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Ouvrer pour que les  
populations rurales pauvres  
se libèrent de la pauvreté

## **République de Bolivie**

### **Options stratégiques pour le programme-pays**

Conseil d'administration — Quatre-vingt-douzième session  
Rome, 11-13 décembre 2007

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Pour: **Examen**

## **Note aux Administrateurs**

Le présent document est soumis au Conseil d'administration pour examen.

Afin que le temps imparti aux réunions du Conseil soit utilisé au mieux, les Administrateurs qui auraient des questions techniques à poser au sujet du présent document sont invités à se mettre en rapport, avant la session, avec le responsable du FIDA ci-après:

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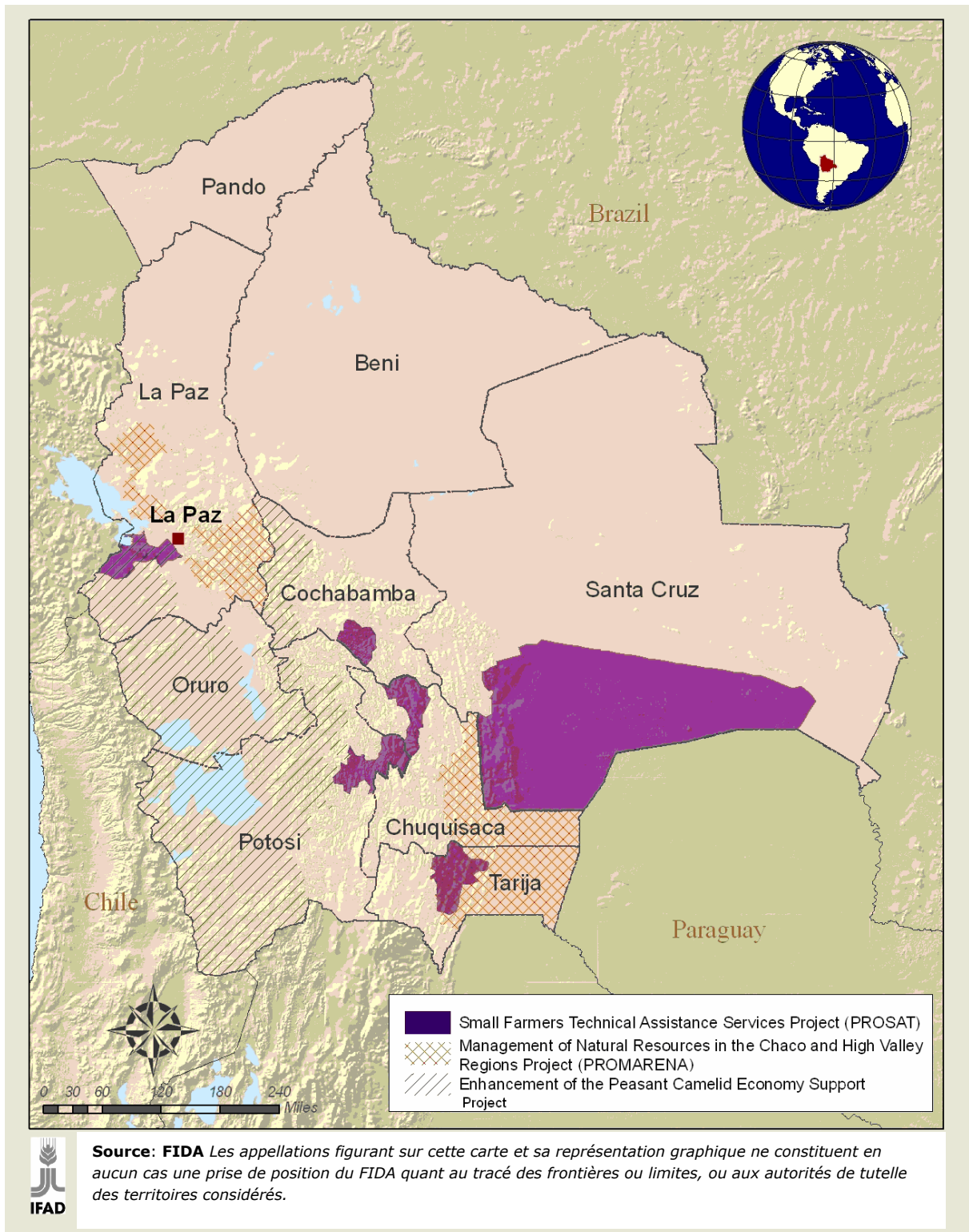
## **Dossiers clés**

- Dossier clé 1: Rural poverty and agricultural/rural sector issues (Pauvreté rurale et secteur agricole et rural)
- Dossier clé 2: Organizations matrix (strengths, weaknesses, opportunities and threats [SWOT] analysis) (Matrice des organisations [Analyse des forces, faiblesses, possibilités et menaces])
- Dossier clé 3: Complementary donor initiative/partnership potential (Initiatives complémentaires d'autres donateurs/possibilités de partenariats)
- Dossier clé 4: Target group identification, priority issues and potential response (Identification du groupe cible, questions prioritaires et options envisageables)

## **Sigles et acronymes**

COSOP	Options stratégiques pour le programme-pays
CPP	Chargé de programme de pays
MDRAMA	Ministère du développement rural, de l'agriculture et de l'environnement
MPD	Ministère de la planification du développement
PIB	Produit intérieur brut
Projet VALE	Projet d'appui au développement de l'économie paysanne des camélidés
PROMARENA	Projet de gestion des ressources naturelles dans les régions du Chaco et des hautes vallées
SAD	Société andine de développement

## Carte du pays indiquant les zones d'intervention du FIDA



## Résumé de la stratégie pour le pays

1. Les présentes options stratégiques pour le programme-pays (COSOP) axées sur les résultats, définies par le FIDA, représentent le deuxième document du genre concernant la Bolivie, le premier ayant été établi en 1998. L'élaboration d'un nouveau COSOP a été retardée en raison de plusieurs changements intervenus dans la fonction publique au cours de ces dernières années. Le présent document est le résultat de nombreuses consultations menées avec les autorités gouvernementales, les éventuels bénéficiaires des futures interventions du FIDA et la communauté des donateurs opérant en Bolivie. Ainsi qu'il a été convenu avec les autorités gouvernementales, le présent COSOP couvrira la période 2008-2012.
2. En Bolivie, la pauvreté n'a pas réellement évolué depuis 1998 et le niveau d'inégalité des revenus du pays est l'un des plus élevés de la région. La Bolivie tente de mettre en œuvre des stratégies de réduction de la pauvreté depuis 2001, mais cette action a été entravée par la situation politique et sociale. L'actuel gouvernement a élaboré le Plan national de développement pour 2006-2010, qui inclut des objectifs et priorités en matière de réduction de la pauvreté ainsi que des stratégies sectorielles. Dans le cadre du Plan national, le Ministère du développement rural, de l'agriculture et de l'environnement a achevé en 2007 l'élaboration d'un plan sectoriel de développement définissant des stratégies précises pour le développement rural.
3. Dans le contexte des plans national et sectoriel de développement, les deux objectifs stratégiques suivants ont été arrêtés avec les autorités gouvernementales pour le présent COSOP.
  - **Objectif stratégique 1: améliorer les avoirs nécessaires à la subsistance (humains, naturels, physiques, culturels et sociaux) des ruraux pauvres et encourager l'adoption d'innovations technologiques et cognitives en favorisant l'accès des pauvres à une large gamme de services.** Cet objectif satisfait aux priorités stratégiques du gouvernement, à savoir renforcer les capacités économiques et sociales des populations pauvres et vulnérables. Il répond aussi au souci de préservation des ressources naturelles et permet la promotion et l'adoption d'innovations technologiques et cognitives.
  - **Objectif stratégique 2: gestion et mise en valeur intégrées et durables des ressources naturelles dans des zones territoriales définies, compte dûment tenu des questions socioculturelles.** Cet objectif stratégique vise principalement à promouvoir la gestion et la mise en valeur intégrées et durables des ressources forestières et les mesures de conservation susceptibles de générer des revenus. Les ressources naturelles et forestières constituent un important actif pour les populations locales. L'objectif consiste aussi à favoriser la fourniture de services environnementaux qui tiennent compte de l'autogestion des communautés de *campesinos* et des communautés indigènes.
4. L'exécution du COSOP serait souple et tiendrait compte des changements intervenus dans la situation nationale et des résultats obtenus au cours du processus. Conjugué à un dialogue politique permanent et actif, le recours à l'approche participative adoptée dans le cadre du programme contribuera à réduire les risques potentiels pendant l'exécution. Pour assurer une meilleure performance du programme, le FIDA suivra et supervisera directement les opérations et renforcera sa présence dans le pays. Une stratégie active visant à assurer l'engagement du FIDA en Bolivie pendant la période couverte par le COSOP consistera à établir des partenariats en matière de développement avec d'autres organismes de coopération.

5. Le montant du financement du FIDA disponible pour la période d'exécution du COSOP repose sur l'allocation annuelle établie pour la première année du COSOP, qui s'élève à 6 078 495 de USD environ (tableau 1). L'allocation calculée pour la Bolivie dans le cadre de la septième reconstitution (2007-2009) se monte à 18 336 140 USD.



# République de Bolivie

## Options stratégiques pour le programme-pays

### I. Introduction

1. Les présentes options stratégiques pour le programme-pays (COSOP) représentent le deuxième document du genre pour la Bolivie, qui a été élaboré à la suite des recommandations énoncées dans le Plan d'action du FIDA pour améliorer son efficacité en matière de développement et des décisions prises par le Conseil d'administration du Fonds pour axer davantage le présent document sur les résultats et tenir compte de la maîtrise du gouvernement dans ce domaine. Le document précédent, élaboré en 1998, couvrait une période quinquennale et portait essentiellement sur l'accès aux services financiers et non financiers et sur la gestion des ressources naturelles. Le présent COSOP est le résultat de nombreuses consultations menées avec les autorités gouvernementales, les éventuels bénéficiaires des futures interventions du FIDA et la communauté des donateurs opérant en Bolivie. Le processus de formulation du COSOP a comporté trois étapes.
  - i) Une première mission a effectué une visite au Bolivie en novembre 2006 pour familiariser les autorités avec les principes sur lesquels repose le nouveau document axé sur les résultats.
  - ii) À la demande des autorités gouvernementales, une deuxième mission s'est rendue en Bolivie en janvier 2007 et pendant sa visite, une série d'ateliers a été organisée avec la participation de fonctionnaires du gouvernement, de petits producteurs, de *campesinos* (paysans) et de groupes indigènes. En parallèle à la formulation du COSOP, le FIDA a réalisé une étude de cas sur les stratégies de réduction de la pauvreté et le développement rural en Bolivie dans le cadre d'une initiative multidonateurs<sup>1</sup>. Cette étude comportait plusieurs conclusions qui ont été utiles pour la formulation du COSOP. Pendant la période de formulation, un certain nombre de changements sont intervenus au niveau des structures gouvernementales et des autorités désignées.
  - iii) En juin 2007, les autorités ont achevé l'élaboration du plan sectoriel de développement, intitulé "Révolution dans le domaine rural, agricole et forestier". Ce plan a servi de base pour apporter à la version initiale du COSOP quelques modifications demandées par les autorités gouvernementales. À cet effet, une troisième mission s'est rendue en Bolivie en juillet 2007 pour établir la version définitive du document et veiller à ce que le gouvernement ait la maîtrise des propositions stratégiques. Ainsi qu'il a été convenu avec les autorités gouvernementales, le présent COSOP couvrira la période 2008-2012. On trouvera à l'appendice I un résumé du processus de consultation et dans l'appendice IV les résultats du précédent COSOP.

### II. Le contexte du pays

#### A. Économie, agriculture et pauvreté rurale

##### Situation économique générale

2. La Bolivie est un pays enclavé situé au centre du continent sud-américain, d'une superficie de 1 098 581 kilomètres carrés, avec une population estimée à 9,3 millions d'habitants en 2006 et un taux de croissance démographique estimé à 1,8%. La Bolivie est un pays classé dans la tranche inférieure des pays à revenu intermédiaire dont le revenu national brut par habitant s'élevait à environ 1 100 USD en 2006 (méthode Atlas) et dont le produit intérieur brut (PIB) affichait un taux de croissance annuel de 4,6% durant la même année. Les données relatives à 2006 font ressortir un excédent budgétaire de 4,5% du PIB et une

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<sup>1</sup> Wiggins, S., et C. Toranzo (2007), "Poverty Reduction Strategies and Rural Development, Case Study: Bolivia". FIDA, Rome.

inflation de 12,2%. Le secteur financier a gagné en stabilité puisque les dépôts et le crédit ont progressé pour la première fois depuis plusieurs années et la balance des paiements est restée solide, les réserves officielles de devises ayant atteint des sommets historiques. En 2006, les exportations ont enregistré une valeur record de 4 milliards de USD, avec un excédent commercial de plus de 1,3 milliard de USD et un excédent du compte des opérations courantes de 11,6% du PIB, tandis que les réserves internationales nettes se sont élevées à 3 milliards de USD. Les indicateurs macro-économiques concernant 2007 sont encourageants.

3. Il ressort des consultations récemment menées entre la Bolivie et le Fonds monétaire international que les perspectives économiques à court terme de la Bolivie sont favorables, mais qu'il subsiste des problèmes à moyen terme. Leur solution exigera la promotion des politiques nécessaires pour consolider les récents gains macro-économiques, fortifier le climat de confiance, et encourager une croissance plus poussée, plus diversifiée et plus équitable. Il est impératif, dans le même temps, de préserver la stabilité macro-économique, de renforcer la gouvernance et la gestion des dépenses à tous les niveaux des pouvoirs publics, et de déployer efficacement les ressources mises à disposition au titre de l'Initiative d'allègement de la dette multilatérale.
4. Par suite de cette initiative, le ratio de la dette publique au PIB devait tomber de 71% à la fin de 2005 à 51% à la fin de 2006. L'accumulation des réserves officielles devrait se poursuivre, ce qui témoigne d'un important excédent des paiements courants, lié aux cours internationaux élevés des combustibles et des minéraux. Dans le cadre de l'Initiative d'allègement de la dette multilatérale, la Bolivie s'est vu accorder par la Banque mondiale et le Fonds monétaire international un allègement de la dette d'un montant total de 1,7 milliard de USD environ. Dans le cadre de l'Initiative renforcée pour la réduction de la dette des pays pauvres très endettés (PPTE), le FIDA a approuvé pour la Bolivie un allègement de la dette s'élevant au total à 6,5 millions de DTS.

#### **Agriculture et pauvreté rurale**

5. En Bolivie, les conditions climatiques et les élévations (comprises entre 130 et 6 000 mètres au-dessus du niveau de la mer) sont très variables. Le territoire bolivien comprend trois zones géographiques distinctes: i) le haut plateau des départements de La Paz, d'Oruro et de Potosi, qui produit de l'orge, du *quinoa* et des pommes de terre et où se pratique l'élevage de camélidés sud-américains et d'ovins; ii) les vallées andines des départements de Cochabamba, de Chuquisaca et de Tarija, qui produisent du blé, du maïs, des pommes de terre, des fruits et des légumes; dans les parties basses se pratique la culture du manioc, du riz, du maïs, des bananes, des agrumes et du coca; iii) les basses terres orientales des départements de Santa Cruz, de Beni et de Pando, qui se caractérisent par une agriculture commerciale tirée par les exportations, les principales cultures étant celles de fèves de soja, de riz et de canne à sucre et, dans les provinces amazoniennes, de noix du Brésil. Selon le recensement de la population et de l'habitat de 2001, 30% de la population étaient employés dans le secteur agricole, lequel a contribué pour 15,7% au PIB en 2004. D'après les estimations, le pays compte 57 millions d'hectares susceptibles d'être utilisés pour la sylviculture agricole et aménagée, dont 3,7 millions d'hectares destinés à l'agriculture intensive, soit l'équivalent de 3% de la masse terrestre. La Bolivie possède au total 53 millions d'hectares de forêts, dont 12 millions pourraient être utilisés à des fins commerciales s'ils étaient correctement gérés. Entre 1990 et 2004, la superficie cultivable est passée de 1,4 à 2,4 millions d'hectares, une expansion étant possible. Les résultats sectoriels sont très hétérogènes. Si les cultures traditionnelles pratiquées dans le haut plateau et les vallées ont enregistré un accroissement annuel de la production de 1% seulement, les cultures industrielles de fèves, de soja, de sorgho et de coton pratiquées dans les basses terres ont progressé de 10%, même si l'effet sur la sécurité alimentaire a été négligeable. Il est donc

nécessaire d'accroître la productivité dans le haut plateau et les vallées pour réduire l'insécurité alimentaire.

