in extreme poverty, measure by the household incomes.

III. Long-term strategies aimed at expanding the opportunities of the next generation
- A reduction in chronic infant under nutrition (children under 5).
- Improved school attendance by children aged 3 to 5.

MIDIS has incorporated results based management as a central part of the social policy model. Clear goals have been defined for the indicators mentioned, and these should be achieved in 2016.

In the short term:
To provide temporary relief to households where extreme poverty jeopardises their security and ability to provide for their daily and future needs. MIDIS’ direct instruments for intervention consist of two social programmes: Juntos and Pensión 65.

In the medium term:
- Expanding economic opportunities for families in areas of acute poverty.
- Define interventions aimed at developing innovation and association, access to infrastructure and public services, autonomous growth in family incomes and financial inclusion.
- MIDIS intervenes directly through a social programme called FonCoDES.

In the long term:
- Guarantee that the next generation will not inherit the poverty and exclusion affecting their parents.
- MIDIS’ direct instruments for intervention consist of two social programmes: Qali Warma—which will be inaugurated on the first day of the new school year 2013— and Cuna Más. Furthermore, to monitor the conditions under which the education and health components of the Juntos programme are being implemented.
1.5 OVERSEEING SOCIAL POLICY

A clear result of MIDIS’ social policy and its indicators is that achieving its mandate does not depend only on what MIDIS can implement directly through the social programmes that have been transferred to it. The law creating MIDIS also gives it an “oversight” function for social policy.

Indeed, as is the case with other ministries and their fields of competence within the decentralisation process, MIDIS has oversight of the functions, social programmes and competences of decentralised governments —regional and local— in matters of social inclusion and the fight against poverty.

Thus oversight of the extensive competences of MIDIS translates into drafting policy guidelines for the sector, its priorities and determination of its operating procedures —criteria for focalisation on households and regions, for example— that direct the creation of projects and activities planned autonomously by decentralised governments.

It also requires the implementation of an information system to facilitate monitoring of these procedures and evaluation of the impact of decentralised government projects, programmes and activities in order to guarantee adherence to the guidelines and, furthermore, to ensure that the competences and social programmes transferred by MIDIS to decentralised governments —as is the case with the Food Aid Programme (PCA), for example— comply strictly with the goals for which they were created and with established procedures. The establishment of incentives and sanctions is part of the oversight function.

Knowledge leading to inclusion is the strategy employed by MIDIS in order to discover the characteristics and needs of users. This enables it to design and implement effective, evidence-based policies and action; those, in other words, that are confirmed by their results. For the first time the aims, goals and indicators of results-oriented social policies have been clearly described.
Oversight of social policy in these terms defines a first goal of the process, which is intergovernmental and facilitates national unity in social policy in a context of the autonomous exercise of government functions by the country’s districts, provinces and departments.

Nevertheless, MIDIS’ oversight also has to be intersectoral insofar as the regional interventions and strategies of national programmes implemented by other ministries—as well as the guidelines defined by them in exercising their powers of oversight within their own sectors—directly affects the conditions of people in the process of inclusion and their ability to take advantage of opportunities provided by economic growth.

Figure 3 shows the diversity of programmes and state efforts aimed at improving opportunities and services for low-income people at different times throughout their lives.
The need for inter-sector oversight is not, therefore, based on national coherence—as is intergovernmental oversight—but on articulation. The problem we seek to correct is that interventions by different sectors employ their own focalisation criteria, priorities and strategies—or their absence—in order to establish intergovernmental relationships and relations with other sectors. This reduces effectiveness in achieving the goals of inclusion and development.

Indeed, the law contemplates this inter-sector oversight in matters (with multiple causes) within the field of competence of MIDIS in terms of articulation. For that reason, the law that created MIDIS gave it the power to create, regulate and direct the National Development and Social Inclusion System (SINADIS), as an operating system; that is, a set of regulations, procedures and incentives that ensure compliance with public policies aimed at reducing poverty, inequality, vulnerability and social risks.

As the body providing oversight of national social policy, MIDIS is implementing a Pilot Project for Regional Articulation in 20 Provinces—which provides the learning necessary to regulate SINADIS—and has defined the priorities for national development and social inclusion policy: The National Growth Strategy for Inclusion.

6 A ministry such as Economics and Finance also enjoys this intersectoral power in matters of economic growth and budget management. This power is exercised in all fields of national policy by the Prime Minister’s Office (PCM). The importance for national policy of the sector governed by MIDIS—in addition to evidence of multiple causes of poverty and social exclusion—can be seen in the fact that the first of the five national goals in the Multi-year Macroeconomic Plan 2013-2015 is “greater social inclusion: reduction in poverty and inequality, the creation of equality of opportunity and greater presence and efficiency on the part of the State in rural areas of the country”.

A. National Growth Strategy for Inclusion

MIDIS’ National Growth Strategy for Inclusion is an instrument designed to guide intersectoral and intergovernmental development and social inclusion policy at a national level. So far, MIDIS has defined five guidelines and four priorities for the strategy.

The guidelines for drawing up policy and interventions are as follows:

a) The household is the basic unit for the design, analysis and application of policy social. Within the framework of this policy approach, the State creates the conditions in which households can meet the needs of their members through a combination of relief measures and development.

b) Activation of initiatives and processes for inclusion on a management by results basis. The management by results approach is relevant to MIDIS insofar as it impinges upon the initiatives, processes and connections that enable real and provable changes, both to people and their surroundings.

c) Linking the stages in the management of public policy to the priority result, which is social inclusion. MIDIS defines the linking of social policy as the concurrence of intergovernmental and intersectoral efforts associated with the achievement of priority results in development and social inclusion.

d) Integration of management tools that facilitate competence-based articulation. MIDIS understands competences as a set of skills based on knowledge, attitudes and practices associated, in the case of social policy, with management by results.

e) Promoting local and regional leadership through the complementary nature of initiatives in the same region. MIDIS shares competences with regional and local governments in the field of development and social inclusion.
Thus the role of regional and local governments is fundamental—as natural leaders of territorial articulation—in the process of achieving results with social inclusion.

The four priorities of the National Growth Strategy for inclusion are as follows:

a. Infant nutrition
b. Early development
c. Abilities for life
d. Economic inclusion

In the management by results framework, MIDIS is creating causal models—the chains of results, both intermediate and immediate products that the State must deliver to achieve the results of each priority—based on sufficient evidence. It is also drawing up the framework for such intersectoral and intergovernmental articulation, and institutional arrangements as may be required.

In August 2012, MIDIS approved Ministerial Ruling N° 131-2012-MIDIS, defining the first of the management guidelines for each strategic priority. These are the “Guidelines for articulated intergovernmental and intersectoral management to reduce chronic infant undernutrition” within the framework of development and social inclusion policy, which define the areas to be prioritised and the interventions to be implemented.

Equally, together with the ministers of state who make up the Inter-ministerial Social Affairs Commission (CIAS) and the Council of the Local Government Assembly it has signed a national Commitment to Reducing Chronic Infant Undernutrition, which defines sector goals and strategies for extending the coverage of services. Finally, together with the regional governments of San Martín and Cusco, it is implementing a Pilot Plan for Articulated Management aimed at reducing chronic infant undernutrition.

1.6 INTERNATIONAL POSITIONING

Last year, Peru and MIDIS took a stance regionally and internationally in matters of social policy. This positioning took place as Peru is now seen as a country in which social inclusion is growing in a democratic framework.

Thus, Peru has assumed the rotating presidency of the South American Social Development Fund as well as the rotating presidency of the Union of South American Nations (UNASUR). From this position it is actively promoting the exchange of successful experiences in the region in matters of social development, and an agenda for social action has been prepared for submission to the meeting of heads of state to be held in Lima in November.

Furthermore, the Peruvian State has signed a cooperation agreement covering social matters with Brazil. In addition, MIDIS has signed agreements with the Office of the Secretary for Social Development (SEDESOL) of Mexico and the Guatemalan Ministry of Social Development. All of this will facilitate the exchange of experiences.

Peru has taken the international lead in financial inclusion and is now a member of Better than Cash, a worldwide alliance that encourages and supports the transition from payments in cash to electronic payments, with a view to empowering users. What is more, through Equal Futures it has assumed a commitment to increase financial inclusion among women.

The country has also been working closely with renowned institutions such as the World Economic Forum, and is now a member of Scaling up Nutrition (SUN) aimed at combating hunger and malnutrition.

Finally, Inclusion Week, from the 15th to the 19th of October 2012, is an international event centered upon the role of women as partners in social inclusion in Peru.

The national Cuna Más programme starts operating in Ayacucho. For the first time a service has been launched to provide families in their own homes with guidance on how to care for and teach children under 36 months old in rural areas suffering extreme poverty. This initiative is helping to include a part of the population that is invisible to the state but vital for the future into the scope of a public policy. In addition to the 57,000 children who attended the old Wawa Wasi day care centres—now incorporated into Cuna Más—the scheme is helping the first 1200 children from rural areas aged 0 to 3 with their early development.
2. A MANAGEMENT MODEL FOR DEVELOPMENT AND SOCIAL INCLUSION

Enabling vulnerable people to achieve social inclusion, exercising their rights and taking advantage of opportunities, requires the organisation of a set of linked functions and activities. This value chain must ensure that:

1) People who need it—and only those who heed it—make use of social programmes. This defines a set of activities leading to focalisation and affiliation.