6. La production agricole et animale est extrêmement vulnérable aux conditions climatiques, qui ont une incidence directe sur la sécurité alimentaire. Au début de 2007, la sécheresse, le gel et des inondations ont causé des dégâts considérables dans les zones cultivées et provoqué de graves pertes de rendement agricole.
7. La Bolivie est confrontée à des niveaux élevés de pauvreté et d'inégalité des revenus. En 2002, 65% de la population vivaient dans la pauvreté, dont près de 40% se trouvaient en situation d'extrême pauvreté. La pauvreté a reculé au milieu des années 1990; cependant, le taux de pauvreté reste aujourd'hui proche du niveau du début des années 1990. L'inégalité des revenus a augmenté dans une mesure notable entre 1997 et 2002; le coefficient de Gini est estimé à 0,58, ce qui fait de la Bolivie le pays qui présente les taux d'inégalité des revenus parmi les plus élevés de la région. La forte inégalité des revenus témoigne de disparités substantielles en ce qui concerne l'accès à des ressources comme l'éducation et le régime foncier, la taille des ménages et les revenus selon le sexe, l'ethnicité, la situation géographique et le type d'emploi.
8. En 2002, 80% de la population rurale étaient considérés comme pauvres. La pauvreté rurale est concentrée dans le haut plateau et les vallées, où vivent 2,1 millions de ruraux pauvres, dont 1,6 million sont considérés comme extrêmement pauvres. On estime que les basses terres abritent un demi-million de ruraux pauvres, dont 230 000 sont en situation d'extrême pauvreté. L'incidence de la pauvreté et de l'extrême pauvreté dans la population rurale est notablement plus élevée chez les personnes qui exercent une activité dans le secteur agricole, en particulier les travailleurs familiaux et les catégories de travailleurs indépendants typiques des économies rurales des hautes terres et des vallées. Au niveau national, les revenus des ménages ruraux proviennent principalement des activités agricoles; toutefois, près de 48% proviennent d'activités non agricoles ou sont des revenus autres que ceux du travail, par exemple les pensions et envois de fonds, ce qui démontre une diversification croissante des sources de revenus et l'importance des liens entre les zones rurales et les zones urbaines<sup>2</sup>.
9. Les niveaux de pauvreté et de vulnérabilité sont plus élevés parmi les groupes indigènes, ainsi que parmi les femmes et les jeunes vivant en zone rurale. La plupart des femmes rurales travaillent dans le secteur agricole et nombre d'entre elles sont chefs de famille en raison de la fréquente migration des hommes. Elles ont du mal à accéder à tous les types de services, y compris l'assistance technique, qui est surtout destinée aux hommes. Elles reçoivent généralement une rémunération inférieure pour un travail similaire, ont un accès limité aux moyens de formation et sont moins souvent reconnues pour le rôle qu'elles jouent dans la communauté et leur contribution à l'économie familiale. Le taux d'analphabétisme dans la tranche des 15 ans est de 21% pour les filles, contre 8% pour les garçons. En milieu rural, la fréquentation scolaire est en moyenne de deux ans et demi pour les filles, contre 4,7 ans pour les garçons. L'indicateur de développement par sexe est de 0,68, ce qui place la Bolivie à la 86<sup>ème</sup> place sur 177 pays<sup>3</sup>. La pauvreté rurale touche de façon sensible les jeunes. Selon les estimations, 86,4% des personnes de 25 ans ou moins sont pauvres. En général, ce qui touche particulièrement les jeunes, ce sont les faibles taux de fréquentation scolaire et les rares possibilités d'emploi.

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<sup>2</sup> Jiménez, W., et S. Lizárraga (2003), "Ingresos y desigualdad en el área rural de Bolivia". Unidad de Análisis de Políticas Sociales y Económicas, La Paz.

<sup>3</sup> PNUD (2006), *Rapport mondial sur le développement humain 2006: Au-delà de la pauvreté; Pouvoir, pauvreté et la crise mondiale de l'eau*. New York: Palgrave Macmillan et Programme des Nations Unies pour le développement.

10. Plusieurs facteurs expliquent pourquoi la pauvreté persiste même pendant les périodes de plus forte croissance économique: i) le fait que les secteurs qui contribuent davantage à la croissance économique de la Bolivie, par exemple les secteurs de l'industrie minière, du pétrole et du gaz ainsi que l'agriculture commerciale, ne sont pas des secteurs à forte intensité de main-d'œuvre et ne tissent pas de liens avec d'autres industries ou activités au niveau national; ii) les difficultés et les coûts de transaction élevés liés à l'accès aux marchés et services internes et externes; iii) l'instabilité et l'absence de continuité politique, conjuguée au conflit social causé par des niveaux élevés d'inégalité économique; iv) les faiblesses institutionnelles qui affectent la définition et la mise en œuvre des politiques; et v) les politiques en matière d'investissement public qui sont axées sur les secteurs considérés comme ayant un plus fort potentiel plutôt que sur les pauvres marginalisés, pour l'essentiel en milieu rural.

## **B. Politiques, stratégies et contexte institutionnel**

### **Le contexte institutionnel national**

11. Pour exécuter le Plan national de développement, le gouvernement a modifié la structure de la branche exécutive dans le but de renforcer le rôle de l'État dans le développement économique et social. Les changements organisationnels ont permis de mettre un accent particulier sur la participation du Ministère de la planification du développement (MPD) en tant qu'entité de coordination de toutes les politiques sectorielles. L'autre institution étroitement liée aux opérations du FIDA dans le pays est le Ministère du développement rural, de l'agriculture et de l'environnement (MDRAMA), qui sera l'homologue du FIDA pour les questions techniques et de fond dans le cadre des plans sectoriels de développement. Une autre institution du secteur des services financiers publics susceptible de contribuer au développement rural et à la réduction de la pauvreté est la Banque de développement productif, récemment créée.

### **La stratégie nationale de réduction de la pauvreté rurale**

12. Depuis son entrée en fonction, le gouvernement du Président Evo Morales a élaboré un plan national de développement qui sera le schéma directeur d'un programme de vaste portée visant à introduire des changements politiques et économiques. Avant l'adoption du plan, la Bolivie avait établi une stratégie de réduction de la pauvreté, détaillée et participative, qui est désormais remplacée par le plan. En se fondant sur le cadre général énoncé dans le plan, le MDRAMA a défini un plan stratégique qui comprend trois idées maîtresses: i) promouvoir la sécurité et la souveraineté alimentaires en assurant l'approvisionnement de l'ensemble de la population en denrées alimentaires, en privilégiant le développement des capacités des groupes indigènes et des groupes de *campesinos* dans le domaine des activités agricoles et sylvicoles, en établissant des conditions de valorisation plus équitables aux fins du développement rural, en préservant les ressources naturelles et en éradiquant la pauvreté; ii) intensifier la contribution de l'agriculture et de la sylviculture à l'amélioration des moyens de subsistance de la population et au développement du pays en élargissant la base économique, en envisageant la possibilité d'une industrialisation des ressources naturelles renouvelables qui soit respectueuse de l'environnement, en créant des emplois et des revenus durables pour la population rurale, et en consolidant les liens avec les activités non agricoles; et iii) encourager la gestion durable des ressources naturelles de manière à améliorer les conditions de vie des groupes indigènes et des groupes de *campesinos* ainsi que de la société rurale, dans son ensemble, par l'utilisation de ressources naturelles durables, sans mettre en danger les écosystèmes existants, les paysages naturels et la diversité biologique, en tant que processus de plus vaste portée visant à minimiser les effets des autres activités économiques sur la qualité de l'environnement.
13. Par le passé, la faiblesse des institutions, conjuguée à l'absence de continuité en matière de politiques et de programmes, a nui à l'amélioration de la performance

dans les activités de développement. Le gouvernement a décidé d'inverser le processus en établissant des unités d'exécution de programmes et de projets chargées d'administrer directement les projets, programmes et activités de développement rural.

#### **Harmonisation et alignement**

14. La Bolivie a été par le passé au centre de la coordination des donateurs et a réagi aux récentes évaluations des progrès accomplis pour satisfaire aux objectifs et indicateurs énoncés dans la Déclaration de Paris sur l'efficacité de l'aide au développement. Selon un rapport établi par l'Organisation de coopération et de développement économiques, la Bolivie a reçu en 2006 une aide s'élevant à 791 millions USD. Ce rapport indique aussi qu'elle a accueilli 257 missions de donateurs et que 50 études analytiques ont été réalisées en 2006, ce qui implique la nécessité d'une coordination plus solide entre les donateurs. Le FIDA contribue à l'harmonisation en se joignant à l'Organisation des Nations Unies pour l'alimentation et l'agriculture et au Programme alimentaire mondial en vue de l'établissement d'un plan d'action ayant pour objet de remédier à la pauvreté rurale. Le Fonds renforce aussi ses liens avec la Société andine de développement (SAD) et l'Agence allemande de coopération technique, dans le but de renforcer l'efficacité et l'utilité des programmes relatifs à la micro-finance, à l'égalité entre les sexes et à la gestion des ressources naturelles. Une personne assurant la présence du FIDA sur le terrain contribuerait à faire en sorte que les activités du FIDA soient coordonnées avec celles d'autres donateurs (y compris l'Union européenne, la Belgique, le Danemark et la Suisse) et alignées sur les priorités du gouvernement.
15. Les opérations menées par le FIDA en Bolivie continueront à bénéficier de dons régionaux et sous-régionaux pour i) encourager les initiatives novatrices en vue de leur transposition et de leur élargissement, ii) renforcer le potentiel opérationnel des projets fondés sur des prêts dans le cadre d'une formation et d'une assistance technique spécifiques et iii) forger une expérience et la partager entre les initiatives en matière d'investissement menées dans la région relevant de la Division Amérique latine et Caraïbes du FIDA et aider les organisations rurales à accéder aux connaissances externes dans le cadre des réseaux régionaux.

### **III. Enseignements tirés de l'expérience du FIDA dans le pays**

#### **A. Résultats, impact et performance des opérations antérieures**

16. Une évaluation du programme de pays a été réalisée en 2003<sup>4</sup>. Cette évaluation portait sur la période 1979-2003, au cours de laquelle le Fonds a approuvé pour la Bolivie neuf projets d'un montant total de 81,3 millions de USD. L'accord conclusif fournit, avec les évaluations de projets, la base permettant de tirer des enseignements. En outre, l'Évaluation externe indépendante du FIDA avait analysé l'impact du Projet de développement soutenable par les populations indigènes du Beni et du Projet de services d'assistance technique à l'intention des petits exploitants. Depuis l'évaluation du programme de pays, le FIDA a financé le Projet de gestion des ressources naturelles dans les régions du Chaco et des hautes vallées (PROMARENA) et a approuvé le Projet d'appui au développement de l'économie paysanne des camélidés (Projet VALE). Depuis le dernier COSOP, le FIDA a financé des opérations qui ont contribué à l'autonomisation des organisations de *campesinos* et des organisations indigènes locales en leur transférant des ressources et des capacités, ce qui permet aux ruraux pauvres d'entreprendre les initiatives recensées et ultérieurement mises en œuvre par le biais de ces organisations.

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<sup>4</sup> Voir l'appendice V.

17. Les évaluations ont fait ressortir des résultats positifs, notamment en ce qui concerne la remise en état des terres, la micro-irrigation et l'accès à de l'eau potable sûre. L'appui à l'artisanat traditionnel témoigne de la reconnaissance de l'importance des actifs culturels pour les femmes indigènes qui ont pris part aux activités en question et il en est résulté pour elles un accroissement substantiel (de plus de 50%) des revenus familiaux. Le Projet de développement soutenable par les populations indigènes du Beni, qui s'est achevé récemment, a contribué à renforcer les organisations indigènes au moyen d'un processus d'officialisation des droits de ces peuples à plus de 1 million d'hectares de terres. Le projet a amélioré le capital humain des bénéficiaires en apportant une aide à plus de 700 étudiants boursiers qui ont renforcé leurs possibilités de revenus après la formation (l'objectif initial étant de 250 étudiants).
18. Pour ce qui est de la pérennité des activités créées par le projet, plusieurs éléments ont montré l'existence d'effets durables: i) dans le cadre des projets régionaux, les investissements et la diversification de la production ont entraîné des augmentations durables de revenus; ii) les organisations communautaires ont été renforcées et ont poursuivi leurs activités avec efficacité; iii) les revenus ont progressé dans la filière des camélidés grâce à l'accroissement de la demande de produits et de produits dérivés; iv) de la valeur a été ajoutée à la production des *campesinos*; et v) le renforcement des titres fonciers et des organisations foncières dans les communautés indigènes du Beni a répondu aux besoins exprimés par les bénéficiaires du projet.
19. Des projets financés par le FIDA récemment exécutés en Bolivie ont aidé à donner accès aux services financiers à plus de 5 000 familles rurales (l'objectif initial étant de 2 800 familles) de la région du haut plateau qui gagnent leur vie en élevant des camélidés sud-américains et en commercialisant les produits obtenus. On estime que 20 000 familles de *campesinos* ont pu accéder aux services d'assistance technique. Les projets en cours doubleront ces chiffres.
20. Les deux projets en cours ne sont pas considérés comme des projets à risque. Le Projet de services d'assistance technique à l'intention des petits exploitants, qui doit s'achever en juin 2008, présente un solde de 400 000 USD, dont il sera fait usage. L'institution coopérante et le FIDA détermineront les montants qui pourront faire l'objet d'une demande de retrait, justifieront les dépenses au titre du compte spécial et présenteront un rapport d'achèvement de projet et des états vérifiés à partir du 31 décembre 2007. Le PROMARENA suscite toutefois une certaine préoccupation; le projet est en vigueur depuis août 2003 mais 2 millions de DTS seulement ont été décaissés, soit l'équivalent de 20% du montant approuvé, qui était de 9,3 millions de DTS environ. La date de clôture étant fixée à septembre 2008, il sera nécessaire de procéder à une évaluation en vue d'une prorogation et d'une éventuelle réduction de l'ampleur du projet, compte tenu des recommandations issues de l'examen à mi-parcours et des résultats de l'exécution du projet.

## **B. Enseignements tirés**

21. L'expérience acquise dans le pays montre qu'il est nécessaire d'examiner les points suivants:
  - **Flexibilité dans la conception des projets.** Plusieurs projets ont donné des résultats positifs principalement grâce à l'originalité et à la flexibilité qui ont caractérisé la conception des différents éléments et grâce à l'engagement et à la participation sans réserve des bénéficiaires dans le cadre du processus d'élaboration. La formulation des futures opérations devrait permettre de s'assurer que les bénéficiaires éventuels sont consultés du début à la fin et que des mesures sont incluses dans la conception des projets pour que les bénéficiaires puissent faire un suivi

constant de leur exécution afin de garantir la transparence et l'efficacité des interventions.

- **Risques liés à l'exécution.** Des projets récents se sont heurtés à de graves problèmes institutionnels et ont dû être redéfinis au cours de missions de réorientation. Des projets ont grandement souffert des réorganisations intervenues au sein du gouvernement et d'une faible capacité d'exécution. Les problèmes ont été aggravés en partie par la situation politique nationale. Bien que l'on ne puisse pas garantir qu'il n'y aura pas de difficultés ou de changements institutionnels, des mesures devraient être prises pour faire en sorte que l'exécution des projets puisse se poursuivre sans bouleversement conséquent, notamment en limitant l'ingérence politique dans le choix et la désignation du personnel affecté aux projets. Il a été proposé d'améliorer les processus de choix de ce personnel et d'attribuer des niveaux de salaire adéquats pour améliorer la performance. En général, il sera nécessaire d'adopter une approche dynamique qui permettra de procéder aux ajustements nécessaires selon l'évolution des réalités économiques, sociales et politiques.
- **Décentralisation.** Une forte concentration des processus de décision entre les mains des autorités nationales entrave les opérations sur le terrain. Il est indispensable de placer les unités d'exécution des projets sur le terrain et de financer les activités relatives aux projets par l'intermédiaire des administrations locales. Il a été constaté que très souvent, les ressources de cofinancement disponibles pour des opérations en cours sont plus importantes que celles qui existent dans le cadre des projets eux-mêmes.
- **Priorité accordée à la fourniture de ressources et à l'accès à ces ressources.** Il est primordial d'aider les groupes de *campesinos* et les groupes indigènes, tout particulièrement les femmes et les jeunes, à accéder aux services non financiers, ainsi qu'aux services financiers diversifiés, pour renforcer leur autonomie et augmenter leurs ressources. Il est essentiel de prêter assistance aux segments de la population qui n'ont pas de document d'identité car cela limite leur accès aux services et la possibilité qu'ils ont de s'organiser pour exercer leur droit à la pleine citoyenneté. Les interventions devraient viser à réduire les disparités régionales en ciblant les communautés les plus pauvres des hautes terres. L'expérience acquise en Bolivie montre qu'il est possible d'accroître assez rapidement les ressources en capital organisationnel et social, en particulier si un soutien est accordé pour la gestion des systèmes de micro-irrigation et la création de petites entreprises.
- **Ciblage et questions d'égalité entre les sexes.** Les projets relevant du présent COSOP devront prendre en compte les nouvelles politiques du FIDA ayant trait au ciblage et aux questions d'égalité entre les sexes. Ce faisant, les nouvelles opérations feront en sorte que les femmes rurales renforcent leur sécurité alimentaire et améliorent leur nutrition, soient reconnues en tant que citoyennes car elles sont en possession de documents d'identité, et créent légalement leurs organisations. Les unités d'exécution des projets devraient garantir que les femmes participent pleinement à toutes les activités relatives aux projets et ont une part de tous les avantages en découlant.