2) These provisions should be high quality and effective; in other words they should combine different products that will allow the target population to improve their conditions in a sustainable manner. This is conditional upon the design quality of the services provided by MIDIS, its ability to involve other sectors in the provision of services and supervision of compliance with results based quality standards.

3) Finally, for the various interventions to effectively achieve results, the users of the social services need to take the initiative and act together. Gender, culture and confidence are factors that can bolster—or weaken—the interventions.

These links in the value chain need instruments to be developed that bring MIDIS closer to the citizens who require direct intervention by the state.

2.1 CONNECTING PEOPLE WITH SERVICES

The first step in guaranteeing that resources provided by the State reach all those who need them—and only them—is to identify them throughout the country, and determine which social programme or combination of social policy interventions they require to begin the process of social inclusion. Focalising and affiliating them is, then, the first task.

A. Focalisation

A focalisation policy consists of a set of criteria, rules, procedures and organisational arrangements that enable the State to assign public funds to priority groups of the population. Thus focalisation is the set of clearly defined activities and measures that guarantee—or at least considerably increase—the probability of certain population groups—the poor and extremely poor—also benefit from the country’s economic growth.

Peru has a Household Focalisation System (SISFOH), which is the means for families to gain access to social programmes. It is the instance that identifies the vulnerable population that is eligible for the social programmes. The focalisation process guarantees that the funds from social programmes are spent on their target population, thus avoiding lack of coverage and leakage.

The update of the general register of households has identified an identity gap. The local surveys in 12 regions of Peru have identified around 1,550,000 people who do not have a personal identity document (DNI). Of these, 55% are considered poor. Without a DNI, they can never be included in the general register of households or join a social programme and receive help from the State. We are already working with RENIEC to ensure that they receive their DNI. In the 2013 budget, MIDIS has earmarked 28 million nuevos soles for closing this identity gap.

FIGURE 4. VALUE CHAIN OF THE SOCIAL INCLUSION PROCESS

Exercise of rights

Learning: adaptation

Conduct of individuals

Access to effective provisions

Evaluation

Quality assurance

Financing

Affiliation

Access to programmes

Vulnerable population

Focalisation

Empowerment

The information gathered by the SISFOH is used to build a general register of households, a database of their socio-economic classification.

To date information from the general register of households is being updated by local surveys carried out by the INEI, using the Single Socio-economic Report. These surveys cover 16 regions of the country, 12 of which—representing approximately 40% of Peruvians—have already provided complete information. Surveys of the remaining regions have been incorporated into next year’s budget. By July 2013 the general registry of households will have been updated to include all the households in the country.
Focalisation is an important instrument of inclusion policy because:
- It encourages balanced growth between regions.
- The transfer of public funds to the most vulnerable people helps to distribute wealth and so to improve equality in our society.
- In a context of budget constraints, it contributes to the optimisation of public spending.

From an operational perspective, focalisation consists of applying:
- Eligibility criteria: Attributes or characteristics of the target population recognised by the State as making them eligible for direct or indirect subsidies.
- Rules: Definition of the target population and associated mechanisms.
- Procedures: Processes aiming at identifying the target population.

Types of focalisation
There are two types of focalisation: a) socio-economic, which establishes the criteria and attributes that identify poor people; and b) categorical, which concern the criteria and attributes linked to the aims of each programme.

For example, the Pensión 65 programme uses the socio-economic condition of extreme poverty to identify its users and classifies them as follows: over 65 years of age who receive no pension, are not affiliated to EsSalud and are not registered with any social programme other than Integral Health Insurance (SIS).

How?
Focalisation mechanisms are the methods of prioritisation used to assign public funds among the target population of the social programme. These mechanisms are broken down as follows:
- Geographical information: Applies when the funds are assigned collectively to a specific geographical area.
- Individual: Applies when the resources are assigned to households or individuals.
- Mixed: The joint and sequential application of the above mechanisms.

Identification of users: shared function
The process of identifying the target population is a joint effort between SISFoH and the social programmes: the first establishes the socio-economic criteria, whilst the social programmes define the category criteria. Thus, SISFoH is only responsible for identifying the population based on its socio-economic condition, to which it then gives a classification; however, the eligibility criteria are defined by the sector responsible for the social programme.

In the case of the social programme Juntos, the SISFoH only classifies potential users by socio-economic condition (relative poverty level) and the programme decides whether the person in question can be affiliated to it based on other category criteria.

B. Affiliation
Affiliation is the process used by social programmes to incorporate a person, household or district as a user after the process of focalisation; as far as households are concerned this means that they have to be classified as poor or extremely poor by SISFoH. All the social programmes have affiliation profiles and protocols, which include verification of their degree of poverty and specific requirements depending on each programme.

For Juntos, the affiliation process involves assemblies or other collective events at which the local community recognises the families who will receive payments as needy households.

FONCODES is developing productive projects with municipalities, according to the requirements of local communities, which constitute implementers responsible for managing the projects. The meals service currently being provided by PRonAA is universal and affiliation is automatic for all pre-school and primary school children in state schools.

In all cases, affiliation also implies responsibility on the part of the users: the correct spending of FONCODES’ budget by the implementers, respect for the rules in the case of Cuna Más or, for Juntos, compliance with the condition of sending children to school and ensuring that they receive medical examinations. The cash transfer programmes Juntos and Pension 65 establish sanctions for those who give false information, as well as automatic disaffiliation.

Only Juntos has a disaffiliation process that contains specific rules by which a household can be disqualified. For example, not having children or adolescents under 19 years of age who attend school, or moving to a district that has not been focalised. For Cuna Más and Qali Warma, users leave the programme when they complete the established cycle or age.

MIDIS decided to reform the management model of state food aid that, in the hands of PRonAA, had become more focused on food purchases than on its original nutritional aims. With the support of the Ministers, Qali Warma was created as a new programme based on the joint responsibility of parents and school teachers for purchasing meals from specially prepared menus for nursery and primary schoolchildren taking into account local products and tastes. From the first day of the new school year in 2013, Qali Warma will be there to benefit the children of Peru.
2.2 GUARANTEEING ACCESS TO EFFECTIVE SERVICES

MIDIS has changed its concept of the services provided—and is working to ensure that its social programmes and all entities of the Peruvian State that provide services to low-income people change theirs: they are not services for “the poor”—that is merely a socio-economic classification—rather they are services for citizens that the State supports in order to achieve the national goal of social inclusion. They should not receive just anything; they should receive what they need to cover one or more shortages. And they should receive a high-quality service.

A. A quality policy

MIDIS has expunged from its language, and above all from its relationship with society, the term beneficiary. Those to whom the provisions are aimed are users of services. User orientation means a change in the relationship between the State and people with low incomes. Traditionally, the State has given handouts to “the poor” out of generosity or in the expectation that they will vote for it. In this relationship, the “poor” receive what the State can or wants to give, without demanding conditions, predictability or attempts to meet their requirements so that they can build their own strategies for organisng their resources. They simply receive and neither does this relationship define duties.

The management model for obtaining effective provisions—that is, provisions that result in development and social inclusion—is built on the need to create a relationship with citizens, people with rights who, therefore, have to have the expectation that they will vote for it. In this relationship, the “poor” receive what the State can or wants to give, without demanding conditions, predictability or attempts to meet their requirements so that they can build their own strategies for organisng their resources. They simply receive and neither does this relationship define duties.

Each user of MIDIS’ services should know what he will receive and to what quality standard.

The counterpart is that they have responsibilities: the truth of the information, compliance with conditions, joint responsibility for the care of children.

Building this relationship—in other words quality management of the public administration—means preparing and implementing a series of tasks that are the responsibility of the Social Provisions Quality Assurance Office. This office should permanently evaluate the processes leading to continual improvement in services and social provisions, focused on services to the citizens and the achievement of results. A quality-based approach implies working to obtain the maximum possible efficiency and effectiveness, in order to achieve the policy goals of development and social inclusion.

In turn, the quality-based management approach adopted by MIDIS encourages transparency and holding officers and public servants accountable to citizens and includes different mechanisms for citizens participation, among them channels for user service and addressing complaints.

In this commitment to the continual improvement of social provisions MIDIS has acted in different ways. It has high-quality diagnostic tools for certain key processes in the social programmes—such as the process of affiliation for users of Juntos—that have led to modifications to the design of these processes. The diagnosis and redesign of key processes will allow the definition of quality standards that contribute to the efficiency and effectiveness of the provisions and result in a better service for citizens.

Furthermore, MIDIS has provided technical aid to the programmes to help them draw up their operating manuals and set quality standards for their processes. In addition to drawing up policies and quality guidelines for social programmes, the Social Provisions Quality Assurance Office has been working on the design of a quality assurance training plan, aimed at those having direct contact with users.