## IV. Cadre stratégique du FIDA pour le pays

### A. Avantage comparatif du FIDA au niveau du pays

22. Ces 15 dernières années, le FIDA et les organismes d'exécution ont adopté plusieurs approches que les autorités gouvernementales ont reconnues comme uniques et qui démontrent l'avantage comparatif du FIDA par rapport à d'autres interventions dans le domaine du développement rural. L'avantage comparatif que possède le Fonds en la matière consiste en quatre principales contributions: i) appui aux initiatives fondées sur les ressources des pauvres, qui sont définies par leur potentiel et non par une liste de besoins; ii) réalisation d'activités dans le cadre d'une approche fondée sur la demande et dynamisation des marchés financiers et non financiers privés; iii) autonomisation des groupes de *campesinos* et des groupes indigènes en fournissant un accès aux connaissances essentielles dans la mise en œuvre des initiatives et en transférant les ressources monétaires directement aux organisations des populations cibles afin de leur permettre d'acquérir, sur le marché, les services dont elles ont besoin pour mener à bien leurs propres initiatives; et iv) fourniture, de façon concurrentielle, d'un appui et de ressources susceptibles d'être autogérées et exigeant des initiatives cofinancées par les bénéficiaires et les autres parties prenantes. L'approche participative du FIDA, qui est fondée sur la reconnaissance du fait que les ruraux pauvres ont des ressources et des capacités, lui a permis de gagner la confiance des communautés rurales pauvres et de leurs organisations, ainsi que celle des organismes gouvernementaux.

### B. Objectifs stratégiques

23. Le présent COSOP s'inscrit dans le Cadre stratégique du FIDA 2007-2010, dont l'objet est de faire en sorte que les ruraux pauvres, hommes et femmes, aient un meilleur accès a) aux qualifications et aux capacités organisationnelles, b) aux ressources naturelles, c) aux techniques et services agricoles, d) aux services financiers, et e) aux emplois non agricoles et à la création d'entreprises. Les objectifs stratégiques renforceront la participation des ruraux pauvres aux processus nationaux de programmation et d'élaboration des politiques. Ils ont été définis d'après les plans et programmes du gouvernement et d'après un processus de consultation qui fait fond sur l'expérience acquise par le FIDA en Bolivie. Les activités qui doivent être réalisées dans le cadre de chaque objectif sont complémentaires et interdépendantes.
24. **Objectif stratégique 1. Améliorer les avoirs nécessaires à la subsistance (humains, naturels, physiques, culturels et sociaux) des ruraux pauvres et encourager l'adoption d'innovations technologiques et cognitives en favorisant l'accès des pauvres à une large gamme de services.** Cet objectif satisfait aux priorités stratégiques du gouvernement, à savoir renforcer les capacités économiques et sociales des personnes pauvres et vulnérables. Il répond aussi au souci de préservation des ressources naturelles et permet la promotion et l'adoption d'innovations technologiques et cognitives. En outre, il améliorera la fourniture de services non financiers diversifiés tels que la formation et l'assistance technique, ainsi que la fourniture de services financiers, et l'acquisition des documents officiels nécessaires pour exercer les droits civiques. Il reconnaît que les familles et les segments les plus pauvres de la population ont des ressources qui peuvent être valorisées et accrues, ce qui leur permettra de se libérer de la pauvreté.
25. **Objectif stratégique 2. Gestion et mise en valeur intégrées et durables des ressources naturelles dans des zones territoriales définies, compte dûment tenu des questions socioculturelles.** Cet objectif est en harmonie avec les priorités stratégiques du gouvernement, qui sont d'assurer une gestion et une mise en valeur intégrées et durables des ressources forestières et de prendre des mesures de conservation susceptibles de générer des revenus. Dans le cadre de cet



objectif, la conception des projets devra conduire au renforcement organisationnel, à l'amélioration des méthodes de gestion locales, à la préservation des identités culturelles des communautés de *campesinos* et des communautés indigènes, et à l'accroissement des revenus des populations locales.

### **C. Perspectives d'innovation**

26. Les nouvelles opérations menées au titre du présent COSOP faciliteront l'introduction de trois approches novatrices. La première caractéristique novatrice consiste à développer un marché privé local en vue de la fourniture de services non financiers diversifiés tels que les services de conseils et d'assistance dans le domaine technique et commercial, ainsi que la fourniture de l'information et de la formation pertinentes. Faire appel à des *campesinos*, à des artisans locaux et à des microentrepreneurs comme fournisseurs de services permettra d'élargir la portée de cette innovation, qui a été couronnée de succès dans les projets appuyés par le FIDA précédemment exécutés dans la sous-région andine. La deuxième innovation vise principalement à inclure, sur une vaste échelle, les éléments culturels dans le développement économique, y compris la valorisation du capital social des organisations des populations de *campesinos* et des populations indigènes en favorisant le développement territorial eu égard aux identités locales, tout en protégeant l'environnement. L'utilisation des fonds publics par les ruraux pauvres et les organisations des populations indigènes aux fins de leur propre développement fera progresser le dialogue démocratique fondé sur les stratégies et l'expérience des bénéficiaires. La troisième innovation a trait à l'inclusion des ruraux pauvres dans le domaine des services financiers diversifiés offerts par le secteur bancaire formel, en particulier grâce à la mobilisation de l'épargne, le but étant d'atténuer la vulnérabilité des ruraux pauvres, notamment les femmes. Le recours à une institution nationale telle que la Banque de développement productif permettra plus aisément d'élargir le champ et la portée du système bancaire afin d'y inclure les ruraux pauvres, ce qui leur donnera la possibilité d'exercer leurs droits civiques. On mettra en œuvre les innovations en faisant en sorte que les fournisseurs de services d'assistance technique soient, entre autres, les *campesinos* eux-mêmes, en finançant les initiatives qui sont fondées sur la culture et les valeurs locales et en introduisant un mécanisme de mobilisation de l'épargne, en particulier parmi les femmes rurales.

### **D. Stratégie de ciblage**

27. Des études visant à établir le profil de la population rurale bolivienne ont mis en avant plusieurs groupes différents en fonction des caractéristiques ethnoculturelles et géographiques et des niches écologiques des régions où ils vivent. Une très large généralisation permet d'établir une distinction entre la région orientale, constituée par les plaines des basses terres et le bassin du fleuve Amazone, et la région occidentale, représentée par le haut plateau et les hautes vallées andines. Les communautés andines traditionnelles, principalement d'origine Quechua et Aymara, vivent dans les hautes terres, tandis que dans les basses terres, les groupes prédominants sont des peuples indigènes d'origine amazonienne, dont certains sont dispersés, ainsi que des populations non indigènes et, de plus en plus, des migrants ruraux provenant des hautes terres.
28. Le COSOP a été formulé selon la stratégie de ciblage du FIDA. En faisant appel à un ciblage géographique, il a été possible de déterminer que les populations rurales les plus nombreuses vivent dans les hautes terres, où l'on observe des niveaux de pauvreté extrêmement élevés et où les familles ont élaboré diverses stratégies pour surmonter les contraintes auxquelles elles sont confrontées, en s'appuyant sur une série de valeurs et de ressources communautaires qui peuvent être exploitées pour assurer leur bien-être. Ces populations sont essentiellement structurées autour de communautés (*ayllu*) qui englobent des organisations sociopolitiques locales très aptes à aider à résoudre les questions complexes liées à la pauvreté. Les futurs projets devraient permettre de parvenir à un consensus sur la réalisation

d'initiatives et d'activités au lieu de créer de nouveaux comités ou groupes sociaux qui pourraient sembler adéquats pour faire des interventions dans le cadre des projets, mais qui pourraient mener à un bouleversement du capital social existant. Il convient aussi de relever que les femmes interviennent rarement dans les organisations susmentionnées, à cause de l'absence d'une reconnaissance minimale de leurs droits civiques et de leur incapacité à produire leurs propres revenus. Cependant, s'il pouvait être remédié à ces deux aspects négatifs, les femmes accéderaient rapidement à des postes de direction, et l'inégalité entre hommes et femmes reculerait.

29. Selon les estimations, les basses terres sont habitées par 500 000 ruraux pauvres, pour l'essentiel des groupes indigènes auxquels une attention particulière doit être prêtée. L'expérience montre qu'il faut plus de temps, jusqu'à dix ans, pour travailler avec ces groupes et que des efforts considérables doivent être déployés pour renforcer le capital humain, principalement au moyen de l'alphabétisation et de la formation à des fonctions de direction. De telles activités seraient menées en vue de renforcer les processus durables d'auto-développement qui mettraient en valeur les ressources naturelles, culturelles et biologiques que possèdent ces populations vulnérables.
30. Le ciblage géographique fondé sur une analyse de la pauvreté auquel le gouvernement a procédé débouchera sur des interventions en faveur de la population rurale des municipalités et des communautés recensées dans le programme du gouvernement Communautés en action, qui a déterminé que 148 municipalités rurales étaient en situation d'extrême pauvreté.

## **E. Articulation au niveau des politiques**

31. L'actuelle administration bolivienne a décidé de remplacer les stratégies de réduction de la pauvreté adoptées par ses prédécesseurs et axe les interventions sur le Plan national de développement pour 2006-2010, le Programme intégral de développement communautaire et la stratégie sectorielle du MDRAMA, récemment approuvée. Les principales discussions sur les politiques ont trait i) à la promotion de la production agricole et sylvicole, l'accent étant mis sur la souveraineté et la sécurité alimentaires ainsi que sur la gestion intégrée et durable des ressources naturelles, ii) au renforcement des capacités économiques de la population rurale pauvre et en danger, ainsi qu'à la consolidation des mécanismes institutionnels appropriés visant la fourniture de services financiers aux secteurs traditionnellement exclus, et iii) au développement technologique de la production agricole, à l'encouragement des emplois ruraux non agricoles et à l'insertion dans de nouveaux marchés, ainsi qu'aux activités complémentaires au programme Communautés en action. D'autres questions concernant le choix des orientations porteront sur a) l'adoption des mécanismes nécessaires pour permettre le transfert direct de ressources aux organisations de ruraux pauvres, b) la création d'un marché pour la fourniture de l'assistance technique, c) l'appui à l'exercice des droits fondamentaux par les populations rurales pauvres, d) la promotion et le soutien de la gestion et de la mise en valeur intégrées et durables des ressources forestières, ainsi que le maintien de la biodiversité avec la participation des populations de *campesinos* et des populations indigènes, et e) la complémentarité entre les infrastructures et les équipements de base et les initiatives menées parmi la population rurale pauvre.

## **V. Gestion du programme**

### **A. Gestion du COSOP**

32. L'exécution du COSOP s'inscrira dans le cadre du programme de travail établi par la Division Amérique latine et Caraïbes du FIDA aux fins de la septième reconstitution. Elle peut englober la conception et la formulation de trois opérations dans le contexte des objectifs stratégiques du programme, tout en tenant compte du portefeuille existant. Il est prévu que pendant la durée du présent COSOP, le PROMARENA continuera à être exécuté (compte tenu d'une future prorogation). Le programme sera souple et adaptable dans le temps pour tenir compte des modifications éventuelles des politiques nationales et du cadre institutionnel. Pour faciliter l'exécution du programme, le chargé de programme de pays (CPP) pour la Bolivie apportera son appui à la constitution d'une équipe de gestion du programme de pays composée du chargé de programme de pays, de représentants d'autres divisions du FIDA, de la personne assurant la présence du FIDA sur le terrain, de l'institution coopérante et du personnel affecté aux projets en cours. Des entités gouvernementales ont exprimé leur désir de participer aux travaux de l'équipe. Elles seraient invitées au cas par cas. La participation d'autres représentants de donateurs, d'organisations non gouvernementales et de consultants spécialisés serait aussi envisagée. Compte tenu de l'adoption du cadre de gestion des résultats, l'équipe de gestion du programme de pays contribuera à la préparation de l'examen du portefeuille annuel du FIDA, d'autres études spéciales et d'un rapport annuel sur la mise en œuvre du système de gestion des résultats et de l'impact (SYGRI). Il est prévu que le programme sera examiné chaque année dans le cadre de la supervision effectuée par le chargé de programme de pays et les consultants spécialisés. Au cours de la première année, une attention particulière sera prêtée à l'état d'avancement de l'exécution du PROMARENA, à la mise en route du Projet VALE et à la conception d'une nouvelle opération qui sera déterminée par les autorités gouvernementales parmi les trois opérations indiquées et brièvement décrites dans l'appendice IX. En 2010, un examen à mi-parcours du programme sera réalisé conjointement avec les entités gouvernementales participantes et des spécialistes provenant de centres de recherches et d'universités. À l'issue de cet examen seront recommandés des ajustements par rapport aux objectifs et au cadre de gestion des résultats, le cas échéant. En 2012, à la fin de la période couverte par le COSOP, les résultats du programme seront examinés à la lumière des objectifs stratégiques et de leur contribution à la réalisation des objectifs nationaux en matière de réduction de la pauvreté. L'élément central du rapport final sur l'exécution du COSOP sera un examen complet du cadre de gestion des résultats et comprendra la tenue d'un atelier avec tous les acteurs.
33. L'exécution des projets au titre du COSOP sera assurée, conformément aux modalités définies dans les négociations pour chaque opération, par les unités déconcentrées du Ministère du développement rural, de l'agriculture et de l'environnement (PASA-CRIAR, PAR-EMPODERAR et SUSTENTAR) créées en vertu du décret suprême n° 29315 en date du 17 octobre 2007.

### **B. Gestion du programme de pays**

34. L'exécution du programme incombera au chargé de programme de pays pour la Bolivie dans la sous-région andine relevant de la Division Amérique latine et Caraïbes du FIDA. La SAD continuera à superviser les opérations menées en Bolivie comme elle l'a fait pour le Projet de gestion des ressources naturelles dans les régions du Chaco et des hautes vallées. Néanmoins, le Projet d'appui au développement de l'économie paysanne des camélidés récemment approuvé sera directement supervisé par le FIDA selon les directives en matière de supervision approuvées par le Conseil d'administration du Fonds. Le FIDA veillera à ce que les fonctions, instruments et activités dans le cadre des systèmes de suivi et d'évaluation des projets existants et futurs soient efficaces et utiles. À la demande

des autorités boliviennes, le FIDA aidera à harmoniser les systèmes appliqués dans les projets appuyés par le Fonds avec ceux de l'unité de suivi et d'évaluation du MPD. Les opérations du Fonds continueront à être appuyées par un fonctionnaire assurant la présence du FIDA sur le terrain et par le personnel du siège s'occupant de l'administration financière et des décaissements.

### **C. Partenariats**

35. Le MPD est le représentant de l'emprunteur, tandis que le MDRAMA est l'homologue du FIDA pour les questions techniques et de fond. D'autres organismes nationaux et régionaux ont pris part à l'exécution des projets financés par le FIDA. Les accords opérationnels pourraient être renforcés et étendus progressivement aux administrations régionales et municipales (les 148 administrations prioritaires désignées) sur la base d'accords déjà existants dans le cadre des projets en cours. Les partenariats avec les communautés et organisations locales seront intensifiés car les nouvelles approches en matière de développement territorial gagnent du terrain et le transfert direct des ressources, des décisions et des responsabilités se confirme. Des partenariats visant à améliorer les capacités des *campesinos* autochtones et indigènes à innover et à accroître la productivité seront établis avec l'Institut national pour l'innovation agricole et sylvicole. Les principaux partenaires pour la gestion des ressources naturelles sont le Centre pour la recherche forestière internationale et l'Agence allemande de coopération technique et, pour les services financiers, l'Agence suisse de développement et de coopération et la SAD. Des contacts pris avec de nombreux donateurs pendant l'élaboration du COSOP ont montré qu'il est possible de forger des alliances et de conclure des accords de collaboration pour réaliser les objectifs stratégiques.

### **D. Gestion des savoirs et communication**

36. Les nouvelles opérations appuyées par le FIDA engloberont des mécanismes ayant pour objet de systématiser, de diffuser et d'échanger l'expérience acquise avec les partenaires et d'autres acteurs dans le pays, dans la région et à l'étranger, notamment les centres de recherches internationaux aidés par des dons du FIDA, par exemple le Centre pour la recherche forestière internationale, le Centre international d'agriculture tropicale, le Centre de recherche pour le développement international et autres. Le FIDA recherchera aussi des partenariats avec des instituts universitaires et de recherche pendant la mise en œuvre des activités prévues dans le présent COSOP. Le recours à des réseaux régionaux financés par le FIDA tels que FIDAMERICA sera primordial pour la diffusion de renseignements concernant les opérations menées dans le pays. D'autres programmes comme le programme régional de suivi et d'évaluation de la Division Amérique latine et Caraïbes du FIDA seront appelés à fournir un appui additionnel à l'élaboration des bases de données et des indicateurs d'impact pertinents. Un don du FIDA récemment approuvé pour le Programme régional de formation au développement rural (PROCASUR) facilitera le partage de connaissances, non seulement en Bolivie, mais aussi à l'échelle régionale grâce à des "itinéraires" d'apprentissage, approche selon laquelle le personnel affecté aux projets et d'autres intervenants effectueront des visites sur les lieux d'initiatives performantes menées dans de nombreux domaines. Les principales questions qui doivent faire l'objet de recherches et d'études viseront, entre autres, a) la mobilisation de l'épargne parmi les femmes rurales, b) le recours à des systèmes d'adjudication concurrentielle, c) l'autogestion des transferts financiers, d) l'application de l'approche du développement communautaire fondé sur les ressources, et e) l'introduction du développement culturel dans le cadre général du développement économique.

## E. Cadre de financement au titre du système d'allocation fondé sur la performance (ASFP)

37. Le montant du financement du FIDA disponible pour la période d'exécution du COSOP repose sur l'allocation annuelle établie pour la première année du COSOP; il s'élève à 6 078 495 USD environ (tableau 1). L'allocation calculée pour la Bolivie dans le cadre de la septième reconstitution (2007-2009) se monte à 18 336 140 USD.

Tableau 1

### Calcul de l'allocation au titre SAFP pour la première année du COSOP

<i>Indicateur</i>	<i>COSOP année 1</i>
<i>Notes évaluant le secteur rural</i>	
Dispositif réglementaire et juridique encadrant les organisations rurales	5,20
Dialogue entre le gouvernement et les organisations rurales	4,63
Accès à la terre	4,10
Accès à l'eau à usage agricole	3,86
Accès aux services de recherche et de vulgarisation agricoles	3,00
Conditions propices au développement des services financiers ruraux	4,88
Conditions d'investissement favorables aux entreprises rurales	4,13
Accès aux intrants agricoles et aux marchés des produits	4,25
Accès à l'éducation dans les zones rurales	4,00
Représentation	3,75
Affectation et gestion des fonds publics en faveur du développement rural	3,83
Obligation redditionnelle, transparence et corruption dans les zones rurales	3,94
Somme des valeurs globales en points	49,70
<b>Moyenne des valeurs globales en points</b>	<b>4,14</b>
Note projets à risques (PAR)	6,00
Note d'évaluation des politiques et des institutions nationales	3,71
Note de pays	5 361
<b>Allocation annuelle (en dollars des États-Unis)</b>	<b>6 078 495</b>

38. On trouvera dans le tableau 2 une estimation des variations à la hausse et à la baisse selon la performance en matière d'exécution.

Tableau 2

### Relations entre les indicateurs de performance et la note du pays

<i>Scénario de financement</i>	<i>Note PAR (+/- 1)</i>	<i>Note de performance du secteur rural (+/- 0,3)</i>	<i>Variation en pourcentage du score SAFP du pays par rapport au scénario de base</i>
Hypothèse basse	5	3,84	-19,5%
<b>Hypothèse de base</b>	<b>6</b>	<b>4,14</b>	<b>0,0%</b>
Hypothèse haute	6	4,44	+5,8%

## F. Risques et gestion des risques

39. L'exécution du programme présente quatre principaux risques. Le premier a un caractère juridique, institutionnel et politique lié au transfert des ressources aux particuliers ou aux familles par opposition à des groupes communautaires plus larges. Dans le domaine des services financiers, l'initiative visant la mobilisation de l'épargne, qui est fondée sur des transferts monétaires conditionnels aux femmes rurales pauvres, bien qu'ayant été approuvée par les autorités gouvernementales, pourrait faire l'objet d'un autre examen. Il est possible de réduire au minimum ce risque en incluant rapidement des particuliers et des entités structurées pour qu'ils

bénéficient d'un accès aux services financiers, ce qui créera un consensus au sujet des avantages offerts par cette approche. Un deuxième risque, de nature politique et opérationnelle, est de voir les autorités changer une approche participative décentralisée en une approche centralisée, c'est-à-dire qu'elles pourraient s'orienter vers des services d'assistance technique, planifiés et fournis au niveau central, y compris pour la fourniture d'intrants. L'attention particulière portée par le FIDA aux communautés pauvres et aux marchés liés à leurs intérêts et le recours à un cofinancement d'un faible montant pourraient contribuer à atténuer ce risque. Un troisième risque est attaché à la capacité des groupes indigènes bénéficiaires à tirer parti des perspectives commerciales correspondantes et d'autres activités créées par les projets. Les interventions fondées sur le transfert direct de ressources financières aux bénéficiaires réduisent le risque en assurant un degré élevé de surveillance communautaire et d'appropriation des investissements dans un cadre culturel et territorial plus solide.

40. Enfin, un quatrième risque est lié aux conditions climatiques. L'extrême vulnérabilité de la Bolivie aux mauvaises conditions climatiques pourrait avoir une incidence négative sur les résultats et l'impact des investissements aux fins de la réduction de la pauvreté. Pour atténuer ce risque, il sera nécessaire d'inclure des dispositions et incitations adéquates dans toutes les futures opérations de manière à accroître la valeur de la biodiversité et les connaissances locales pour faire face aux éventuelles catastrophes naturelles et contribuer favorablement à réduire les effets du changement climatique en Bolivie et ailleurs.

## **COSOP consultation process**

### **Background**

The consultation process for the preparation of this document began with a country visit in November 2006, with the specific objective of defining the conditions, agreements and schedules necessary for formulation of the IFAD strategies document. The visit was coordinated with the Vice Ministry of Public Investment and External Financing within the Ministry of Sustainable Development and Planning. A consultant interviewed officials and representatives of Government agencies in order to establish Government priorities and expectations in the area of rural poverty alleviation and the possible contribution IFAD could make in this regard. Possible areas and priorities, as well as possible partners were identified on a preliminary basis. Meetings and field visits were also held with staffs of IFAD-funded projects currently being implemented in the country, PROMARENA and the Small Scale Farmer's Technical Assistance project. Meetings were also had with the Mission Leader of the Appraisal Mission for the VALE Project.

Discussions were also advanced with representatives of various international cooperation agencies, as well as with experts, researchers, academics, heads of non governmental organizations and other stakeholders involved in the issues of poverty and rural development. Material was gathered for analysis to help identify and define COSOP strategic objectives, and specifications were outlined for a rural poverty study in the country. In parallel, IFAD commissioned a study on Bolivia's Poverty Reduction Strategy as part of a five-country analysis of rural poverty reduction strategies.<sup>1</sup> This study has informed COSOP preparation, especially in the analysis of Government poverty-reduction strategies since the 1990s, and in its analysis of and comments on the dynamics of poverty in the country and the current Government's strategies.

A second COSOP formulation phase visited Bolivia on 15 January 2007. During a three-week period, the COSOP Formulation Mission collected documents and other reference material, met with officials and other stakeholders in La Paz and other cities and departments, and held participatory consultation events. The Country Portfolio Manager for Bolivia participated in a Consultation Workshop in the city of Sucre and in meetings in the capital. In May 2007 an IFAD Mission submitted a draft COSOP document to Government authorities. In June 2007, MDRAMAMA prepared a strategic plan which addresses main issues involved in its mandate. A description of this Plan, which has been considered in the formulation of the COSOP, is provided in appendix VIII. Bearing in mind the new approaches contained in the Strategic Plan the Government requested IFAD to review the draft COSOP. A Mission held meeting in La Paz with Government authorities and agreed on the strategic objectives outlined in the main text.

#### **Consultation with local stakeholders**

Two broad-based consultation workshops were held with representatives of rural organizations, non governmental organizations and the private sector from the departments of La Paz, Oruro, Chuquisaca, Potosí and Santa Cruz, as well as with representatives of regional and local government agencies, including those responsible for IFAD-supported projects. Total attendance at these events exceeded 50 participants.

#### Objectives and methodology

The main objectives of the consultation workshops were to: i) meet potential stakeholders and those involved in IFAD-supported projects, as well as representatives of related regional and local sectors and institutions in order to ascertain their views on factors that limit their ability to overcome poverty in each area, the strategies people use to address the situation, and actions needed to support these efforts; ii) exchange views on the National Development Plan's approaches for rural poverty reduction and rural community development, which could provide a framework for IFAD's cooperation;

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<sup>1</sup> S. Wiggins and C. Toranzo C. "El Enfoque de la Estrategia de Reducción de la Pobreza y el Desarrollo Rural, Estudio de Caso: Bolivia," IFAD 2006.

iii) gather ideas on priorities for IFAD's support in terms of poverty reduction and rural development in the country; and iv) obtain information on possibilities for complementary actions with existing programmes and projects.

Each workshop lasted one day and included the presentation of each institution represented, along with its objectives, area of action including geographic, thematic and target population, and the principle results of their work. Introductory presentations were then made, with the help of visual aids, and groups of no more than eight people were formed to discuss issues related to the workshop objectives. After the group sessions, the participants summarized their conclusions for presentation and discussion in a final plenary session.

#### Findings and conclusions

The consultations provided the opportunity to exchange information that has been useful not only for preparing the strategic opportunities programme for Bolivia, but also for the beneficiaries and other organizations, with regard to Government strategies and priorities and IFAD's activities in the country. The information gathered from the group work and plenary sessions provided input for the definition of the following areas.

#### **a) Limitations on income generation**

Participants noted that although specific characteristics vary, the rural poor population basically consists of small-scale farmers, settlers and indigenous people. In general, they did not distinguish among degrees of poverty, saying there is no great difference among the rural poor in the geographic areas studied.

Among the obstacles that local people face in emerging from poverty, participants listed those directly related to the quantitative or qualitative availability of natural resources and transportation infrastructure, as well as: i) lack of entrepreneurial knowledge and guidance and low levels of formal education and productive technology; ii) lack of legal safeguards, lack of identity documents including legal recognition of their organizations iii) difficulties in accessing financial services; iv) inadequate recognition of their production in markets and low volume of commercial production; v) lack of refrigerated storage, animal and plant health problems; and vi) lack of Government support and of policies promoting rural productive development.

#### **b) Income generation strategies and activities**

Issues were discussed based on geographical areas. In the Bolivian High Plateau the main agricultural activity is livestock raising, mainly South American camelids. Traditional crop cultivation predominates in the valleys, mainly with potatoes and crops for family consumption, but there has been an increase in fruit cultivation mainly peaches. Dairy and cheese production are also important, as is hog fattening. Rural agro-industry is limited, with small-scale processing of grapes for wine in some areas. Neighbours traditionally collaborate in farm activities. Artisanal activities have a lower priority, although there are some areas where they are significant such as textiles, leather products and preserves. There is optimism regarding the potential for communal tourism and eco-tourism activities, but these are still very incipient and rudimentary. In some areas, especially in the central High Plateau, commerce and transportation have offered significant opportunities for increasing income. In general, seasonal and permanent migration by family members helps mitigate the limitations on income from local activities.

#### **c) Suggestions for improving productive conditions**

Among the actions suggested for improving productive conditions, participants highlighted: i) improving the supply of and access to markets through differentiated products and product processing and transformation; ii) developing agro-industry based on market demands; iii) creating conditions at the municipal level to support local economic development; iv) inserting rural economic organizations into this dynamic;



v) strengthening dairy production in appropriate areas; vi) taking advantage of the organic and fair trade markets; vii) promoting processes to add value to production and raw materials; viii) making it possible for small-scale farmers to gain access to appropriate financial services; ix) assisting with more technically improved agricultural infrastructure and practices and renovation of plantations; and x) training small-scale farmers in non-farm activities that are key for income generation.

#### **d) Recommendations for new programmes and projects**

Recommendations for new programmes, projects and cooperation support fell mainly into the following areas:

Training and technical assistance: Proposals in this area can be summarized as:

i) emphasizing training and building human, social and institutional capital; ii) implementing technical and vocational education systems in rural communities and providing specialized regional training; iii) promoting and supporting the development of rural business initiatives; iv) building people's entrepreneurial capacity through training and incentives; and v) technical assistance in production and management.

Access to financial services: Participants emphasized the importance of developing financial services that are accessible to the rural poor. There was interest in the possibility of establishing savings accounts in formal financial institutions and providing access to various services.

Access to markets and adding value: Various proposals focused on: i) promotion of and support for the processing and transformation of fruit and other agricultural products; ii) more technically advanced productive, commercialization and post-harvest processes; iii) support for the production of organic products and differentiated products; and iv) participation in fair trade initiatives.

Institutions and policies: Participants insisted on the need to include the following considerations in institutional programmes and public policies: (i) direct transfer to communities of financial resources for rural development, avoiding intermediaries; (ii) fostering conditions for municipalities to support local economic development, ensuring that their participation is not subordinated to opportunities created by Government institutions and international cooperation; (iii) establishment of an appropriate financial system for agriculture and development of rural areas; (iv) promotion of public policies aimed specifically at rural development and channelling resources for this purpose; and (v) promoting key associations among local governments, non governmental organizations, donors and their programmes in rural areas.

As a result of the stakeholder consultation the following emerged:

- There is acknowledgement that beyond natural and material limitations, it is necessary to assist in development of entrepreneurial capacities;
- The issue of legal safeguards arose repeatedly;
- Great importance is placed on education and training, particularly skills for implementing non-agricultural productive activities;
- There is strong insistence that financial resources from Government and international cooperation agencies for rural development and poverty-reduction programmes be transferred directly to communities and organizations;
- The importance of access to financial and market services, for the intensification and diversification of productive activities, was mentioned repeatedly;
- There is strong motivation for initiatives related to adding value to products, fair trade, organic production and ecotourism;

- There is still a lack of sufficient detailed information regarding Government strategies and programmes for rural areas. The “Communities in Action” programme appears to be creating the greatest expectations and;
- Great importance is placed on the participation of municipal governments in rural development.

### **Consultation with other donors**

The meetings with donor agencies allowed for an exchange of information on programmes and strategies being implemented in the country. The COSOP Mission had the opportunity to explain to a broad group of donor agencies including those of the governments of Belgium, Denmark, Germany, the Netherlands, Sweden and Switzerland, and multilateral agencies represented in Bolivia such as the Commission of the European Union, the World Bank, the Inter-American Development Bank and the Andean Development Corporation the basic elements of the work being undertaken. The Mission responded to questions from donors and listened to comments and suggestions. Elements for possible collaboration with different organizations and programmes were considered. Possibilities arose for reaching agreements with the Andean Development Corporation, the Commission of the European Union, and cooperation agencies from Denmark, Germany and Sweden. In general, donors expressed interest in exploring mechanisms for coordination and future association, noting the importance of adequate, timely information. Some agencies also expressed concern concerning a lack of definition with regards to their cooperation areas, and the expectation was expressed that the Bolivian Government would take an active role in the definition and coordination of various cooperation programmes and initiatives to ensure harmonization.

### **Other consultations**

Meetings with academics, researchers and others involved in the study of social and economic problems in Bolivia enabled the COPSOP Formulation Mission to hear opinions on issues of poverty reduction and rural development in the country, as well as national strategies adopted recently, and conclusions and suggestions for the formulation of future policies and strategies.

Some of those consulted underlined the importance of education in rural areas from a quantitative and qualitative point of view. There is a need to address the needs of rural youths who for lack of opportunities have to migrate. Development of an entrepreneurial vision was suggested as there were several examples in a number of communities where an entrepreneurial vision had led to success. The issue of land tenure was highlighted as this has not been resolved. Rural development plans should include consideration of value adding processes and should also include support for non agricultural activities.

Concerning public investment those consulted noted that this had been limited, short term and lacked. Investments have been largely concentrated in the lowlands, with marginal investment in the High Plateau and Andean Valleys. The dismantling of existing organizations at certain stages has been negative with difficulty in coordinating among public institutions. Other consulted indicated that they saw a return to a view of the Government as benefactor. In terms of poverty reduction those interviewed indicated that the country's economic growth does not lead to poverty reduction because it has such a narrow base with little creation of income and employment.