Quality policy is user-oriented. Those who monitor the quality of the services are the citizens who receive them. But this only works when their comments, complaints and proposals reach the decision-takers. For this reason the Social Provisions

JUNE 2012
MULTI-SECTOR DEVELOPMENT COMMISSION FOR HOUSEHOLDS IN THE PROCESS OF INCLUSION

The Multi-sector Commission headed by MIDIS has started work, it consists of the Ministries of Finance, Housing and Public Health, Transport and Communications, Energy and Mining, Agriculture and Employment and Job Creation. The Multi-sector Commission aims to draw up a plan to close gaps in the provision of service infrastructure in rural towns and villages, providing them simultaneously with drinking water, drainage, electricity, telecommunications and roads. This is a package of services that produces opportunities for innovation and development for Peru’s most remote rural settlements. In 2013, this coordinated initiative should start to be implemented through a National Fund for Economic Inclusion of Rural Areas, which will receive initial funding amounting to 400 million nuevos soles.
After many months of design and preparation, MIDIS launches—in Santiago de Chuco, La Libertad—the P20 programme, in conjunction with the local governments of 20 provinces and 12 regional governments, and the national programmes of other ministries, which will enable effective and articulated interventions to reduce chronic infant undernutrition and improve the early development of young children in fields that are valuable in school, as well as the economic inclusion of rural villages suffering from extreme poverty. P20 is a pilot project that will generate the knowledge needed to turn the experience into national public policy, thus breaking through the inertia caused by parallel projects and lack of presence on the part of the State.

### B. Monitoring and evaluation: relating evidence to social policy and programmes

One of the fundamental thrusts of the guidelines for MIDIS’ new development and social inclusion policy is the use of evidence-based decision making. Thus MIDIS is developing a means by which evidence and knowledge gleaned from systematic reviews, meta-analyses, evaluations and monitoring systems form the basis for decision taking in designing new programmes, the assignation of funds, the setting of coverage and performance goals, redesigning, restructuring or closure of social programmes and prioritisation of different regions, effective interventions cash investment projects.

The Monitoring and Evaluation Office (DGISE) is the body responsible for monitoring and evaluating development and inclusion policies in order to improve the effectiveness, quality and efficiency of development and social inclusion programmes and publishing its results to citizens and decision makers together with the evidence obtained and recommendations for action. Thus MIDIS helps to implement good governance based on transparency, accountability and a culture of performance evaluation in the public sector.

The value of such monitoring and evaluation is not just the information it generates, but on the use of this information to help to improve the performance of the policies and programmes. Traditionally, monitoring and evaluation systems have concentrated more on producing information and evidence of high quality at the right time. The results of the evaluations are not used automatically; for this reason, MIDIS is developing a monitoring and evaluation system for social programme and prioritisation of different regions, effective interventions cash investment projects.

In order to comply with this role, a Social Policy Monitoring and Evaluation System called “Evidencia” has been designed and guidelines for monitoring, evaluation and information management developed for social policies and programmes.

During MIDIS’ first year, it promoted the use of evidence and information to: a) design innovative social policy proposals with the QuIPU; b) redesign and reorganise the five programmes operated by MIDIS; c) drafting of the “Guidelines for Articulated Action to Reduce Chronic Infant Undernutrition”; d) geo-referenced information to district level, on socio-economic and demographic indicators, chronic undernutrition and scarcity of food, and programme indicators using the INFOMIDIS platform of geo-referenced information published on the MIDIS website.

### B. Monitoring and evaluation: relating evidence to social policy and programmes

The Monitoring and Evaluation Office (DGISE) is the body responsible for monitoring and evaluating development and inclusion policies in order to improve the effectiveness, quality and efficiency of development and social inclusion programmes and publishing its results to citizens and decision makers together with the evidence obtained and recommendations for action. Thus MIDIS helps to implement good governance based on transparency, accountability and a culture of performance evaluation in the public sector.

The value of such monitoring and evaluation is not just the information it generates, but on the use of this information to help to improve the performance of the policies and programmes. Traditionally, monitoring and evaluation systems have concentrated more on producing information and evidence of high quality at the right time. The results of the evaluations are not used automatically; for this reason, MIDIS is developing a monitoring and evaluation system for social policy and prioritisation of different regions, effective interventions cash investment projects.

In order to comply with this role, a Social Policy Monitoring and Evaluation System called “Evidencia” has been designed and guidelines for monitoring, evaluation and information management developed for social policies and programmes.

During MIDIS’ first year, it promoted the use of evidence and information to: a) design innovative social policy proposals with the QuIPU; b) redesign and reorganise the five programmes operated by MIDIS; c) drafting of the “Guidelines for Articulated Action to Reduce Chronic Infant Undernutrition”; d) geo-referenced information to district level, on socio-economic and demographic indicators, chronic undernutrition and scarcity of food, and programme indicators using the INFOMIDIS platform of geo-referenced information published on the MIDIS website.

### B. Monitoring and evaluation: relating evidence to social policy and programmes

The Monitoring and Evaluation Office (DGISE) is the body responsible for monitoring and evaluating development and inclusion policies in order to improve the effectiveness, quality and efficiency of development and social inclusion programmes and publishing its results to citizens and decision makers together with the evidence obtained and recommendations for action. Thus MIDIS helps to implement good governance based on transparency, accountability and a culture of performance evaluation in the public sector.

The value of such monitoring and evaluation is not just the information it generates, but on the use of this information to help to improve the performance of the policies and programmes. Traditionally, monitoring and evaluation systems have concentrated more on producing information and evidence of high quality at the right time. The results of the evaluations are not used automatically; for this reason, MIDIS is developing a monitoring and evaluation system for social policy and prioritisation of different regions, effective interventions cash investment projects.

In order to comply with this role, a Social Policy Monitoring and Evaluation System called “Evidencia” has been designed and guidelines for monitoring, evaluation and information management developed for social policies and programmes.

During MIDIS’ first year, it promoted the use of evidence and information to: a) design innovative social policy proposals with the QuIPU; b) redesign and reorganise the five programmes operated by MIDIS; c) drafting of the “Guidelines for Articulated Action to Reduce Chronic Infant Undernutrition”; d) geo-referenced information to district level, on socio-economic and demographic indicators, chronic undernutrition and scarcity of food, and programme indicators using the INFOMIDIS platform of geo-referenced information published on the MIDIS website.
The document “Guidelines for Articulated Management to Reduce Chronic Infant Undernutrition”, approved by Ministerial Ruling 004-2012-MIDIS, published on the 25th of July 2012 in the Official Gazette El Peruano, shows the potential for linking information and evidence with policy drafting. Developed by the DGSYE, it is a response to two questions—what interventions should be articulated? and where?—in order to achieve results with chronic infant undernutrition.

This document seeks to be a useful tool for decision makers at local and regional level, as it establishes the priority districts for interventions in infant nutrition using as criteria the highest levels of undernutrition, vulnerability in the face of food scarcity, the percentage of the population in the process of inclusion and the number of undernourished children.

Furthermore, 12 effective interventions were chosen based on national and international scientific evidence. Thus, we expect to extend the coverage of these interventions in critical zones, facilitating the programming and assignment of funds by results, as well as the creation of public investment projects by local and regional governments and social programmes.

Monitoring the goals of programmes, strategies and pilot projects—the learning curve—is the responsibility of MIDIS and confirming their impacts is a central concern of social policy management.

A. Gender policy as empowerment

Women, for example, suffer from this type of exclusion. For that reason, MIDIS proposes that poor and extremely poor women users of aid programmes implemented by the Peruvian State become protagonists in the processes of change and exercising of citizens’ rights.

MIDIS uses gender policy not only as a means of recording information on users broken down by sex, but also for the need to incorporate women into programmes to develop skills. Furthermore, a gender policy for MIDIS involves the creation of specific products to be created to overcome the exclusion experienced by some sectors of the population because of the social or cultural context.

2.3 INCENTIVES FOR BEHAVIOURAL CHANGE

Even when effective and high-quality State social programmes are in place there is a risk of not achieving the expected results because users do not make the behavioural changes required. Social policy management needs them to be jointly responsible.

If, in spite of new investment in bringing potable water to their homes and training in personal hygiene, parents do not wash their hands when feeding their children they will not achieve the result of reducing chronic infant undernutrition. There are many reasons for this. Social policy should make maximum use of instruments for encouraging healthy practices.

Development by the Ministry of Health of programmes such as Healthy Homes, Healthy Schools or Healthy Communities is a good example of new strategies that close the gap between social policy instruments and the conditions of users. New definitions of MIDIS’ social programmes also seek daily relevance; for example, the accompaniment service for Ouna Más families aimed at rural households, is similarly inspired; visits to each household and discussion with mothers about best practice for her children’s development.

But in more substantive terms, joint responsibility by families poses the question of what action is necessary to empower users of social programmes to accept the new procedures, and incorporate them on a day to day basis into their culture. This may also require specific products to be created to overcome the exclusion experienced by some sectors of the population because of the social or cultural context.

As part of the re-launch of the Inter-departmental Commission for Social Affairs (CIAS), the Prime Minister Juan Jiménez Mayor and the eleven ministers of state belonging to it signed the National Commitment to the Inter-departmental Fight against Chronic Infant Undernutrition in Peru. To achieve this, a number of interventions will be organised with the help of the Technical Secretariat of the CIAS, which is part of MIDIS. The National Assembly of Regional Governments has also signed up to the commitment. The joint action should reduce chronic infant undernutrition by 13 percentage points during the current parliament.
After two months of work by women leaders of national soup kitchen organisations and officials from MIDIS, a Ministerial Ruling established the foundation for oversight by MIDIS of the Food Aid Programme (PCA), which was transferred to local governments started in 2004. The round table discussion was a response to demands by thousands of women involved in the soup kitchens—one of the most extensive social support networks in the country—that a national authority should supervise the correct implementation of the programme and that their rights should be guarantees while they carry out their daily tasks and responsibilities.

Financial inclusion helps to promote citizenship and empowerment of women. This facilitates a change in the role of women not only at home but also in the community, with banks and other financial institutions and with the State. Monetary transfer, therefore, becomes a path to development. And will be managed by women themselves.

But in addition, MIDIS is designing a programme to facilitate women who receive monetary aid with conditions can go from compliance with the requirement to send their children to school and to take health and nutrition checks, to exercising the right to high-quality education, health and nutrition. In this way they will extend their rights as citizens and monitor the quality of the services they receive from MIDIS. They will be jointly responsible with MIDIS and other sectors of the State for national achievements in the field of social inclusion. They will not be merely users. They will be our partners.

The purpose of financial inclusion is to enable rural women to: manage their own opportunities for economic inclusion. And they are!

Fausta Challico from Cusco and Flora Quispe from Puno, both living in rural areas, are examples of this success. Both Fausta and Flora have created financial opportunities, they have learned how to use savings accounts and how to take advantage of different financial instruments. Today, Fausta and Flora are thrusting small businesswomen. They have shown that, when given the opportunity they are more than capable of using different financial tools to overcome poverty and take control of their own futures.

10 The National Strategy for Financial Inclusion is headed by the Ministry of the Economy.
B. Intercultural dialogue

According to a new methodology used by INEI to measure poverty in 2011, poverty affected 46% of those whose mother tongue was an indigenous language—Quechua, Aymara or the languages of the Amazon Basin. This incidence of poverty is nearly twice that of people whose mother tongue is Spanish: 24%.

Measuring poverty according to the self-perception of ethnic identity shows that it particularly affects heads of household of indigenous peoples—Quechua, Aymara or Amazon: 31.5%. Next in line are households where the heads are of African descent—black or mixed race: 28.1%. In households whose heads define themselves as white or mestizo, poverty is significantly lower: 18%.

Discrimination, lack of recognition, failure to align services with specific cultural traits or the geographical remoteness of their homes mean that ethnic or people culturally different to the white and mestizo component of Peru’s population suffer worse exclusion from opportunities for economic growth and the exercise of their rights.

Peru is a signatory of international conventions that seek equal recognition and incorporation into public policy of peoples with different identities to the predominant one.11

The importance of an intercultural policy for MIDIS is not associated only with the statistical data—which is nevertheless of enormous relevance—showing that in Peru the intensity of poverty and extreme poverty is greater in ethnically differentiated social groups. It has much to do with the fact that its results-based management model requires the active participation of its users, their commitment and responsibility.

People who, because of their culture and traditions, prioritise different routes to a better quality of life than that offered by social policies, will eventually be “receivers” or “beneficiaries” of certain services but will not become an integral part of their strategies. Children who do not have access to the tales or songs of their grandparents at their daycare centres will not create links between their daily lives that are full of affection, and new knowledge.

Put like this, the construction of a policy of interculturalism is particularly complex. Peoples with ethnic identities are not only different from the predominant white mestizo culture, but have differences between them as well. Differences are not just linguistic. The roles of the family, land, territory or community organisation vary greatly among indigenous peoples and between them and those of African descent.

Indeed, mother tongue, used to statistically identify indigenous peoples, cannot be used to identify Afro-Peruvians, who speak Spanish. Following the recommendations of the Interculturalism Office of the Ministry of Culture, MIDIS is drawing up guidelines for applying the intercultural approach of social programmes, which ought to incorporate recommendations on focalisation and affiliation; as well as strategies for relating to the population in general, extended families and the ethnic or communal authorities; recognising ancestral knowledge when expanding productive capacities; the intangible culture involved in the organisation of infant learning and traditional forms of protecting and incorporating children and the old.

One important guideline concerns the prevention of possible effects of social programmes on cultural patterns. Although the policy is under construction, the new design of strategy for food aid through Qali Warma is based on the need to strengthen—and not destroy—traditional foodstuffs used by indigenous peoples.

Until now, food policy has been an instrument for homogenising tastes and products from regions like the coast. But giving anchovy in tomato sauce to children in the native communities of the Amazon, or rice to people used to potatoes or Andean cereals in their traditional diet, is equivalent to ignoring the value of local traditional foodstuffs. Furthermore, it restricts consumption of those products that farmers and fishermen are familiar with and want to produce; and finally, it wastes the resources of the State on products that are not going to be eaten because they are not associated with the tastes and preferences of users. This change is already under way through the new food aid programme Qali Warma.

While instruments for statistical identification are being refined, the task of identifying areas with a large number of people whose ethnic identity is invisible to official censuses is also under way. FONCODES is particularly responsible for working with Afro-Peruvian peoples and organisations to expand their economic capacities, given that because of district focalisation—they may be a minority in a large district—they may not appear as a priority.

The Pensión 65 programme has started, in conjunction with the Ministry of Culture, a pilot scheme to revalue the cultural heritage in the custody of old people. Knowledge associated with production, land management, culinary practices, and the history and narrative of indigenous peoples is at risk of disappearance if new public spaces—schools or training workshops—do not incorporate them. Recovering them together with the users of Pensión 65 and getting them to serve the creativity of their communities also constitutes a contribution to revaking the role of the senior citizen in society.

Discrimination, lack of recognition, failure to align services with specific cultural traits or the geographical remoteness of their homes mean that ethnic or people culturally different to the white and mestizo component of Peru’s population suffer worse exclusion from opportunities for economic growth and the exercise of their rights.

The National Household Survey (ENAHO), taken annually by INEI, includes a question that is absent from censuses and refers to ethnic self-identity: “According to your culture, and referring to ethnic self-identity: “According to your culture, language and traditions, do you consider yourself to be part of the Afro-Peruvian people?”

In particular, Convention 169 on Indigenous and Tribal Peoples and the United Nations Declaration on the Rights of Indigenous Peoples.

MIDIS uses mother tongue as a trait associated with ethnicity in order to monitor the inclusion process. This is the only trait mentioned in censuses since 1961.

11 The National Household Survey (ENAHO), taken annually by INEI, includes a question that is absent from censuses and refers to ethnic self-identity: “According to your culture, language and traditions, do you consider yourself to be part of the Afro-Peruvian people?”


13 MIDIS uses mother tongue as a trait associated with ethnicity in order to monitor the inclusion process. This is the only trait mentioned in censuses since 1961.

Similar to the ENAHO question (see note 11).
2.4 ORGANISATION OF MIDIS

In order to design and manage Peruvian State policies aimed at closing the poverty gap and creating a new situation of social inclusion in the country, MIDIS is organised into two vice-ministries: the Vice-ministry of Social Policies and Evaluation, and the Vice-ministry of Social Provisions (Figure 6).

The Vice ministry of Social Policies and Evaluation is responsible for drafting and evaluating national and ministerial policies in the field of development and social inclusion. This function is performed through three offices:

- The Office of Policy and Strategy, responsible for proposing and designing policies using management by results.
- The Monitoring and Evaluation Office is the line organisation responsible for evaluating and monitoring policies and programmes.
- The Services and Users Office designs and manages the policy of focalisation and the user recording and monitoring system.

The Vice-ministry of Social Provisions is responsible for heading the management of MIDIS’ social programmes. In order to facilitate this task, the Vice-ministry has two dependencies:

- The Social Programme Decentralisation and Coordination Office, which is responsible for encouraging articulation between social programmes and creating mechanisms to improve the efficiency and effectiveness of its management.
- The Social Provisions Quality Assurance Office, which is responsible for proposing and supervising mechanisms for continual improvement of the processes and social programmes and for improving the quality of service to users of the programmes.

The institutional budget with which MIDIS began work in 2012 (its ministerial offices and five social programmes) was 2170.6 million nuevos soles.

In the draft public spending plan for 2013, MIDIS will have an opening budget of 2884 million nuevos soles.

In the figure above, the Minister’s Office includes the Office of the Vice-minister of Social Policy and Evaluation and the Office of the Vice-minister of Social Provisions.

MIDIS has two functions: it must manage and provide services to direct users through five social programmes—FONCODES, Juntos, Cuna Más, Pensión 65 and Qali Warma, which will start on the first day of the 2013 school year—. In addition, it has an oversight function which it exercises through the national guidelines for social policy, as a direct means of promoting and/or encouraging the process of articulation of the different interventions by the State in the field of development and social inclusion.

Both functions are carried out together in Peru, which is not a homogeneous country but extremely varied in terms of geography, biodiversity, economics, the mix of private and public actors, the density and presence of the Peruvian State, shortages and problems affecting its citizens, and the dynamism of its different cultures.