## Country economic background

<b>Land area (km<sup>2</sup> thousand) 2005 1/</b>	1 084	<b>GNI per capita (USD) 2005 1/</b>	1 010
<b>Total population (million) 2005 1/</b>	9.18	<b>GDP per capita growth (annual %) 2005 1/</b>	2
<b>Population density (people per km<sup>2</sup>) 2005 1/</b>	8	<b>Inflation, consumer prices (annual %) 2005 1/</b>	5
<b>Local currency</b>	Boliviano (BOB)	<b>Exchange rate: USD 1 =</b>	BOB 7.76
<b>Social Indicators</b>		<b>Economic Indicators</b>	
Population (average annual population growth rate) 1999-2005 1/	2.0	GDP (USD million) 2005 1/	9 334
Crude birth rate (per thousand people) 2005 1/	29	GDP growth (annual %) 1/	
Crude death rate (per thousand people) 2005 1/	8	2000	2.5
Infant mortality rate (per thousand live births) 2005 1/	52	2005	4.1
Life expectancy at birth (years) 2005 1/	65	Sectoral distribution of GDP 2005 1/	
Number of rural poor (million) (estimate) 1/		% agriculture	15
Poor as % of total rural population 1/		% industry	32
Total labour force (million) 2005 1/	4.16	% manufacturing	14
Female labour force as % of total 2005 1/	44	% services	53
<b>Education</b>		Consumption 2005 1/	
School enrolment, primary (% gross) 2005 1/	113 a/	General government final consumption expenditure (as % of GDP)	14
Adult illiteracy rate (% age 15 and above) 2005 1/	n/a	Household final consumption expenditure, etc. (as % of GDP)	68
<b>Nutrition</b>		Gross domestic savings (as % of GDP)	17
Daily calorie supply per capita		<b>Balance of Payments (USD million)</b>	
Malnutrition prevalence, height for age (% of children under 5) 2004 2/	27	Merchandise exports 2005 1/	2 671
Malnutrition prevalence, weight for age (% of children under 5) 2004 2/	8	Merchandise imports 2005 1/	2 341
<b>Health</b>		Balance of merchandise trade	330
Health expenditure, total (as % of GDP) 2005 1/	7 a/	Current account balances (USD million)	
Physicians (per thousand people)	n/a	before official transfers 2005 1/	-150
Population using improved water sources (%) 2004 2/	85	after official transfers 2005 1/	498
Population with access to essential drugs (%) 2/	n/a	Foreign direct investment, net 2005 1/	-280
Population using adequate sanitation facilities (%) 2004 2/	46	<b>Government Finance</b>	
<b>Agriculture and Food</b>		Cash surplus/deficit (as % of GDP) 2005 1/	-4
Food imports (% of merchandise imports) 2005 1/	10	Total expenditure (% of GDP) 2005 1/	n/a
Fertilizer consumption (hundreds of grams per ha of arable land) 2005 1/	45 a/	Total external debt (USD million) 2005 1/	6 390
Food production index (1999-01=100) 2005 1/	110 a/	Present value of debt (as % of GNI) 2005 1/	38
Cereal yield (kg per ha) 2005 1/	1 787	Total debt service (% of GNI) 2005 1/	6
<b>Land Use</b>		Lending interest rate (%) 2005 1/	17
Arable land as % of land area 2005 1/	3 a/	Deposit interest rate (%) 2005 1/	5
Forest area as % of total land area 2005 1/	54		
Irrigated land as % of cropland 2005 1/	4 a/		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* database

2/ UNDP, *Human Development Report*, 2006

## COSOP results management framework

Country Strategy Alignment	Key Results			Institutional/Policy objectives
Poverty Reduction Strategy and Targets	Strategic Objectives	Outcome that IFAD expects to influence	Milestone Indicators (by projects)	Policy dialogue agenda
<p>1. Strengthen human, economic, social and cultural capacities of indigenous and <i>campesino</i> communities</p> <p>2. Support productive territorial development, food production ,integral management of indigenous territories and those of <i>campesino</i> communities and the sustainable management of natural resources</p> <p>3. Contribute to the development of <i>campesino</i> and indigenous family agriculture and community forestry management while identifying new economic opportunities</p> <p>4. Develop human settlements by strengthening organizational capacities, facilitating access and better management of goods and public services, provision of technical assistance and improved management of renewable natural resources.</p> <p><b>Baseline</b> Rural Poverty (2002): Rural poor: 83% = 2.6 mil rural poor Extreme poor: 67% = 1.8 mil rural poor Poverty among women 58% of rural poor Malnutrition 24.2% in 2003</p> <p><b>Access to technical assistance services</b> Approximately 70% of farmers with</p>	<p><b>SO 1:</b> Enhancing the livelihood (human, natural, physical, cultural and social) assets of the rural poor, and promoting the adoption of technological and knowledge innovations by supporting their access to a wide range of services</p> <p><b>SO 2:</b> Integrated and sustainable management and development of natural resources in defined territorial areas, with due regard for sociocultural issues.</p>	<p><i>By 2012</i></p> <ul style="list-style-type: none"> <li>• 57 000 of rural poor families have improved their income and increased their patrimony by more than 20% (Baseline: 2002: income US\$40/month for poor farmers, US\$22/month for extreme poor farmers)</li> <li>• 35 000 (approx 11 000 women) organized in formal or informal groups with increased engagement in productive activities and/or valuing natural resources.</li> <li>• 23 000 individuals (60% women) empowered and with improved self-management capacities.</li> <li>• 28 000 individuals (80% women) with improved access to financial services</li> <li>• 4 000 of rural youths trained having profitable business ventures and adequate employment</li> <li>• 24 000 individuals (50% women) increased their social capital and improved legal and judicial security</li> <li>• 75 000 ha (belonging to approx 25 000 families) with improved natural management practices</li> <li>• 10 000 families with improved communal pasture management</li> </ul>	<ul style="list-style-type: none"> <li>• # of social and economic organizations promoted and assisted in management, organizational development and income generating activities on a regular basis</li> <li>• # of women included in economic organizations and # of them in leadership positions</li> <li>• # of the rural poor , women and youths trained in management and administration and business ventures</li> <li>• # of organized producers with access to technical and management assistance on a regular basis</li> <li>• # of the rural poor women and youths assisted to access basic financial services</li> <li>• # of micro and small scale rural enterprises established and supported</li> <li>• # of communities and # individuals informed of their rights and assisted in obtaining essential documentation and in participatory and organizational processes</li> <li>• # of individuals receiving training and technical assistance for the development of their productive agricultural , forestry and other activities with identity and sustainable integral management of renewable</li> </ul>	<ul style="list-style-type: none"> <li>• The projects M&amp;E systems will be strengthened and linked to the COSOP M&amp;E system, so that they measure project performance and outcomes as well as track lessons learned.</li> <li>• Adopt legal and regulatory norms for the direct transfer of financial resources to economic organizations of the rural poor</li> <li>• Develop a market for the supply of technical assistance services including State agencies, academic institutions , NGOs and individual independent technicians the <i>inter pares</i> exchange of knowledge</li> <li>• Identify and promote ways for accessing financial services for organizations and families of vulnerable rural communities</li> <li>• Linkages with relevant programmes aimed at providing access to productive support services to the rural poor and with national government programmes</li> <li>• Provide support by all levels of Government to the economic activities of the rural poor through provision of infrastructure and basic equipment</li> <li>• Coordinate activities with the Communities in Action programme and other</li> </ul>

Country Strategy Alignment	Key Results			Institutional/Policy objectives
Poverty Reduction Strategy and Targets	Strategic Objectives	Outcome that IFAD expects to influence	Milestone Indicators (by projects)	Policy dialogue agenda
<p>farms smaller than 5 ha lack access to technical assistance services.</p> <p><b>Targets:</b></p> <p><b>Poverty indicators 2012:</b> Reduced from 60 to 49.7%</p> <p>Extreme poverty from 38.1 to 27.1%</p> <p>Malnutrition from 24.2 to 19% by 2015</p> <p><b>IFAD's contribution (relevance) to target by 2012:</b> Beneficiaries taken out of poverty: approx 57 000 families out of overall 2.6 mil rural poor people</p>			<p>natural resources</p> <ul style="list-style-type: none"> <li>• # of communities and # of families included in programmes aimed at conservation of natural resources and/or sustainable management of forestry resources</li> <li>• # of communities who provide environmental services included in specific programmes</li> </ul>	<p>institutions in provision of support to basic services and other social protection programmes</p> <ul style="list-style-type: none"> <li>• Support the exercise of citizen rights by supported communities</li> <li>• Support the participation of campesino and indigenous population in managing forests, biodiversity resources and environmental services</li> <li>• Consideration of territorial self – management and empowerment of poor rural communities</li> <li>• Coordination with national programmes aimed at regularizing territorial rights already established , protection of the environment , biodiversity, forest management and renewable natural resources</li> <li>• Support the economic activities of the rural poor by providing productive infrastructure support and other related activities</li> <li>• Coordination with the Communities in action programme and other institutions providing basic services and social protection programmes</li> </ul>

## Previous COSOP results management framework

	STATUS AT COSOP DESIGN	STATUS AT COMPLETION	LESSONS LEARNED
<p><b>A Country Strategic Goals:</b> Government of Bolivia's National Action Plan (1998-2002). The overall objective of the Plan was to reduce poverty through higher sustainable growth projected to average about 5 per cent per annum.</p> <p>Specific objectives under each of the pillars</p> <ul style="list-style-type: none"> <li>• <b>Opportunity:</b> (i) strengthening the financial sector, (ii) enhancing the regulatory framework for key infrastructure sectors and (iii) improving physical infrastructure</li> <li>• <b>Equity:</b> (i) increasing social expenditures, (ii) improving the efficiency and quality of social services and (iii) boosting the productivity of small farmers</li> <li>• <b>Institutionality:</b> (i) developing an efficient and transparent state, (ii) modernizing the legal framework for the private sector, (iii) strengthening the judicial system and (iv) deepening the decentralization process.</li> </ul>	<p><b>Economy</b> GDP per capita Us\$ 930 ( 1997) GDP growth rate: 5.0 per cent (1997) External debt: 57.3 % GNP in 1996 Consumer prices: 6.7 per cent (1997) Contribution of agriculture to GDP: 14.1 per cent (1997)</p> <p><b>Poverty (1999)</b> National poverty rate 63.5 per cent National extreme poverty rate 40.7 per cent Rural poverty: 84.0 per cent Extreme rural poverty; 69.9 per cent</p>	<p><b>Economy( 2006)</b> GDP per capita; US 1010 (2005) GDP growth rate: 4.6 (2005) External debt: 40.9 of GDP (2004) Consumer prices: 4.6 per cent (2005) Contribution of agriculture to GDP 16 per cent (2005)</p> <p><b>Poverty (2002)</b> National poverty rate; 65.2 per cent National extreme poverty rate: 41.3 per cent Rural poverty: 83.4 per cent Extreme rural poverty 66.8 per cent</p>	<ul style="list-style-type: none"> <li>- High political instability conspired against progress in achieving economic and social progress,</li> <li>- Considerable impact of debt relief</li> <li>- Political uncertainty and social instability prevented Bolivia from taking full advantage of improved economic conditions.</li> <li>- Growth is concentrated in the hydrocarbon sector with a danger of Dutch disease</li> <li>- Rural poverty has decreased due to contribution of commercial agriculture in the lowlands.</li> </ul>
<p><b>B. COSOP Strategic Objectives:</b> i) strengthening the stability, depth and access of financial services</p> <p>ii) enhancing decentralized provision of services, developing rural markets on a demand-driven basis while increasing rural productivity</p>	<p>Strong micro credit movement but limited experience in wider provision of other financial services</p> <p>Inroads were being made in decentralized provision of technical assistance services with IFAD support</p>	<p>Some experience gained in provision of credit under the Camelid Producers Development project in the Andean High Plateau;</p> <p>Considerable experience gained in provision of technical assistance in the context of the Small framers Technical Assistance project</p>	<p>Consider flexibility in project design in a full participatory basis by all stakeholders, and seek co-financing</p> <p>Maintain a strong policy dialogue to deepen consensus on COSOP implementation and pursue results based management</p> <p>Orient the lending programme toward, high priority issues and with high development impacts,</p>

<p><b>C. IFAD operations</b></p>	<p><b>Ongoing.</b>          -Camelid Producers Development project in the Andean High Plateau          -Sustainable Development project by Beni Indigenous People          -Small Farmers Technical Assistance Services project  <b>Proposed</b>          -Development of the Bolivian Chaco project          -Indigenous Development Support project          -Rural-urban Business Ventures project</p>	<p><b>Closed</b>          -Camelid Producers Development project in the Andean High Plateau          -Sustainable Development project by Beni Indigenous People  <b>Ongoing</b>          Small Farmers Technical Assistance Services project ( to be closed December 2007)          Management of Natural Resources in the Chaco and High Valley region project  <b>Approved</b>          Enhancing the Productive Camelid Economy project</p>	<p>a) Support for the development of a technical assistance services market, helped increasing access to and quality of assistance as well as income from the productive activities receiving assistance.</p> <p>b) Most of the markets to which peasant farmers have access demonstrate weaknesses in structure, transparency and other functional areas; although some progress was noted in certain projects, significant progress was not seen in the development of more transparent markets with better performance.</p> <p>c) There were no significant achievements in the strategic objective of decentralization. For reasons related to the political and institutional situation, despite the decentralization strategy adopted by the country,</p> <p>d) Projects fell back on their own implementation structures with varying degrees of centralization and did not incorporate components for strengthening local public institutions.</p> <p>e) Community participation in the projects has been important, including direct management of the financial resources required for implementation.</p> <p>f) Women's participation has been achieved in the projects, and the productive components include a gender approach. Women still have not achieved significant representation in leadership positions</p>
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<b>D. IFAD performance</b>			
<b>Policy dialogue</b>	<ul style="list-style-type: none"> <li>-Establishment of rural financial services and the creation of savings mechanism</li> <li>-Development of rural markets of goods and services and direct transfer of resources to local communities</li> <li>-Assurances for territorial development and land tenure issues for implementation of projects in favour of indigenous people</li> </ul>	<ul style="list-style-type: none"> <li>- Some progress made on introducing savings mobilization programme in the context of the Enhancing the Productive Camelid Economy project</li> <li>-Some success in ensuring direct transfer of resources through the continued implementation of the Small Farmers Technical Assistance project</li> <li>- Limited participation in discussions on land issues</li> <li>-Limited contribution of FPO in advancing policy dialogue</li> </ul>	<ul style="list-style-type: none"> <li>- Constant political changes conspire against pursuing constructive political dialogue.</li> <li>- Issues such as direct transfer of resources to beneficiaries require legislative changes although some forms of implementation can be found.</li> <li>- Mandates for FPOs are not sufficiently specific to ensure their participation in policy dialogue issues</li> </ul>
<b>Partnerships</b>	<ul style="list-style-type: none"> <li>-Possible collaboration with the World Bank on an Indigenous People's Learning and Innovation Loan and the with Danish Development Agency</li> <li>- Possible cooperation from the German Technical Assistance Agency in implementation of the Chaco development project</li> </ul>	<ul style="list-style-type: none"> <li>-Proposed Indigenous People's Development project was not pursued thus collaboration with the World Bank did not materialize;</li> <li>- Collaboration with the German Technical Assistance Agency was pursued but did not come to fruition.</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>Mechanisms for establishing partnerships such as the Consultative Group meetings were discontinued due to the prevailing political uncertainty. Reviving the process or instituting a new modality is needed</li> <li>-Timing en project cycles does not coincide among possible partners which makes co financing difficult</li> </ul>
<b>Portfolio performance</b>	<ul style="list-style-type: none"> <li>-Portfolio performance was impacted by macroeconomic policies which affected traditional credit schemes</li> <li>-Reduction of the state apparatus impacted in project implementation</li> <li>-Disbursements had not lagged substantially</li> </ul>	<ul style="list-style-type: none"> <li>The Small Farmers Technical Assistance project has disbursed nearly all loan proceeds and will close by December 2007</li> <li>The Management of Natural Resources in the Chaco and High Valley regions has experienced serious disbursement problems</li> </ul>	<ul style="list-style-type: none"> <li>Disbursement problems should be addressed in a timely fashion and root causes analysed with implementing agencies and Government to find acceptable solutions to this problem</li> </ul>



## **CPE agreement at completion point**

### **Introduction**

In 2003, IFAD decided to evaluate its Bolivia programme, given the importance of its operations in the country, including the approval of nine projects totalling US\$ 81.3 million between 1979 and 2003. The evaluation was carried out during the first half of 2004 using the methodological framework defined by the Office of Evaluation in January 2004. A Mission carried out field work in Bolivia between 15, March and 17, April, 2004. The conclusions and recommendations provided in a Main Report were analyzed in a meeting with Government, the Office of Evaluation and the Latin America and Caribbean Division in July 2004. In December 2004, a further meeting was held to discuss the Agreement at Completion Point with the participation of Government officials involved with IFAD cooperation in the country, IFAD's Cooperating Institution in Bolivia, the Andean Development Corporation and IFAD's Latin America and the Caribbean Division.

### **Issues and recommendations agreed by all partners**

#### **(i) Alignment of intervention strategies**

Future IFAD interventions should be aligned with other activities being carried out in Bolivia by the Government and international cooperation agencies, in an overall rural poverty reduction programme with a local and territorial focus on rural development.

#### **(ii) Interconnection of interventions**

The interventions must connect the social-economic capital that exists in each rural territory with social economy networks, municipalities, producer associations, non-governmental organizations, businesses, cooperation agencies, associations of residents abroad, among others. Communities and organizations must be empowered to reinforce their participation in political and administrative bodies in a given territory.

#### **(iii) Institution building**

To ensure the sustainability and effectiveness of future interventions, it was recommended that productive-commercial transformation be integrated with institution building, though training and strengthening of public and private institutions that provide services to sectors in which IFAD is directly involved at the national, departmental, municipal and *mancomunidad* (groupings of municipalities) levels.

#### **(iv) Targeting the rural poor**

Future interventions should incorporate an approach based on differentiated inclusion that makes it possible to address the circumstances and limitations of each community, facilitating access by the weakest sectors to the projects' services. This implies ensuring that services are provided in the people's language, and that there are different forms of accompaniment and different paces for each target group. To accomplish this, the community's participation in the design, implementation, evaluation and reformulation of the projects is crucial. Future efforts should continue to solidify progress made toward a gender and generational approach that promotes shared responsibility by men and women, youth and adults, in tasks and in leadership of community organizations.

#### **(v) Income diversification**

The structural limitations that the rural environment places on solving the problems of poverty mean that income for the rural poor must come not only from primary productive activities, but also from the transformation of products, with an approach based on market chains or added value, as well as other activities, such as handicrafts. Any future strategy must also include the identification of employment and income opportunities in other sectors of the economy, which allow for the design of alternatives for training and support for non-farm activities, to help emigrants from rural areas improve their

employment and income situation, fostering economic bonds with their communities of origin. Among other things, it is important to take into account opportunities for leveraging the monetary contributions of migrants within the country and abroad.

#### **(vi) Technical assistance**

Technical assistance services provided as part of projects has evolved from a supply-driven approach to the current approach, in which the beneficiaries express their demands and are responsible for arranging for the services, paying an increasing proportion of the cost. To ensure the sustainability and widespread implementation of this approach, it is recommended that a long-range strategy for development of technology supply and demand be designed, to ensure a systematic increase in the productivity and competitiveness of the rural poor. This implies reviewing certain aspects of the current strategy, such as: (i) the need to complement it with financing components; (ii) supporting it with medium- and long-range market studies and information systems for the products included in the sub-projects; (iii) limiting their increasing costs for poor farmers. The development of rural technical assistance services markets requires decisive support for those supplying these services, so they can acquire new know-how, especially through field visits and internships aimed at increasing their technical and managerial know-how and knowledge of markets.

#### **(vii) Linkage with markets**

Recent projects have helped promote demand for some peasant farm products, with positive impacts on adding value in market chains, but they have not included explicit components aimed at improving the structure and functioning of markets. A comprehensive vision of the agro-food chain must be adopted and problems of transparency and performance in essential functions must be resolved. With support from IFAD, local institutions such as municipalities must make investments that facilitate enterprises that directly improve markets for goods and services such as fairs, slaughterhouses, agricultural and animal health services, Internet access and others.

#### **(viii) Rural financial services**

Lack of access by the rural poor to rural financial services remains a critical aspect of operations supported by IFAD in Bolivia. Although Bolivia has one of the most developed microfinance systems in Latin America, poor farmers' access to rural financial services is still limited in terms of coverage and content. In the last five years IFAD operations have resulted in bringing into the system more than 5,000 rural poor families and 1,000 beneficiary organizations which represent more than 20,000 families who now have banking accounts in order for them to finance contracting of technical assistance services to implement business ventures through self identified and prepared business profiles and plans. However, non credit services such as savings micro-insurance, remittances, escrow funds, certificates and leasing should be substantially enhanced in order to guarantee access by the poor to formal and modern financial services.

#### **(ix) Environmental dimension**

The environmental dimension was not included systematically or given due weight in the formulation, monitoring and evaluation of projects until 2003, when a project for conservation and better use of natural resources began. Along with the experience gained from this project, it was recommended that all future interventions incorporate an environmental dimension in the definition of base lines, monitoring and evaluation, and planning for possible negative effects and corresponding mitigation measures, in accordance with Bolivia's current environmental legislation.

Bolivia is one of the richest countries in the world in terms of mega bio diversity, It will be necessary to value this huge diversity paying special attention to climate change issues and occurrence of natural disasters. This should be done in such a manner that activities benefit the rural poor. This poses an important challenge for future IFAD operations in Bolivia and should be adequately addressed in project designs.

**(x) Decentralization and participation by beneficiaries**

Grassroots participation, modernization of production, decentralization of municipal governments and groupings of municipalities, social development dialogue among various cultures, gender equity and environmental sustainability provide an appropriate framework for a rural poverty reduction strategy. There is a need to reinforce participation through the organizational capacity of peasant farmers and indigenous people, to enable them to take advantage of opportunities in their communities and establish linkages with third parties that allow them to effectively negotiate issues that affect their well-being.

An IFAD programme should strongly support decentralization, establishing mechanisms for allocation of project resources and locating technical personnel where they will be close to the people and local institutions and subject to community oversight. Resources provided by IFAD should complement the initiatives of local democratic community organizations, traditional organizations and municipalities.

**(xi) Training and strengthening of organizations**

Training and strengthening peasant organizations to take action in public spheres beyond the bounds of the projects is strategically very important for reducing poverty in countries such as Bolivia, where these organizations are a valuable asset with decades of consolidation and development. It is recommended that mechanisms be implemented to facilitate beneficiaries' participation in the projects and strength social capital to foster opportunities for broader participation.

**(xii) Monitoring and evaluation**

Weaknesses were observed in the monitoring, evaluation and systematic reorientation of projects; these were due, among other things, to the relative lack of emphasis on these areas, interruptions due to personnel turnover, small staff in implementing units and the resulting delays in the processing of information, lack of training for those responsible for monitoring and evaluation, and the strong emphasis on actions and spending, rather than results and impact, as performance criteria.

In order to contribute towards the establishment of an appropriate Monitoring and Evaluation aimed at strengthening a national statistical system and poverty reduction programme will require allocating resources through projects in order to guarantee compatibility and alignment of donor contributions and those assigned by the State.

**(xiii) Project management**

The IFAD programme in Bolivia had been conditioned by changes in public policies and institutions that led to organizational changes related to project implementation. Frequent institutional changes, including some associated with political influence in technical teams, had negative repercussions on the projects' progress. To avoid such distortions, independent implementation units were created, making it possible to reduce the risk of political interference in the selection of technical staff, use of resources, and continuity of interventions, and enhancing the specific results of the projects. Nevertheless, this also reduced the consistency and synergies between the projects and public policies and other poverty-reduction initiatives. Keeping in mind that the public and private institutional structure has serious weaknesses, future interventions should include components for strengthening the institutions involved. Project resources should strictly comply with guidelines established in the loan agreement, but there should also be appropriate linkages with the corresponding public policies and institutions.

**(xiv) Programme sustainability**

Circumstances such as changes in public policies, the weakness of public institutions, poor performance of financial markets and peasant farmers' products, and limited technical assistance reduce the overall sustainability of the projects. Appraisals did not include specific analysis of their sustainability or sufficient consideration of the interventions' exit strategy. The design of new interventions should include an

assessment with a comprehensive view of the sustainability of the projects' financial support on three levels: microeconomic, local-regional, and global-macroeconomic. It was also recommended that a future strategy take into consideration the strengthening of beneficiaries' social and economic organizations based on their adaptation to new contexts and their connections with various markets and national policy priorities.

**(xv) Dialogue and strategic partnerships**

The macroeconomic, institutional and policy context for rural development in the 1990s significantly conditioned the performance of projects and proved to be insufficient for reducing rural poverty. Investment in social infrastructure in the last decade had a positive impact on lowering indicators based on unsatisfied basic needs, mainly in urban areas. The many projects and programmes that exist for assisting peasant farmers and indigenous people are fragmented and scattered, undermining their effectiveness. A new IFAD strategy should be connected with a global rural poverty reduction programme; to achieve this, it is suggested that it contribute to further dialogue between the Government and civil society.

## Baseline Poverty Analysis

### Current situation

Poverty measured by income in 2002 indicated that the poverty line was Bs 289 (US\$40.25) a month per family, and the extreme poverty line was Bs 157 (US\$22) a month per family. Using these figures it was possible to determine that 65 per cent of Bolivia's population was poor and 41 per cent were in extreme poverty conditions. These rates were even higher in rural areas, where they reached 83 per cent and 67 per cent, respectively. The rural poverty index is 50 per cent higher than the urban rate, and the extreme poverty rate in rural areas is more than twice the urban rate. Bolivia has highly inequitable income distribution, with a Gini index of 0.56 at the beginning of this decade, and a Gini index for rural areas of 0.65. Non-farm and non-labour income from pensions and remittances is high. A higher value for agricultural production in the lowlands means that in these areas the contribution of non-farm activities carries less weight.

### Evolution of rural poverty in Bolivia

In the past 50 years, the rural population in Bolivia decreased from 73 to 38 per cent of the national total, but in absolute terms it increased by more than 1 million people. Bolivia is the poorest country in South America. Per capita GDP in 2002 was US\$910 annually, compared to US\$3 280 for Latin America and the Caribbean as a whole. The country's poverty index particularly in rural area indicates that inequality has increased in rural areas. Between 1997 and 2002, the country's poverty index varied little, and in a negative direction (from 64 to 65 per cent), while in rural areas the deterioration was more marked, with poverty rising from 78 to 83 per cent and extreme poverty from 59 to 67 per cent.

**Table 1.**  
**Evolution of poverty and extreme poverty measured by income in percentages**

National and Rural Indicators	1997	1999	2002
National poverty	63.6	63.5	65.2
Rural poverty	78.0	84.0	83.4
Rural extreme poverty	59.0	69.9	66.8

Source UDAPE INE

In the past two decades, there was a significant increase in social investment in Bolivia, but it mainly targeted urban areas. This helped reduce average national poverty indicators as measured by the unsatisfied basic needs method, which dropped from 85.5 per cent in 1976 to 59 per cent in 2001. In rural areas, however, the index fell only slightly, from 98.6 to 90.9 per cent, during those years.

**Table 2.**  
**Evolution Unsatisfied Basic Needs Index**  
**By urban and rural areas in percentages**

Areas	1976	1992	2001
Urban	66.3	53.1	39.0
Rural	98.6	95.3	90.9
Country total	85.5	70.9	58.6

Source: UDAPE-INE data

### **Location and characteristics of the rural poor population**

Rural poverty is concentrated in the High Plateau and high valleys in the western part of the country. Of the total 2.6 million rural poor people nationwide of which 1.8 million of whom live in extreme poverty, 2.1 million live in those two areas, including 1.6 million who live in extreme poverty. Figures in the lowlands are significantly lower: 500 000 rural poor people, less than half (230,000) of whom live in extreme poverty. The departments of Potosí and Chuquisaca, in western Bolivia, have the highest poverty rates. The groups with the highest rates of poverty and vulnerability are indigenous people, women and youth. In the highlands, the population is mainly of Quechua or Aymara origin, with Quechua speakers predominating in the valleys and Aymara speakers in the High Plateau. In the Amazon tropical forest and subtropical areas, there is an indigenous population of approximately 345,000 people, who are mainly dedicated to hunting, gathering and subsistence agriculture. In the Chaco region there is a population of approximately 135,000 people, almost all of them of Guaraní origin, who are mainly dedicated to agriculture. Indigenous people in the lowlands are scattered or in small settlements and organized in Communal Lands of Origin, extensive enough to allow for future development. However, they lack legal safeguards, citizenship papers, education, technological training and other basic and production-oriented services. They generally live in extreme poverty with high vulnerability, with problems related to isolation, food insecurity, lack of public services, lack of legal safeguards, lack of identity documents, little knowledge of their fundamental rights, and a low level of formal education and technological training.

Although the difference between men's income and women's income is slight (Bs. 138 vs. Bs. 147), living conditions for women in Bolivia, especially in rural areas, are notably more precarious than for men. The poverty rate for rural women is 90 per cent, compared to 76 per cent for men. Most rural women work in agriculture, complementing the functions of the head of household, or taking full responsibility for them, because men frequently migrate. It is estimated that in the High Plateau as many as 87 per cent of women act as heads of households at some time during the year. They face difficulties in access to more technically appropriate production techniques, which are oriented more toward men; limited access to training, aggravated because of their lack of time; and the low value placed on their role in the community and the family economy although it is estimated that they contribute 47 per cent of the income in a peasant household. The illiteracy rate for women over age 15 is 21 per cent, compared to 8 per cent for men over age 15, and the average number of years of schooling is only 2.5 for rural women, compared to 4.7 for men. Overall, Bolivia's Gender Development Index is 0.68, placing it 86th out of 177 countries.

In the rural population pyramid, young adults are the group most affected by poverty, with a rate of 86.4 per cent among those under age 25, compared to 80 per cent for people between ages 25 and 64 and those age 65 and over. These differences are significant, given the generalized levels of impoverishment in rural areas.

### **Agriculture and rural poverty**

More than 80 per cent of rural households depend on agriculture and livestock production for their income. Rural poverty and extreme poverty rates are significantly higher among those dedicated to agriculture (86.6 per cent and 71.9 per cent, respectively), and among the family workers and independent workers typical of the peasant economy of the High Plateau and valleys. Wage-earning workers have the lowest poverty rates, coinciding with the structure of the labour market in rural areas of the Bolivian plains, where commercial agriculture plays a larger role in the economy.

According to a study by the Social and Economic Policy Analysis Unit, the average structure of family income in rural households is as follows: 21 per cent from commercial agriculture; 19 per cent in family consumption; 12 per cent from livestock; 39 per cent from non-farm activities; and 9 per cent from non-labour-related income (pensions, remittances, etc.). In other words, approximately 52 per cent of income comes from agriculture and raising livestock, and 48 per cent from non-farm sources, reflecting a

growing diversification of income sources in rural households and diversification of economic intensity between city and countryside. This distribution varies by region, depending on potential for agriculture; the weight of income from outside the farm and non-farm sources is greater in the High Plateau and high valleys than in the lowlands.

One notable characteristic of Bolivia's rural population is the significance of seasonal and permanent migration. Statistics show a poverty rate of 74.9 per cent among the migrant population, significantly lower than in the non-migrant population (86.9 per cent). Average per-capita income in migrant households was Bs. 201, compared to Bs. 120 in non-migrant households, showing that migration strategies among people from the western part of the country are aimed at increasing income.

### **Rural poverty dynamics in Bolivia**

Problems of low income levels are associated with structural conditions, with variations among regions. Factors include unemployment and underemployment; food insecurity; limited productive resources; inadequate infrastructure and rural services; lack of and poor performance of markets for inputs; products and services; insufficient creation and transfer of technology; lack of access by small farmers to financial services; low levels of formal education and inadequate quality of education; and serious shortcomings in health care services.

Rural poverty rates have varied little since the 1990s. At the departmental level, there are significant variations, some of which are negative. In departments such as Potosí, the poverty index increased slightly (from 95.1 to 95.4 per cent), while in the department of Santa Cruz it decreased significantly (from 92.5 to 81 per cent); the decrease in the indigence rate was even more significant (from 58.9 to 45.1 per cent).

Despite the country's economic growth and substantial investment in development programmes little has changed in poverty conditions. Various factors which are complementary and interact have influenced this. The sectors that have contributed most to Bolivia's economic growth include mining, petroleum and gas, and extensive commercial agriculture generate little demand for labour and do not establish significant links with other industries or activities. They may also contribute to structural problems that have not been satisfactorily resolved, which limit greater use of territory and greater incorporation of the productive capacity of marginal sectors. Other factors often mentioned are related to political instability and lack of continuity in the country, with serious social conflict provoked by sharp economic inequalities. This also contributes to the weakness of Bolivian institutions, as well as the traditional bias of public investment policy, which tends to target sectors with greater potential rather than marginal poor sectors that are mainly rural.

## Agriculture and rural development issues

### Background

Bolivia's geography is highly diverse, but the country can be divided into three main regions based on physical, agro-ecological, cultural and socio-economic characteristics: the High Plateau and inter Andean valleys, and the eastern tropical plains. The High Plateau, in the west-southwest of the country, covers approximately 27 per cent of the total area and concentrates about half the national population. It is a region of high mesas at an altitude of about 4,000 meters above sea level, and is surrounded by mountain ranges, with a cold climate that limits agricultural production. The inter-Andean valleys are located in the centre of the country, between Andean mountain ranges, at altitudes ranging from 2,200 to 3,400 meters above sea level. They cover about 13 per cent of the country and are home to one fourth of the population. The tropical plains in the eastern and northern part of the country are the most extensive and least populated region. They have great productive potential, both in the Amazon rain forest and in the eastern Chaco. The forested areas, mainly located in this region, represent about half of Bolivia's territory, approximately 500,000 km<sup>2</sup>.

During most of the 20th century, most of the population and most employment were in the rural sector; in recent decades, however, there has been significant rural-to-urban migration. Nevertheless, the rural population is still a high percentage of the total reaching 37 per cent in 2002, down from 50 per cent in 1985. Agriculture remains the main employment-creating economic activity, not only in rural areas but in the country as a whole. Official estimates show that the share of agriculture-related employment has increased from 40 per cent to more than 42 per cent between 1999 and 2002.

Bolivia has about 57 million hectares of land suitable for agriculture and forestry, 3.7 million hectares of which are suitable for intensive crop cultivation or about 3 per cent of the total land area, 16.4 million for extensive agriculture and the rest for livestock. The huge area of tropical forests that covers the country contains great biodiversity. Agriculture is carried out in the country's various ecological niches, with some 660,000 farms. The agrarian structure varies by region. About 83 per cent of all farms and 23 per cent of the land under cultivation are located in the High Plateau and inter Andean valleys, while 17 per cent of all farms and 77 per cent of the land under cultivation are located in the eastern lowlands. The agriculture area under cultivation increased between 1990 and 2004 from 1.4 million hectares to 2.4 million hectares, still far below the total amount of land suitable for farming. The expansion of agriculture in the Bolivian tropics has occurred at the expense of forests; deforestation has proceeded at an average rate of 180,000 hectares a year before 2001 and 224,000 hectares between 2001 and 2004.