Amid this enormous diversity, MIDIS must pursue a mission: to ensure that everybody takes advantage of economic growth and exercises their rights as citizens to high-quality services through action to relieve extreme poverty and to promote development.

Its mission must be accomplished in the knowledge that extreme diversity means designing three forms of intervention.

The first, involving planning at national level is based on the need to close the gaps caused by deficient coverage by the State over the whole country. Extreme variations in the availability of public funds for development and improving people’s lives—public hygiene, electricity, roads and telecommunications for example, create exclusion in large sectors, especially those in rural areas who value their resources all over Peru.

Closing the infrastructure gap means accurately identifying shortages, designing a plan to progressively address them with the sectors that must intervene directly, committing financing over a number of years and draw up annual goals. In general, both direct action by MIDIS to provide relief and its coordinating function require area planning and the design of a multi-year plan with finance to close these gaps.

The second form of intervention involves area planning of the ministry’s own interventions and those coordinated with other sectors. In order to close the poverty gaps successfully, interventions should occur simultaneously in the designated areas. Thus, a reduction in chronic infant undernutrition will only be achieved if simultaneous interventions are made to improve potable water availability, public health, education in good hygiene practices and food handling, medical checks and health services, as well as improving the quality and availability of foodstuffs.

Something similar is happening with some infrastructure: better availability of water for small irrigation projects or reservoirs will be of little use in improving economic exclusion if villages have no proper roads by which they can take the extra produce from newly irrigated fields to market, or if small farmers continue ignorant of technical aid to improve their production.

If those who receive funds with conditions attached (relief) do not make an effort to expand their opportunities, no sustainable improvements to extreme poverty will be achieved. The same will happen if they comply with the requirement to send their children to school but the quality of the education is poor: we will have failed in our attempt to create new opportunities for the next generation. Isolated interventions do not achieve results in the different areas of development and social inclusion. This requires planning strategies for providing services, which may be national but will have to be adapted to the different circumstances affecting different parts of the country.

Finally, local management in each area must adapt the requirements of large national infrastructure projects, results-oriented strategies and their own responsibilities to the specific conditions—geographical, ecological, economic, social and cultural—of the users.

In order to comply with these two mandates—to provide direct provisions through five programmes and arrange coordinated action by the State to achieve development and social inclusion—, MIDIS has to make its presence felt through area teams and, more recently, local offices.
Ministry of Development and Social Inclusion

A. Pilot project for social policy linking 20 provinces (P20)

P20 brings together two planning strategies that up to now have functioned separately: demand-based, which involves coordination between authorities, officials and social representatives; and results-based, which identifies specific and tangible changes that will be achieved in specified periods, for social inclusion of mainly rural inhabitants who have been accurately defined and identified. The results identified and prioritised by those involved locally are accurate to village level, in order to ensure that the synergies are effective in rural areas and not just confined to provincial capitals. All are working on the priorities of the National Growth Strategy for Inclusion.

We expect that the pilot project, the learning stage of which ends in December 2012, will produce the following results:

a) A set of communities suffering from poverty and extreme poverty, in rural areas of the highlands and Amazon Basin, have started to overcome certain obstacles to inclusion thanks to coordinated action by decentralised governments and national programmes and, in some cases, NGOs and companies. This has been achieved practically without an increase in spending, merely increasing their social profitability to the maximum thanks to cooperation between sectors and government entities.

b) The country will make use of coordinated intervention packages (logic models) that are essential for achieving results in the fight against poverty and whose effectiveness has been proven in different rural zones. This will be a guide not only for planning central and decentralised public spending, but also for the use of corporate social responsibility funding and international aid.

c) MIDIS will address the learning curve for instruments, procedures, guidelines and incentives for regulating SInADIS; its institutionalisation will mean a profound reform of how the State intervenes within Peru, especially in very poor rural areas. This system will be decentralised, with a number of local governments as its partners, as well as 50% of regional governments, and ministries that have an impact on development and social inclusion; in other words, all the actors that will make up SInADIS.

P20 has already implemented workshops to identify and prioritise results, and has created local actors the matrices for effective intervention by regional and local governments, as well as national programmes in the 20 provinces in question. Priority has been given to:

a) Twenty four results for reducing chronic infant undernutrition and early development. These have been developed in more than 180 rural villages suffering from extreme poverty, where intervention has been coordinated in the fields of health and improved nutrition/nutrients.

b) Eight results in improving the life skills of rural primary and secondary school pupils. We will soon see interventions take place aimed at helping adolescents in remote rural village suffering from extreme poverty and improving secondary school.

c) Seventeen results in improving economic inclusion by increasing income earned by small farmers who have overcome market limitations, their own low productivity and restrictions on the formation of natural capital that have prevented them from achieving economic welfare.

MIDIS has made a decision. Reversing decades—perhaps centuries—of uncoordinated action cannot be achieved by new legislation. MIDIS has started implementing a series of strategies, pilot programmes and partial agreements enabling it to simultaneously make progress with coordinated results, create the knowledge required to show the routes, procedures, working incentives, institutional obstacles and modifications required to administrative systems to make the State change, renew old routines and take action to address exclusion and poverty as a functional system.

MIDIS defines the linking of social policy as the concurrence of intergovernmental and inter-sectorial efforts associated with the achievement of priority results in development and social inclusion. Operationally, under the terms of its founding legislation, MIDIS must create a National System for Development and Social Inclusion (SINADIS), an ‘functional system—the concept is taken from anatomy—; in other words, a system in which each of its component parts acts in the same sense at the same time.

MIDIS’ main challenge is to achieve this synergy in the face of inertia caused by decades of lack of articulation in the public administration. At the same time, it is aware that the continuity of this organisation reduces the effective use of State funds used to achieve social inclusion and development that would enable Peruvian households all over the country to overcome poverty and create economic growth and better exercise of citizens’ rights all over the country.

Lack of articulation also means that society’s financial and human resources—socially responsible companies, social organisations and development organisations, as well as contributions from the international community—fail to achieve the impacts that they should. The nation wastes much effort in what is a shared priority.

3.1 ARTICULATED ACTION BY THE STATE FOR SOCIAL INCLUSION

Achieving coordinated action is MIDIS’ mandate; coordination between the programmes that were transferred and had been implemented with no coordination strategies; between central government and decentralised governments that have no means of coordinating their complementary contributions; and between the different sectors of the State, which plan their interventions in social policy without the common criteria of territorial focalisation and complementation.

MIDIS’ main challenge is to achieve this synergy in the face of inertia caused by decades of lack of articulation in the public administration. At the same time, it is aware that the continuity of this organisation reduces the effective use of State funds used to achieve social inclusion and development that would enable Peruvian households all over the country to overcome poverty and create economic growth and better exercise of citizens’ rights all over the country.

Lack of articulation also means that society’s financial and human resources—socially responsible companies, social organisations and development organisations, as well as contributions from the international community—fail to achieve the impacts that they should. The nation wastes much effort in what is a shared priority.

3.1 ARTICULATED ACTION BY THE STATE FOR SOCIAL INCLUSION

Achieving coordinated action is MIDIS’ mandate; coordination between the programmes that were transferred and had been implemented with no coordination strategies; between central government and decentralised governments that have no means of coordinating their complementary contributions; and between the different sectors of the State, which plan their interventions in social policy without the common criteria of territorial focalisation and complementation.

MIDIS’ main challenge is to achieve this synergy in the face of inertia caused by decades of lack of articulation in the public administration. At the same time, it is aware that the continuity of this organisation reduces the effective use of State funds used to achieve social inclusion and development that would enable Peruvian households all over the country to overcome poverty and create economic growth and better exercise of citizens’ rights all over the country.

Lack of articulation also means that society’s financial and human resources—socially responsible companies, social organisations and development organisations, as well as contributions from the international community—fail to achieve the impacts that they should. The nation wastes much effort in what is a shared priority.

3.1 ARTICULATED ACTION BY THE STATE FOR SOCIAL INCLUSION

Achieving coordinated action is MIDIS’ mandate; coordination between the programmes that were transferred and had been implemented with no coordination strategies; between central government and decentralised governments that have no means of coordinating their complementary contributions; and between the different sectors of the State, which plan their interventions in social policy without the common criteria of territorial focalisation and complementation.

MIDIS’ main challenge is to achieve this synergy in the face of inertia caused by decades of lack of articulation in the public administration. At the same time, it is aware that the continuity of this organisation reduces the effective use of State funds used to achieve social inclusion and development that would enable Peruvian households all over the country to overcome poverty and create economic growth and better exercise of citizens’ rights all over the country.

Lack of articulation also means that society’s financial and human resources—socially responsible companies, social organisations and development organisations, as well as contributions from the international community—fail to achieve the impacts that they should. The nation wastes much effort in what is a shared priority.
B. Multi-sector Development Commission  

for households in the process of inclusion

The principal purpose of the Commission, created by Supreme Ruling N° 133-2012-PCM on the 6th of May 2012, is to improve the quality of life of rural households by access to socio-economic opportunities, through improved public investment in infrastructure and asset donations.

National and international evidence shows that the provision of an integral package of basic services in rural areas has a greater impact on the lives of the local population than the sum of the impacts of these interventions when they are uncoordinated and isolated. For example, in Peru rigorous studies have shown that investment in telecommunications, water and electricity in rural areas has a greater effect on household incomes than the sum of individual efforts to provide these basic services.

The effects of these interventions to close the basic infrastructure gap may be magnified in magnitude and sustainability when complemented by programmes to strengthen the ability of households to diversify productive activities in the rural highlands, thus improving interaction with the markets.

MIDIS heads this Commission, which also contains representatives of the Ministry of Energy and Mining (electrification), Ministry of Transport and Communications (roads and telecommunications), Ministry of Housing and Construction (water and drains) and the Ministry of the Economy. Coordinated intervention to close the infrastructure gap in rural areas is governed by focalisation at district level that identifies the districts which:

a) have more than 50% of their population in the process of inclusion.16

b) Belong to the 1st or 2nd quintile of poverty, according to the Sen index.17

Information from the 2007 census was used at village level —those with at least 200 inhabitants—to calculate the shortfalls in electricity, drinking water, drainage and telephones.

This information was then used to estimate the unit cost of providing households in these villages with an integrated package of four services.

The results are shown in table 1.

The Commission has established the goals it is expected to achieve by 2016: 100% coverage for drinking water, drainage and electricity and at least 50% coverage for telephones. As far as rural roads are concerned, the Commission’s calculations cover the refurbishment of at least 8 kilometres of road connecting every village to the district capital. It has been calculated that meeting the proposed goals will require a budget of approximately 2363 million nuevos soles.

16 See chapter 1.

17 This index considers the incidence, intensity and severity of monetary poverty.

CHART 1. TOTAL COST OF COVERING GAPS IN EACH DISTRICT

| Calculated for each village (> 200 inhabitants) | Target coverage by 2016 (%) | Quantity | Total cost (millions of S/.)
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of electricity</td>
<td>100</td>
<td>107,673 households</td>
<td>402</td>
</tr>
<tr>
<td>Cost of water and</td>
<td>100</td>
<td>99,882 households</td>
<td>107</td>
</tr>
<tr>
<td>Cost of telephones</td>
<td>50</td>
<td>140,867 households</td>
<td>845</td>
</tr>
<tr>
<td>Cost of roads</td>
<td>40</td>
<td>9450 kilometres</td>
<td>1009</td>
</tr>
<tr>
<td>Total cost</td>
<td></td>
<td></td>
<td>2363</td>
</tr>
</tbody>
</table>

The Commission has proposed that the Public Spending Act for 2013 should create an Economic Inclusion Fund for Rural Areas (FONIE), to provide the resources for this strategy each year. For 2013, FONIE should contain around 400 million nuevos soles. FONIE would be administered by MIDIS, which will transfer funds to the sectors responsible for carrying out the work. The idea is that the transfers depend on coverage of each area and not progress by a given sector.

16 See chapter 1.

17 This index considers the incidence, intensity and severity of monetary poverty.
C. National commitment for coordinating the fight against chronic infant undernutrition

At its first meeting of this year CIAS, whose technical secretariat is based in MIDIS and which includes the Prime Minister and the 11 ministers of state handling social matters, signed the National C for Coordinating the Fight against Chronic Infant Undernutrition. This Commitment has also been signed by the National Assembly of Regional Governments (AnGR).

The aim is to coordinate sector and regional action on joint interventions in specific territories to reduce chronic infant undernutrition (CIU), during this government by 13 percentage points; in other words, to reduce this problem in 5 years twice as much as in the past 10 years.

The Commitment is not declarative. It establishes protective measures year on year for funds used to reduce CIU; it also sets specific goals through a joint and coordinated strategy at the three levels of government; and, using technical criteria, determines the priorities for effective coordinated action.

The framework for effective interventions to be implemented in each area is contained in Directive 004-2012 MIDIS, approved by Ministerial Ruling Nº 131-2012 MIDIS, which forms part of the Commitment entered into by CIAS and AnGR.

The multi-causal nature of CIU (figure 6) requires that in each priority area, each immediate result (left-hand column) should be achieved by effective and simultaneously by one or more suppliers of State products and services.

FIGURE 7. THE MANY CAUSES OF CHRONIC INFANT UNDERNUTRITION

The directive and, explicitly, the National Commitment for Coordinating the Fight against Chronic Infant Undernutrition, establishes that the goals of each sector and regional government should be monitored and that progress should be accounted for and the impact achieved measured periodically. MIDIS’ Evaluation and Monitoring Office is responsible for this task.

D. Multi-sector Commission for the International Year of Quinua 2013

On the 6th of August 2012, Supreme Ruling Nº 306-2012 PCM created a Multi-sector Commission responsible for educating people about the Andean diet. It has two goals: to highlight the gastronomic diversity and wealth that Peru provides to the world and to provide incentives to small farmers in the different regions of the country stimulating the local, regional and national economy. This is in accordance with State policies contained in the National Agreement concerning food security and nutrition.

This Commission, presided over by the Ministry of Agriculture, is made up of the Ministries of Development and Social Inclusion, Health, Health, Production, the Environment, Foreign Trade and Tourism, and Culture. Its task is to propose a strategy for promoting and disseminating the Andean diet, consisting principally of emblematic products of Peru. The Andean diet will be used and promoted to the different actors involved in the fight against chronic infant undernutrition, revaluing emblematic products and encouraging entrepreneurship by farmers.
3.2 SOCIAL PROVISIONS

Five social programmes run by MIDIS channel State resources to households suffering poverty and extreme poverty at different moments of their lives, collaborating with strategic axes of the social inclusion policy and applying in practice a social policy model that combines relief and development.

The five social programmes—which have their own management teams and budgets and develop organisational cultures in line with their own fields—nevertheless form part of a single Programmes Committee created by ministerial ruling and presided over by the Vice Minister of Social Provision. Their affiliation to MIDIS does not affect their specific nature or specialities, but does place them at the centre of common strategies, forms of organisation and quality culture through shared standards and systems for management, information and evaluation.

The National Monitoring and Transparency Commission, consisting of outstanding personalities and organisations from civil society, performs citizens’ oversight of the set of social programmes.18

A. FONCODES

The Cooperation Fund for Social Development is an instrument used by MIDIS to promote the sustainable economic autonomy of poor households in rural areas of the country. It develops skills and generates economic and productive opportunities coordinated between regions, in alliance with those involved with local development.

By means of its regional teams in every department of the country, FONCODES’ aim is that all households that today receive conditional monetary transfers will start to rise above the basic level of subsistence until they are eligible for promotional activities and services that the State provides to the population.

Thus, FONCODES is a key factor in the exit strategy for households that now receive monetary transfers, and should coordinate with other sectors and levels of government such action as is necessary to improve the provision of collective assets.

FONCODES has developed an integrated set of interventions that respond to the demands of the users and vary from facilitating investment to support productive initiatives by households, the encouragement of inclusive businesses through mechanisms such as tenders, and a package of technologies designed to enable families to improve their food security—organic gardens, rearing of small animals—improve their living conditions and increase their productive capabilities.

One activity aimed by FONCODES at households served by the Juntos programme is financial inclusion; in other words development of individual skills using instruments in the financial system to manage their resources and take informed decisions.

18 See chapter 4.

Its budget for 2012 is 610.9 million of nuevos soles, including the Compras MYPEru programme being implemented in conjunction with the Ministry of Production.
B. JUNTOS: National Support Programme for the Neediest

Juntos is a programme of conditional monetary transfers designed to relieve poverty and stimulate human capital in the poorest households of Peru.

It provides cash incentives with help and guidance to improve the economic capacities of households containing pregnant women, children, adolescents or young people up to the age of 19 afflicted by poverty; furthermore, it helps to reduce barriers to the use of health, nutrition and education services. Households that include disabled people receive preferential help from Juntos.

The economic incentive paid to households amounts to 200 nuevos soles every two months, conditional upon compliance with a commitment by users—practically 100% are women—to educate their children and ensure that they attend medical examinations.19

Its budget in 2012 is 825 million nuevos soles, which will enable it to aid more than 700 households in 1036 districts of Peru by the end of the year. In 2013, it is expected to have a budget of 1048 million nuevos soles; it will aid 8 additional households and is expected to reach 735,457 households in the districts in which it is operating until 2012.

In coordination with FONCODES, the first “exit” experiences from the JUNTOS programme have begun in the districts of Vinchos and Chuschi, in Ayacucho, aimed at helping households with children close to finishing secondary school who must leave the programme, to improve their ability to generate their own incomes. The pilot project will provide the experience needed extend the programme to the other 70 districts in which the programme is being implemented.

C. CUNA MÁS

Cuna Más is a focalised social programme that provides integral attention—health services, nutrition, early infant development and skills—to children under the age of 36 months living in zones afflicted by poverty and extreme poverty. Its aim is to improve infant development through two means of intervention: a day care service at Cuna Más Integral Child Centres; and an accompaniment service for families.

Cuna Más provides both services giving priority to children with disabilities. Promoters and those responsible for child care are carefully instructed about inclusive attention.

The day care service uses the same method as the Wawa Wasi programme and improves the quality of the services using better infrastructure and equipment at the centres, child care professionals, permanent technical support for the services and a model of attention that responds to the levels of development of the children, as well as their cultural context.