The Bolivian agriculture sector's performance is markedly heterogeneous. Between 1980 and 2005, production of traditional Andean crops such as quinoa and tarwi, mainly in the highlands, increased at a rate of about 1 per cent per year, while in the lowlands crops mainly aimed at agro-industry, such as soy, cotton and sorghum, showed an annual increase of more than 10 per cent. There has also been significant expansion of dairy farming, cattle ranching and production of fowl. One condition worth noting when discussing the difference in the dynamics of the various regions, besides specific natural conditions, is the fact that farms in eastern Bolivia have been the target of substantial public and private investment for several years, supported by appropriate policies and strong institutions, ensuring the necessary continuity. This has not been true in the west, especially in the case of small farms. This takes on greater significance given that public investment in Bolivian agriculture has amounted to less than 2 per cent of GDP, and less than 8 per cent of total public spending, representing barely 50 per cent of the sector's contribution to GDP.



## The agriculture sector in the economy

Share of gross domestic product. Agriculture's share of total GDP in recent decades has been about 15 per cent, making it the second-largest sector of the national economy. Farm crops contribute 60 per cent of the sector's GDP, while livestock contributes about 30 per cent and forestry the remaining 10 per cent. The sector's average annual growth rate between 1980 and 2004 was 3.17 per cent, but this average conceals significant periodic differences, as average growth in the 1980s did not exceed 20 per cent. Only in 1992 did growth rates above the national average occur as a result of a sustained increase in exports, particularly vegetable oils. In 1998, the growth rate dropped again because of the economic crisis that occurred between that year and 2003. In 2002, the agriculture sector contributed 14.6 per cent of GDP, with moderate growth rates (2.7 per cent) that were lower than those of other economic activities. Public investment in the Bolivian agriculture sector has been less than 2 per cent of GDP and less than 8 per cent of total public investment, representing 50 per cent of the sector's contribution to GDP.

Sector growth. Growth in the agriculture sector in the past two decades was mainly linked to certain industrial areas such as soy, other oil-producing plants, and fowl. During that period, peasant agriculture's share of total agricultural production decreased systematically. Nevertheless, peasant farm production remains very important, representing half the sector's GDP contribution and more than 7 per cent of total GDP.

**Table 1.**  
**Contribution of *campesino* and large-scale agriculture in percentages**

Type of production	1979-81	1984-85	1990	1995	1999
Campesino	71.6	66.5	57.9	49.4	50.1
Industrial	28.4	33.5	42.1	50.6	49.9

Employment. Approximately 87 per cent of the rural economically active population is employed in agriculture, making it the sector with the largest percentage of the economically active population. It is followed by the service sector, commerce, industry and construction. The amount of labour occupied in agriculture reflects the sector's overall importance and underscores the sector's employment base. Nevertheless, a growing number of farmers have been forced to diversify their income sources as a survival strategy, while fewer and fewer farm families obtain income exclusively from agricultural production. This is especially true in the western part of the country, where risks are higher and the agrarian structure is an obstacle to the expansion of agriculture (UDAPE, 2005). Another significant change in the structure of agricultural employment is the emergence of industrial and semi-industrial farms, defined as economic units in which owners, employers or partners participate directly in production (CEDLA, 1990). These have expanded significantly, mainly in the department of Santa Cruz. These farms hire labourers, use improved inputs and machinery, and take advantage of other specialized, market-oriented support services. They are responsible for Bolivian agriculture's increased and significant contribution to national revenue.

Rural income. More than 80 per cent of rural households obtain their income from farming. According to a study by the Social and Economic Policy Analysis Unit,<sup>1</sup> the average structure of family income in rural households is as follows: 21 per cent from commercial agriculture, 19 per cent in family consumption, 12 per cent from raising livestock, 39 per cent from non-farm activities, and 9 per cent from non-labour sources including pensions and remittances. In other words, approximately 42 per cent of income comes from farming and 48 per cent from non-farm sources, reflecting a growing diversification of income sources in rural households and the diversification of economic

<sup>1</sup> Jiménez, W. and Lizárraga, S. "Ingresos y desigualdad en el área rural de Bolivia," UDAPE (2003).

emphasis between city and countryside. This distribution varies from region to region, depending on agricultural potential. Non-farm income carries greater weight in the High Plateau and high valleys than in the lowlands.

**Table 2**  
**Rural family income structure by region**  
**(1999-2001) in percentages**

Income source	HIGH PLATEAU	VALLEYS	PLAINS
Commercial agriculture	9.7	23.8	25.5
Family consumption	27.6	19.4	22.3
Livestock and derivatives	14.5	8.4	16.0
Non-farm income	39.7	40.4	31.3
Other income (pensions, remittances, assistance)	10.8	8.0	4.9
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: UDAPE, based on Ongoing Household Survey (Encuesta Continua de Hogares) 1999-2001, INE

**Migration.** One characteristic of Bolivia's rural population is the importance of seasonal and permanent migration from rural to urban or peripheral urban areas or other rural areas. Seasonal migration is part of the peasant farm family's traditional production and survival strategy, especially in the highlands. Permanent migration to major cities is aimed at increasing family income, ensuring children's education and seeking access to various services. Permanent migration to the eastern lowlands is due to the lack of land, demographic growth and the persistence of rural poverty in the highlands, which has led to constant agrarian conflict.

The notable difference between the growth and share of industrial and non-industrial agriculture and livestock raising, along with significant changes in the sector's structure and forms of agricultural production as a result of the 1953 agrarian reform, the expansion of agriculture in eastern Bolivia and migration/colonization in Santa Cruz, Beni and the tropical regions of Cochabamba and La Paz, have modified the agricultural boundaries, the concentration of land, investment patterns, employment and the composition of production.

### **Limitations on agricultural and rural development**

Generally low productivity in the agriculture sector is a key factor in rural poverty and ongoing rural-urban migration. Lack of skilled labour and other productive factors, resulting from years of low government investment in complementary public goods such as technology, rural education and physical infrastructure, are exacerbated by structural factors, such as a strong dependence on climate and geography, soil deterioration, and lack of access to financial and technical assistance services. As a result, agricultural productivity, especially in the highlands, is lower than in other countries in the region.

**Access to land.** Land distribution and ownership has historically been one of the most important problems of Bolivia's economy. Land ownership is highly concentrated, and most of the rural population has insufficient access to land. The 1953 Agrarian Reform sought to satisfy the demands of peasant farmers in the western region of the country while laying the groundwork for future agricultural development in the eastern lowlands, but the inequitable distribution of land has not changed substantially. Between 1953 and 1996, through the National Agrarian Reform Council and the National Colonization Institute, 52 million hectares were distributed to 1 million beneficiaries. Three per cent of landowners have 77 per cent of farms of more than 5 000 hectares, while 81 per cent of beneficiaries gained access to 3 per cent of the land in farms of less than 100 hectares. In practice, the Agrarian Reform established a structure of small farms between one-half to two hectares in the highlands, a size that is generally inadequate for meeting the basic needs of a peasant farm family. Production relies on traditional techniques, family labour

and inputs, with food production mainly for family consumption or for local and urban markets. The great distances between farming areas and markets and the difficult topography result in high costs for transportation, communication and services. The resettlement of part of the population in the lowland plains, both spontaneous and promoted by the government in past decades, has led to the migration of thousands of families from the Altiplano and high valleys to the eastern lowlands, but land concentration in the lowlands has persisted. The distortions created by the concentration of land ownership occur in all areas, from sale and purchase of land to working conditions for farmers, with imbalances in the agrarian structure and a decrease in the productivity and profitability of small and medium-size farms, which limits their possibilities for making the investments necessary for development. Besides poor land distribution, there are problems related to weak enforcement of legislation, overlapping land rights and a tendency to base land rights on possession rather than legal title.

Rural financial services. Bolivia as in most of Latin American countries had a State agricultural bank providing direct credit. The bank was closed in 1991 as a result of structural adjustment policies. It was replaced by a second tier institution the Peasant Development Fund which has later been disbanded. The provision of credit to small scale producers was taken up by numerous non governmental organizations which represent 10 per cent of the total amount of funds available for on lending to small scale producers which in turn represented 10 per cent of total lending to the agricultural sector

Water for irrigation. In the highlands, water is an important factor in production and risk reduction. There is a widespread lack of water, and access to water for irrigation is limited. In 2002, less than 4 per cent of the land under cultivation annually and permanently was irrigated. Most irrigation systems are small and rely on intakes from rivers with seasonably variable flows that are intermittent, unstable and dependent on rainfall, making production highly seasonal. Most of the systems are also old. Besides the lack of irrigation infrastructure, water management is inadequate, which has a negative impact on soil conservation.

Access to technology. Use of inappropriate technologies. There is a weak extension system, with no organization or specialized assistance for users of irrigation water. An estimated 68 per cent of family farms of less than five hectares lack access to technical assistance. Among peasants who have settled in the south, farms range in size from 20 to 50 hectares, but the agricultural system is slash and burn, and farmers tend to use obsolete technologies and poor soil management practices.

Electricity service. The rural electrification system's coverage is still low, while in some areas with electricity the system is underutilized, and is dedicated mainly to domestic use rather than production. Firewood and manure are still the most common energy sources for both domestic and rural industrial use.

Storage infrastructure. Because of the serious lack of adequate storage infrastructure, farmers cannot manage their supply of products when faced with price fluctuations.

Communication infrastructure. Bolivia suffers from high transportation costs, partly because of the rough geography of the highlands, but also because of the lack of highway development. Between 1990 and 2000, the highway system was expanded from less than 43 000 km to more than 53 000 km, an increase of about 25 per cent according to the World Bank.

Basic services: In the 1990s, there was a significant increase in resources dedicated to education, from 3.1 per cent of GDP in 1990 to 6 per cent in 2000. An educational reform in 1994 placed priority on rural education and introduced a bilingual, multicultural curriculum. Public investment in health services increased from 2.1 per cent to 4.1 per cent of GDP between 1990 and 1998.

### **Pre-2005 agricultural and rural development strategies and measures**

Under previous administrations, a National Agricultural and Rural Development Strategy was defined, including policies, strategies and actions related to competitiveness, infrastructure and land, indigenous development and alternative development. It was based on the active participation of organizations in municipalities and groupings of municipalities called mancomunidades. There was also a Productive Agricultural Transformation Strategy, which emphasized investment in roads and irrigation, resulting in a significant increase in highway infrastructure, and a National Irrigation Programme implemented with a loan from the Inter-American Development Bank and support from the German Agency for Technical Cooperation for irrigation which added about 14 400 hectares to the approximately 128 000 hectares already under irrigation between 1996 and 2005. The earlier strategies are reported to have been biased, through a market chain approach, toward producers with greater potential and toward intermediaries and companies in the processing, storage and transportation sectors, sidelining peasant farmers with scarce resources.

Decentralization and participation laws passed in 1995 and 1994, respectively offered a series of advances and results with a positive impact on rural development and gave impetus to local democracy building, although a lack of planning and implementation capacity in municipalities and a bias toward social and non-productive investment resulted in inefficiencies.

In 1996, the National Institute for Agrarian Reform Law gave new impetus to the Agrarian Reform, facilitating the regularization of land titles and property rights. One new provision of this law included Government recognition of indigenous territories as "Communal Lands of Origin" More than 5 million hectares have been titled as under this modality for indigenous peoples in the lowlands, and more than 800 000 hectares have been recognized as women's lands representing 10,000 land titles. A nationwide cadastre is being prepared, to be handled by municipal governments.

To make agricultural research and extension more decentralized and responsive to demand, four foundations were created for the country's main geographic areas: the High Plateau, high valleys, Chaco and humid tropics. They began operating around 2000, with the establishment of the Bolivian Agricultural Technology System, which makes public resources available to groups of producers interested in improving their production, allocating resources by means of competitive funds.

The Bolivian Government has now outlined its strategies in the National Development Plan 2006-2011, which has sector-based components within a vision of a "productive Bolivia," as well as a more integral, community-based approach under the heading "Bolivia with dignity." The new administration of President Morales has also prepared a strategic plan to guide MDRAMA operations which set out a number of actions to guide Government action in favour of the rural poor. A more detailed description is provided in appendix VIII.

# Summary of Strengths and Weaknesses of the National Poverty Reduction Strategies

## Introduction

The current Government has focused its public policy objectives on strategic areas related to decreasing poverty; promoting more equitable distribution of income, employment, consumption, wealth and opportunities; and explicit recognition of the identity, culture and rights of original and indigenous peoples. In line with these objectives, it has drafted a National Development Plan as the main tool for public intervention for the five-year period from 2006 to 2010. The Plan suspends the Poverty Reduction Strategy process in Bolivia and modifies the processes and rationale of previous strategies. Its approach gives the Government a greater role and decreases the consultation process, but also places key emphasis on combating exclusion, especially of indigenous and peasant communities, and on the development of rural areas. The Plan has four dimensions: Bolivia with Dignity, Sovereign Bolivia, Productive Bolivia and Democratic Bolivia. Bolivia with Dignity includes the Social Protection and Integral Community Development Policy, which links the four dimensions through explicit action aimed at eliminating poverty and vulnerability among the country's individuals, families, communities and peoples, and building economic, territorial, environmental, and social and infrastructure capacity. Productive Bolivia outlines sector-based policies, including the proposal for agricultural development that is reflected in the Agrarian Structural Transformation Programme, which calls for permanent, sustainable solutions for poverty-related problems among indigenous peoples.

### The National Development Plan's strategies

#### Social Protection and Integral Community Development Policy

This policy is designed to address the major national objectives of eliminating poverty and exclusion and ensuring universal access to basic services. The specific objectives are: (i) eradicating extreme poverty; (ii) eliminating all forms of internal and external exclusion; (iii) reducing inequality gaps; and (iv) decreasing risk factors, vulnerability and precariousness in people's living conditions. Policy guidelines based on these objectives place priority on: (i) restoring the rights and building the capacities of indigenous peoples and peasant farmers; (ii) strengthening the community model, reflected in collective decision making, traditional forms of organizations of local populations, direct community oversight and community values; (iii) deepening complementary action between communities and municipalities through groupings of municipalities known as *mancomunidades*, as the basis for eliminating poverty, with direct transfer of resources to local, peasant, indigenous, and neighbourhood organizations, to ensure more just and efficient distribution of powers, opportunities and resources; (iv) mobilizing the capacities of the local population; and (v) increasing and optimizing public investment and enhancing spending capacity through direct allocation to communities in the form of grants.

The Social Protection and Integral Community Development Policy includes the following programmes: (i) community economic initiatives (aimed at enhancing the economic capacities of the extremely poor local population, promoting their inclusion in the market through economic activities that enable them to reinforce their cultural identity); (ii) life with dignity (comprehensive enhancement of the human capacities of the poorest local populations, so that in light of their own cultural views they attain food security, access to high-quality education and health care and other basic services, such as potable water and sanitation, and other actions that facilitate their exercising of their full rights as citizens); (iii) environmental restitution (conserving, enhancing and restoring the natural capacities of the poorest population); (iv) enhancement of communal practices for self-sustainability (building socio-communal capacities through support for community practices at various organizational levels); (v) Infrastructure and social and productive equipment (meeting needs for social infrastructure and support for production in urban

and rural areas of extreme poverty and risk); as well as four supporting programmes. They are: (i) Knowledge and Innovation (development of knowledge in dialogue between local knowledge and practices and technical-scientific knowledge, incorporating successful integral development experiences); (ii) Territorial identity (identification and consolidation of territorial practices of local peasant, indigenous/original and community societies); (iii) Cultural identity (valuing and transmission of cultural practices and world view); and (iv) Regional development (connecting integral community development with regional scenarios). In light of these objectives and guidelines, Government interventions focus on three clearly-defined sectors of the population: (a) communities in action. communities were identified in 148 rural municipalities and chosen on the basis of the percentage of highly-vulnerable communities located within their boundaries; (b) reciprocal communities; and (c) communities in solidarity. The first two are defined by territorial criteria (the former rural and the second urban), while the third focuses on the people at greatest risk in both rural and urban areas.