The accompaniment service for families seeks to improve families’ knowledge, skills and practices when caring for their children under the age of 36 months. It takes the form of visits to homes and group social activities and exchange of experiences among pregnant women, children under 36 months and their families in the Family Centres set up specifically for the programme.

This model makes it possible to reach small children in poor rural areas, a sector that, until the creation of Cuna Más had no specific State programme to help them.

The Cuna Más day care programme helps 56,544 children in 23 departments of Peru. The family accompaniment scheme started as a pilot programme this year and so far has helped 1,700 families in Ayacucho.
D. National Assistance Programme Pensión 65

Lack of economic security for poor elderly people that would improve their welfare means that people whose ability to work is flagging, have one of the worst levels of quality of life in the country. Invisible to the State, elderly people suffering from extreme poverty are at the margins of society.

Pensión 65 provides an economic benefit for elderly people over the age of 65 who are suffering from extreme poverty and receive no other benefits.

The payment of 125 nuevos soles a month per person helps to provide them with their basic needs ensures that they are looked up to by the families and communities and also provides a stimulus to small local markets and fairs.

Pensión 65 has arranged with the Ministry of Health that its members benefit from the Integral Health Insurance (SIS) scheme. For the first time 346 users of the scheme were operated on for cataracts, free of charge. Equally, Pensión 65 has organised with the Ministry of Culture, the design of products specifically for the elderly in different regions, thus encouraging their role as promoters of the traditional culture and knowledge of their communities.

The budget of 291.5 million nuevos soles for 2012 enables it to assist 247,000 users. It is expected that with the budget increased to 453.52 million nuevos soles in 2013, Pensión 65 will be able to help 290,000 senior citizens.
E. A new management model for food aid: Qali Warma

After nearly 20 years in which PRonAA lost sight of its central aim of improving nutrition for pregnant woman and children in infant and primary schools, MIDIS took a decision that was approved by the Cabinet of Ministers,\(^\text{20}\) to eliminate it and replace it with a new management model clearly aimed at its original nutritional goal: Qali Warma.

The aim of this programme is to guarantee a high-quality and diversified food service for children in state infant schools from the age of 3 onwards, and in primary education from the first day of the 2013 school year.

Qali Warma will not be a state food purchasing programme. Food purchasing, preparation and distribution will be the responsibility of School Meals Committees, which will receive funds, technical aid and supervision from the programme.

Qali Warma is preparing regional recipes to reflect regional culinary heritage and to guarantee adequate standards of nutrition. All children in state infant and primary schools will receive school meals. Meals will vary with levels of vulnerability to the scarcity of certain foodstuffs in the districts in which the schools are located.

Advantages of Qali Warma

- Diversified attention and promotion of regional foodstuffs.
- Coverage every day of the school year.
- Universal coverage of state schools (infant and primary).
- Priority given to the poorest areas.
- A quality service.
- Joint responsibility by local communities.
- Based on the Cuna Más model, which has been proven and is in operation as well as successful experiences in other countries.

F. MIDIS’ exit strategies

The users of MIDIS’ social programmes leave these programmes in accordance with the regulations of each programme, and their objectives defined in a user profile. Thus, when a child reaches the age of 36 months, he or she leaves the Cuna Más programme, just as a household leaves the Juntos programme when its children finish secondary school, or leave Qali Warma when they finish primary school.

FonCoDES has no long-term users: its interventions are specific. But these are operating regulations.

Exit strategies from social programmes involve a set of coordinated actions to ensure that, when a household ceases to be a user as a result of applying the operating regulations, it does not become vulnerable once more; on the contrary, households are expected during the programmes to achieve a better degree of autonomy and resource management, and to do so sustainably.

To achieve this new level, coordinated action is required among the social programmes run by MIDIS as well as with other sectors and government entities present—or absent but which have to be extended—in each region.

MIDIS is defining three coordinated exit strategies. Two of these concern the long-term goals of MIDIS: to increase opportunities for the next generation, in order to break the intergenerational cycle of poverty. Thus, Cuna Más helps children under 36 months with their integral development. On reaching the age of 36 months, they leave the programme. The effort risks being in vain if these children do not go to infant school to enable them to continue with what they have started.

This suggests that MIDIS should coordinate efforts with the Ministry of Education and with regional and local governments to guarantee that there are enough school places in rural areas where children are being properly prepared to continue with their education.

\(^{20}\) Supreme Decree N.° 007-2012-MIDIS.

This piece of legislation put an end to PRONAA and ordered the appropriate measures for closure and continued attention to users to be taken.
Equally, the Juntos programme imposes as a condition that children of its users attend school until they have completed secondary education. When they leave the programme, if the education they have received has not improved their life skills, the household runs the risk of returning to the same level of poverty as their parents. A successful exit implies that MIDIS coordinates with the education sector and regional governments a quality education that includes villages where the users of the Juntos programme live.

Furthermore, however, a second level of coordination and articulation involves programmes that offer qualifications after finishing secondary education. MIDIS has entered into a collaboration agreement with Beca 18 so that those leaving the different programmes have access to higher education (university or technical college) despite their remoteness and rural location. Others options at the end of secondary education aim for the same goal of a successful exit: to provide the users of Juntos with opportunities, depending on their expectations, for obtaining a qualification, developing a business, etc.

The third exit strategy involves medium-term objectives proposed by MIDIS to improve the skills of the population so that they can generate their own incomes. Households using Juntos lose the monetary transfers when their children finish secondary school.

A successful exit strategy should ensure that as long as they remain in the programme households receive services that enable them to generate their own sustainable income.

This exit strategy requires primary and basic coordination between the Juntos programme and FONCODES, the MIDIS programme responsible for developing strategies for economic inclusion. This requires primary action in which FONCODES plans activities in each territory —communities, villages— and Juntos does the same for each household. FONCODES also always intervenes at the request of the Executive Entities. In other words, the exit strategy of households using Juntos is territorial.

Even so, the package of services with which FONCODES complements those provided by local actors —financial, inclusion, technologies, small facilitating investments and even businesses— is not enough to ensure households’ economic inclusion.

Without communications —roads and telephones—, electricity and other facilitating services and activities from other sectors or decentralised government entities, families will not successfully exit the programmes. MIDIS must promote the coordination of interventions in the specific territories where the users of Juntos are located. One Juntos-FONCODES exit strategy is being developed in the districts of Vinchos and Chuschi, in Ayacucho.
3.3 MIDIS in Peru

MIDIS manages five social programmes with clear and different aims, serving different age groups, providing national social policy with action in three time scales: short, medium and long term.21

Nevertheless, for users of the social programmes to overcome their poverty and vulnerability, and to ensure that when they leave the programmes they do not return to their previous situation, the five social programmes have to be coordinated in accordance with the particular characteristics of each territory.

As we have seen, the exit strategies also require a precise combination that is specific to each location where other interventions are taking place: programmes by other ministries, decentralised government entities, business, NGOs, churches, etc.

This requires territorial coordination at the stage of planning. In each location, coordination with other local actors and monitoring of progress with joint goals and the results of articulation between programmes and with other actors.

Without close monitoring, agreements for joint action between different institutions run the risk of dilution by the demands of the activities and the objectives of the higher hierarchical levels.

In order to comply with this function, MIDIS has organised 24 coordination teams in different parts of the country; the majority are regional in nature, but one coordination team will serve the valley of the rivers Apurimac, Ene and Mantaro (VRAEM). Other coordination teams may be created as needed.

Coordination teams will also work on the efficiency of the social programmes. Joint use of the teams—joint transport to a given zone—and the identification of shared processes to be developed jointly—skill development activities, for example—territorial coordination from the planning stage makes better use of available resources.

But it is articulation, coordinated and simultaneous action in specific locations that will guarantee the desired results of development and social inclusion. This is the central task of MIDIS’ coordination teams.

21 See chapter 1.
4. TRANSPARENCY AND PUBLIC PARTICIPATION IN SOCIAL POLICY

Development and social inclusion policy recognizes the rights of the poorest and most vulnerable people to high-quality basic services and to take advantage of the opportunities provided by economic growth. The achievements in implementing this policy show, in the most direct and visible way, the progress made towards a national goal that involves us all: to make our country inclusive.

For this reason, management of social programmes should be based on the availability of reliable, high-quality information that is representative such that it is possible to assign resources efficiently in order to achieve results. But in addition, information constitutes an important tool for transparent management and reveals possible problems, from failure to carry out certain activities to behaviour associated with corruption. Since its creation, MIDIS has made a great effort to create information systems that not only guarantee transparency wherever it intervenes, but also enables it to give account to the country of the results achieved.

It has been working on the construction of a unified database of users of all the social programmes affiliated to MIDIS, the national user Database (nuD), which is now in its final stage. The complexity of such a user database can be seen in the fact that just one of the programmes, the food programme, serves around 3 million people. During 2013 the nuD will include all the social programmes administered by the Peruvian State, so that it will be possible to see all the services received by every poor or extremely poor household and which households do not receive them despite being eligible.

Nevertheless, the information generated must be available not only to those who need it to take better decisions, but also to anyone who, exercising his citizen's rights, wishes to see it.

For MIDIS, the Internet portal <www.midis.gob.pe> is its principal platform for providing information. By the second half of 2012, MIDIS had complied with the transparency requirements of the office of the Public Administration and was one of 8 central government entities out of 20 evaluated by the Peruvian Press Council, whose information was completely up to date on its transparency website.

MIDIS has also developed a platform for publishing information on the web: INFOMIDIS <http://www.midis.gob.pe/mapas/>. This platform enables the population served and the coverage of each of the five social programmes affiliated to MIDIS to be visualised, thus encouraging and facilitating analysis of this information. This information is geo-referenced and includes data on the population in the process of inclusion, vulnerability to scarcity of food and the VRAEM, together with other indicators drawn up by DGSYE at regional, provincial and district levels. INFOMIDIS makes development and social inclusion indicators available to the general public and to decision makers in the State apparatus.

But in a country like Peru, where there is a “digital divide” among other infrastructure gaps—that is a difference in the availability of good Internet access—and many—eventually the majority—of MIDIS' users do not have access to it, the Ministry should make information available mainly to remote rural areas. This is to ensure that citizens can exercise their rights to be informed and to participate actively by demanding high quality services, throughout the country. Therefore, the Social Provisions Quality Assurance Office is working on a user service system called MIDIS orienta.

The Quipu Commission incorporates another important participant in policy formulation: the academic world.

FIGURE 9.
DETAILS FROM INFOMIDIS <HTTP://WWW.MIDIS.GOB.PE/MAPAS />
4.1 SOCIAL INCLUSION POLICY FROM A PERSONAL POINT OF VIEW: MIDIS ORIENTA

One of the main barriers to access by the general public to the provisions made by social programmes is the lack of information on the services that these programmes provide.

The factors affecting this situation include the distance between information centres and users’ homes, lack of money on the part of users for traveling to the information centres, language differences between the providers of the services and users, as well as a lack of adequate channels for queries or claims.

The challenge for MIDIS is to consolidate a policy of personal social inclusion that guarantees effective and accessible channels of communication, in order to generate feedback, on the one hand information and guidance on MIDIS’ services and social programmes, and on the other, identifying the needs of our users, enabling us to provide quality services.

For this reason, MIDIS has designed and is implementing a Guidance and User Service System called MIDIS orienta, which consists of a set of rules, processes, procedures, resources and actors that interact in a coordinated manner to guarantee an accessible and high-quality service for users, as well as to generate information that is valuable when taking decisions leading to the continual improvement of social provisions.

For that purpose, MIDIS orienta is progressively implementing its social programmes throughout Peru, as well as in certain provinces, such as those included in the P20 Territorial Coordination Pilot Programme aimed at bringing social programmes and services closer to local people.

This year, the pilot implementation of MIDIS orienta will cover 4 regions –Apurímac, Lima, Piura and San Martín— representing a total of 21 areas of user service, among them the provinces of Grau in Apurímac, Ayabaca and Huanacabamba in Piura and Lamas in San Martin.

MIDIS orienta offices in the provinces will have local governments as their main allies. In the short term, diversification of channels and means of attention is the aim, so that MIDIS orienta can reach an ever higher number of people.

4.2 DRAWING UP PUBLIC POLICY WITH SOUP KITCHEN ORGANISATIONS

The Food Aid Programme (PCA), which channels funds to support vulnerable people through the National Soup Kitchen Network, was transferred to the country’s local governments as part of the decentralisation process.

In 2004, the then Ministry for Women and Social Development (MIMDES) approved guidelines for the decentralised management of the PCA in Directive nº 023-2004-MIMDES. But only in December 2010 did the PCA start to be transferred to local governments in the province of Lima. After this transfer, MIMDES and later MIDIS, retained only the responsibility for oversight of the PCA, the purpose of which is to provide complementary food aid to poor people through the country’s organised soup kitchens.

This policy arose from dialogue with the users, which addresses their central concerns.

In order to address the concerns of the soup kitchens, one of the most important social protection networks in the country, MIDIS called the National Confederation of Women for Life and Integral Development (CONANOMVID), the National Coordinator for Mothers’ Clubs and Soup Kitchens and the national Coordinator for Mothers’ Clubs Coordinators, among other associations, for a round table dialogue.

The round table took place on the 21st of June 2012 under the aegis of Ministerial Ruling Nº 096-2012-MIDIS, with a brief to identify improvements that could be made to the legislative framework of the PCA, relating to its oversight, management, technical aid to improve implementation and the contributions of grass-roots organisations to the development and social inclusion strategy.

Nearly three months of work by leaders of social organisations and officials of MIDIS produced a document covering oversight by MIDIS of the PCA.

This consensus policy has resulted in new legislation: on the 13th of September 2012, the Minister of Development and Social Inclusion signed a ministerial ruling by which her ministry would assume oversight of the PCA, the purpose of which is to provide complementary food aid to poor people through the country’s organised soup kitchens.

The elimination of PRONAA created a vacuum in the oversight of the PCA and soup kitchens. The woken leaders of mothers’ clubs and soup kitchens suggested that their grass-roots organisations throughout Peru would be left with no supervisory institution to guarantee that local governments would comply strictly with the PCS’s directives and procedures.

22 When SD 007-2012-MIDIS was promulgated, eliminating PRONAA from the 31st of December 2012, the transfer of the PCA to 30 local governments in Lima was still pending and the soup kitchens were still being run by PRONAA.
4.3 THE QUIPU COMMISSION: A NEW WAY TO MAKE PUBLIC POLICY

In June, the Quipu Commission brought together academics from Peru and abroad with officials from MIDIS and the Ministry of Finance (MEF), to develop innovative public policy proposals to improve the efficiency of social programmes. The multi-disciplinary character of the Commission means that its proposals not only have a technical dimension, but also take into account relevance and logistical and political viability.

The Quipu Commission was created thanks to support from the private sector, particularly Soluciones Empresariales contra la Pobreza (SEP) and Abdul Latif Jameel Poverty Action Lab/Innovations for Poverty Action (J-PAL/IPA).

The Peruvian academics were Javier Abugattás, from the Catholic University of Peru (PuCP); Alberto Chong from the University of Ottawa; Midori de Habich, the current Minister of Health; Javier Iguiñiz from the PuCP; Martín Valdivia, from Grupo de Análisis para el Desarrollo (GRADE Peru); and Gustavo Yamada, from Universidad del Pacifico. International advisers were Michael Carter from UC Davis; Dean Karlan from Yale University; Claudia Martínez from the University of Chile; and Craig McIntosh from the University of California, San Diego.

As a first stage the Commission identified the key challenges of public policy for Peru and reviewed existing evidence in those areas where greater knowledge is still required.

Thereafter, and based on the previous analysis, the Commission drew up seven innovative proposals for social policy and programmes relating to financial inclusion, youth employment in rural areas, the use of information technology and communications, land management and community action on nutrition, school meals and chronic infant undernutrition.

At present the Community Action proposal is being implemented using the Municipalities and Healthy Communities methodology to promote healthy practices among families in the Cuna Más programme, while progress is being made with work to implement the other proposals.

4.4 THE NATIONAL SUPERVISION AND TRANSPARENCY COMMITTEE

Active participation by different actors from civil society in overseeing the management of social programmes constitutes a key element in ensuring transparency, guaranteeing the prompt presentation of accounts, ensuring that rules and procedures are relevant and enabling citizens to exercise their rights without interference by personal or political interests.

Such participation should also be guaranteed in the relevant areas of influence, so that it is the actors nearest to the users who oversee the programme and act —beyond the mechanisms created by MIDIS to gather the opinions of users—as spokespersons for local people who wish to make proposals themselves or complaints.

Of the social programmes affiliated to MIDIS, only one, the Juntos programme, has a Transparency and Oversight Committee that contains ordinary citizens. This Committee had exercised continual oversight of the programme’s management, representing civil society in the different areas where it operates; it was also a continual and reliable source of information on the implementation of Juntos, thus encouraging continual improvement.

The reorganisation of social programmes that establishes a standard organisation structure for them all, MIDIS has decided to make use of this valuable experience and transfer it to the sector as a whole. By means of Supreme Decree N°12-2012 MIDIS, promulgated on the 19th of September by the President of Peru after approval by the Cabinet of Ministers, created the National Supervision and Transparency Committee attached to MIDIS, which is responsible for monitoring progress in compliance with the goals of the set of social programmes.

Given that most of its members come from the areas in question, it is hoped that they will form a channel of communication for expectations and problems that may arise throughout the country, concerning the provision of services for which MIDIS is responsible.

The MIDIS Supervision and Transparency Committee is made up of the following members:

- A representative of the President of the Republic, who chairs it.
- A representative of the National Council of Evangelical Churches.
- A representative of the National Episcopal Conference.
- A representative of the National Assembly of Regional Governments.
- A representative of the National Association of Municipalities of Peru (AMPE).
- A representative of the National Network of Urban and Rural Municipalities of Peru (REMurPE).
- A representative of the Round Table for the Fight against Poverty.
- A representative of business associations,
Switchboard
51 1 209 8000

Address
Av. Paseo de la República 3101
San Isidro, Lima, Perú

http://www.midis.gob.pe