#### Agrarian Structural Transformation

The National Development Plan's proposal for agrarian structural transformation is based on adoption of the following fundamental policies:

- a) *Transformation of the structure of land ownership and access to land*, based on the regularizing and granting of land titles (56 million hectares) will be implemented. The regularizing process is currently under way (2006-2007) for 36.9 million hectares, with a medium-range (five-year) goal of 31.3 million hectares. Certification is also expected for state-owned land: 2.2 million hectares are already certified, 2.3 million are in the title clearing process and 7.5 million more are to be processed. Distribution of land to indigenous peoples and campesinos: 20 million hectares (8 million have already been distributed as TCOs, while 12 million have been titled or are in the titling process, benefiting some 51 600 families). This includes three main programmes: (i) Regularization of property rights to land and territory; (ii) Redistribution of Government lands (including the reversion of lands under dubious ownership and non-productive lands to the State); and (iii) Land Administration System (includes a rural cadastre, national land title registry and land tax system).
- b) *Stimulation of the capacities of new communities and territories*: promotes the integral development of indigenous and original peoples on their communal lands of origin; provides technical and financial assistance to communities; supports the consolidation of new communities (equipment, infrastructure, markets, etc.).
- c) *Rights of indigenous and autochthonous peoples*. The goal is the full exercising of indigenous rights, especially to land and territory. Proposes collective development and implementation of a regulatory and institutional framework conducive to the full exercising of the rights of indigenous and autochthonous peoples.
- d) *Technological development of agricultural production*, stimulating research, inventories and validation of native technologies, adapting external technologies and promoting the participatory adoption of technological know-how. Proposals include creation of a National Agricultural Research Institute based on the restructuring of existing organizations, repositioning of the National Irrigation Programme or its equivalent.
- e) *Expansion of irrigation coverage* through technical assistance and public investment, along with the adoption of water and soil management technologies and agro-forestry around watersheds.
- f) *Food sovereignty*. Emphasizes the production of native products with high nutritional value, which would be purchased by Government programmes.
- g) *Rural development*. The National Development Programme sees this basically as support for non-farm activities through training, infrastructure and information. It

highlights development of local micro enterprises and small businesses, producers' associations and community economic organizations; support for the transformation of primary products in rural areas, including development of tourism potential; and promotion of domestic and external markets.

- h) *Industrialization of coca*: integral development of coca-growing areas, with transformation of coca leaves into legal products.

To complement these policies, the National Development Plan mentions two important elements related to rural development and poverty reduction, linked to the proposal for Agricultural Structural Transformation:

Communities in Action: This programme, which targets the poorest rural communities, includes two areas: social programmes and the promotion of community economic activities through seed capital and accompaniment.

National Financial System or Productive Development. The system's goal is to expand access to financial services for sectors that traditionally have lacked access. The fundamental instrument for this would be the creation of a Productive Development Bank, a second-tier institutions, which would channel funds for investment in agriculture, micro enterprise and small and medium-size businesses, for municipal and regional productive and social infrastructure, and for the development and transfer of technology.

### **The Rural, Agrarian and Forest Revolution Sector Plan**

In June 2007, MDRAMA approved a sector development plan for 2007-2010. Objectives include:

- (a) Furthering food sovereignty of the country, assuring the supply of healthy foods for the population, emphasizing the development of the capacities in the agriculture and community-indigenous forestry for food production;
- (b) Enlarging the contribution from agricultural and forest production to the livelihoods of the population and the development of the country, facilitating the expansion of the economic base considering the industrialization of environmentally sustainable renewable natural resources, the expansion of sustainable sources of employment and revenues for the rural population, the consolidation of productive systems ecologically and environmentally responsible, and the recovery of the patrimony of natural resources for rural development, consolidating linkages with the non agricultural economies; and
- (c) Fostering the sustainable administration of natural resources that makes possible the improvement of livelihoods of the indigenous and *campesino* groups, and of the rural population at large, through the use of renewable natural resources, without putting at risk the conservation of ecosystems, natural landscapes and biological diversity.

The sector plan is consistent with the National Development Plan as it will support three processes simultaneously: (a) transform the holding structure and access to land and forests; (b) implement rural territorial development by means of furthering in specific territorial environments, linked to the degree of the population's vulnerability and the readiness of more forest resources and biodiversity, of two processes that articulate political territorial, sector policies: (i) develop actions to guarantee food production aimed at achieving food sovereignty; and (ii) stimulate actions linked to rural productive development; and (c) implement sector interventions that are guided towards valuing the contribution that renewable natural resources biodiversity can make.

Within the context of national policies and those of the strategic objectives of the sector, the sector plan prescribes seven main guiding principles, subject to a permanent process of adjustment, as a result of lessons to be learned, as well as of the permanent dialogue between the Ministry and rural actors:

- a) Transforming the holding structure and access to land and forests in order to change access conditions, use and management of land, forests and biodiversity;

- b) Introducing dynamism and integral restitution of productive capacities, benefiting particularly the poorest communities and in particular those of indigenous territories;
- c) Transforming production and food patterns by the simultaneous development of productive processes linked to the population's food security and rural productive development. Two main programmes will be implemented; (i) Creation of Rural Food Initiatives aimed at consolidating food security in the country; (ii) and the Rural Empowerment Programme aimed at self-management of rural productive development.
- d) Industrialization of renewable natural resources, to impel with the active participation of the State, the transformation of agricultural and forest production and commercialization;
- e) Conservation and sustainable use of biodiversity, to promote the conservation, the knowledge and the sustainable use of these resources;
- f) Sustainable agricultural and forestry management towards more integral management systems for lands and forests, promoting the restoration of the patrimony of natural resources; and
- g) Environmental management to strengthen the role of the State in the monitoring, prevention and control of the environmental quality.

### Strengths and Weaknesses

Because of the nature of IFAD's interventions in Bolivia, the analysis of the strengths and weaknesses of the poverty reduction and agricultural development strategies in the National Development Plan for 2006-2010 and in the Rural Development Plan will focus on a few selected strategies. The following table lists the programmes with their strengths and weaknesses:

Policies/ Programmes	Strengths	Weaknesses
Communities in Action	<ul style="list-style-type: none"> <li>- Integral interventions for alleviating extreme poverty in the country's poorest municipalities.</li> <li>- Targeting based on extreme poverty criteria.</li> <li>- Programmes to strengthen communities for better management and greater ownership of interventions.</li> <li>- Interventions differentiated by causes of poverty in western and eastern regions.</li> <li>- Respect for uses and customs in management of resources.</li> </ul>	<ul style="list-style-type: none"> <li>- Falls outside framework of existing Popular Participation Law.</li> <li>- Likely to create patronage networks in the communities where it operates.</li> <li>- Design and institutional structure of interventions still undefined.</li> <li>- Lack of information about communities (INE data are at the municipal and departmental levels).</li> <li>- No explicit link to interventions of the Productive Bolivia Strategy (Development Bank).</li> <li>- No clear financing strategy.</li> <li>- Monitoring and community accountability mechanisms vague.</li> <li>- Legal framework still not adjusted to allow transfer of resources to private entities (communities).</li> <li>- Interventions not well defined.</li> <li>- Community participation processes not envisioned within context of existing institutional structure.</li> </ul>
National Plan for Regularizing and Granting Land Titles	<ul style="list-style-type: none"> <li>- Definition of goals for organizing land titling.</li> <li>- Includes strategy for strengthening (and decentralizing) INRA.</li> <li>- Identification of financial needs and strategy for obtaining resources for handling land titling.</li> </ul>	<ul style="list-style-type: none"> <li>- Risks associated with affected interest groups.</li> <li>- INRA institution-building process faces potential problems of political influence.</li> <li>- Legal framework not fully defined (by Constituent Assembly).</li> <li>- Likely conflicts with groups that have established themselves on land in the past.</li> <li>- Conceptual loopholes related to property rights.</li> <li>- Financing not ensured after 2008.</li> </ul>



Policies/ Programmes	Strengths	Weaknesses
Stimulating the capacities of new communities and territories	<ul style="list-style-type: none"> <li>- Promotes the integral development of indigenous peoples on their communal lands of origin, provides technical and financial assistance to communities, and supports the consolidation of new communities (equipment, infrastructure, markets).</li> </ul>	<ul style="list-style-type: none"> <li>- Well-designed action plans are needed to ensure the participation of the target population.</li> <li>- Isolation makes access difficult, complicating the intensity and continuity of the necessary actions.</li> <li>- Could require large investments.</li> </ul>
Exercising of rights by indigenous and original peoples	<ul style="list-style-type: none"> <li>- The goal is full exercising of and respect for indigenous rights, especially to land and territory, to foster a positive political framework and widespread awareness of the importance of the issue, both nationally and internationally, which ensures support, including financial support.</li> <li>- Legal land titling is essential to this process.</li> </ul>	<ul style="list-style-type: none"> <li>- Specific mechanisms and instruments have not yet been precisely established.</li> <li>- Much of the population lacks identity documents and citizenship papers.</li> <li>- Opposing interests could arise.</li> <li>- It is necessary to consider significant efforts in training and information.</li> </ul>
Rural Development	<ul style="list-style-type: none"> <li>- Fosters the inclusion of non-farm productive activities, especially those related to adding value to production.</li> </ul>	<ul style="list-style-type: none"> <li>- The National Development Plan proposal appears to be limited to infrastructure, agro-industry and markets, with a net separation of agricultural development (although it includes mechanization and insurance for production) and social and structural aspects.</li> <li>- Intervention mechanisms undefined.</li> </ul>
Financing productive development	<ul style="list-style-type: none"> <li>- Integral mechanism for development of production that includes financial and technical assistance and support for infrastructure.</li> <li>- Definition of financial mechanisms that complement credit and micro credit.</li> <li>- Merger of financial and non-financial institutions into a single institutional framework.</li> <li>- Integration of technical assistance programmes (irrigation, seeds, research and others).</li> </ul>	<ul style="list-style-type: none"> <li>- Probable risks associated with disintegration of current micro credit system.</li> <li>- Need for high levels of interconnection and coordination, which currently do not exist in the public apparatus.</li> <li>- Implies modification of a large number of regulations and laws related to banking, public finance and property rights.</li> <li>- Mechanisms for control, repayment and sanctions not explicitly established.</li> <li>- Beneficiary groups not identified in detail.</li> <li>- The logistical, administration and financial alignment of financing sources could take some months.</li> <li>- One fundamental issue is maintaining the country's macroeconomic stability and healthy financial policies, in order to make large-scale efforts to promote a culture of savings.</li> </ul>

## **Summary of Draft Programme Concept Papers**

### **A. Valuing and Developing the Assets of the Rural Poor**

#### **Introduction and Justification**

1. It is now widely agreed that the rural poor have assets which can be valued and developed in the context of existing national resources and their potential for development. It is also recognized that the rural poor have strategies and initiatives for increasing the value of their assets in order to overcome poverty conditions. Experience gained by IFAD funded projects in Bolivia demonstrates that supporting the strategies and initiatives of the rural poor can contribute to their wellbeing, providing ample justification for this proposed intervention.

#### **Target areas**

2. The proposed project would have national coverage focused on rural communities selected on the basis of their poverty and vulnerability conditions and their productive potential. It is estimated that the project's target groups would include 23,000 poor rural families, assembling at least 30,000 direct beneficiaries, organized in formal and informal groups.

#### **Project Objectives**

3. The purpose of the project would be to value and increase the assets of the rural poor by supporting the provision of non-financial productive services on a demand-driven basis and by transferring financial resources to beneficiary groups for them to identify, formulate, implement and monitor their own initiatives with gender equity considerations.

#### **Project Components**

4. The proposed project would include implementation of three main components: (i) Valuing and developing human and social capital by providing training for organizational capacity building and furthering citizenship rights; (ii) Deepening access to diversified non-financial services by providing incentives and instituting appropriate mechanisms for supporting the self-identified initiatives of the rural poor; and (iii) Knowledge management and policy dialogue by gathering, processing and disseminating information of the merits of the project's approach and (iv) project management, administration and monitoring and evaluation.

#### **Project Costs and duration**

5. Total project costs for an implementation period of 5 years have been estimated in US\$21 million of which IFAD would fund US\$14 million; the Government US\$4 million and beneficiaries would make cash contributions estimated in US\$3 million.

#### **Next Steps**

6. Bearing in mind that the existing IFAD funded Technical Assistance Services Project (PROSAT), which is similar in nature to this proposed project, and that PROSAT will be closing by end December 2007 it would be advisable to initiate earliest formulation of this operation with the expectation that the new proposed project would become on stream after a year from the start of formulation.

## **B. Rural Financial Services and Savings Mobilization Programme**

### **Introduction and Justification**

7. Within banking services, monetary savings by the poor constitutes the basis for all other financial services and is an effective instrument for citizenry inclusion. The Government of Bolivia has considered the possibility of progressively incorporating a high percentage of rural poor families into the banking system. Although this initiative would be new to Bolivia implementation would benefit from IFAD's experience with similar approaches in neighbouring countries.

### **Target Areas**

8. The project would be implemented progressively as a pilot initiative for the provision of diversified financial services to an estimated 20 000 individuals mainly women and youths members of poor rural households in communities selected based on high poverty levels and vulnerability.

### **Project Objectives**

9. The project's main objective would be to promote and facilitate, under market conditions, access by the rural poor to formal and diversified financial services so as to allow them to administer their own financial resources, manage risks more efficiently, reduce their vulnerability and increase their investment possibilities.

### **Project Components**

10. The proposed project would have the following components: (i) administration of financial monetary assets, access to investment instruments and risk management; (ii) financial education and social intermediation aimed at strengthening beneficiary capacity in managing their own resources; (iii) introduction of regulatory and financial innovations and new technologies in pursuit of inclusive financial systems and (iv) project management and monitoring and evaluation.

### **Project Cost and Duration**

11. The total cost of the proposed project is estimated at US\$5 million over a 3-year implementation period. The Government of Bolivia would fund US\$1.5 million while IFAD would contribute US\$3.5 million. IFAD and the Government of Bolivia would, from the outset of project formulation, seek co-financing from other multilateral and bilateral donors in order to expand coverage and targets.

### **Next Steps**

12. Project design would be initiated by the end of 2009.

## **C. Territorial Development of Indigenous and *Campesino* Communities in the Amazon River Basin.**

### **Introduction and Justification**

13. The humid tropical forest of the Amazon River basin in northern areas of Bolivia is an ecosystem with great biodiversity and constitutes the principal mean for subsistence for local populations. The proposed project is justified by favouring initiatives aimed at improving the productive capacity of the area, facilitating access to markets and services by the local population and strengthening the assets of communities and

organizations while promoting alternative forestry, agriculture and non-agriculture economic activities and sustainable use of biodiversity resources.

### **Target Areas**

14. The proposed project would be implemented in municipalities and communities in the departments of Beni, Pando and Northern La Paz more specifically in poor and vulnerable indigenous and *campesino* settlements giving priority to women and youths. It is estimated that the project's target groups would include 19 000 direct beneficiaries with 60% of women, organized in formal and informal groups.

### **Project Objectives**

15. The purpose of the proposed project would be to strengthen economic and social development with identity while strengthen self-management capacities and empowerment of indigenous and *campesino* communities in northern areas of the Amazon River basin in Bolivia.

### **Project Components**

16. The proposed project would include implementation of three components:  
(i) Enhancing citizen rights and developing capacities for the integral management of renewable natural resources; (ii) Providing non-financial support services for carrying out self-identified indigenous and *campesino* initiatives and assisting in managing investment resources aimed at producing, transforming and marketing forest and biodiversity resources in a sustainable manner; (iii) Managing and monitoring project implementation.

### **Project Costs and duration**

17. Total project costs have been estimated for a five-year implementation period in US\$12 million of which IFAD would contribute US\$8 million, the Government would fund US\$2.6 million and beneficiaries US\$1.4 million in cash and/or in kind. Additional funding would be sought during formulation in order to increase coverage.

### **Next Steps**

18. It is foreseen that project design would be initiated no later than early 2009.

## Key file 1: Rural poverty and agricultural/rural sector issues

PRIORITY AREAS	AFFECTED GROUP	PRINCIPAL ISSUES	NECESSARY MEASURES
Valuing, increasing and development of rural poor assets.	Especially households in Andean communities, particularly in the Altiplano.	Overcoming limitations on quality of and access to natural resources, particularly land and water. Sustainable management of lands. Practices and measures for the prevention, management and mitigation of environmental risks. Growth of financial assets and increase in investment. Increase in family assets. Identification and valuing of cultural and social assets. Valuing of landscape and natural surroundings.	Foster the integration and association of properties and non-fragmentation of land. Support rehabilitation of deteriorated land and recovery of lands. Improve production and facilitate access to water. Support and reinforce mutual aid (reciprocity). Support the diversification of rural employment and decrease seasonal unemployment. Adopt measures to decrease natural risks and their effects. Stimulate family savings in formal institutions and a culture of saving.
Increase in productivity and efficient management of productive resources.	All groups of poor farmers, particularly in the highlands.	Increase the technological and management capacities of the rural poor and develop initiatives for gaining access to sources of financing for investment and working capital, incorporating savings. Efficient management of natural resources and biodiversity. Secure rights to land and water. Creation of surplus and access to broader, more dynamic markets.	Support poor rural producers' access to technical assistance, as well as animal and plant health care as needed (demand driven) and other non-financial services. Foster and strengthen associations. Foster access to instruments for financing profitable productive activities and to other financial services. Ensure legal security for ownership of agricultural land. Develop programmes aimed at good management of natural resources. Place priority on assistance for good water use and management. Promote protection for water sources. Improve access to markets.
Alternatives for productive employment and non-farm enterprises.	Andean communities, especially women and youth of both sexes.	Raising educational level. Creation of opportunities for farm and non-farm employment in rural areas. Training for alternative employment in countryside and cities. Promotion of productive investment.	Support the rural poor, especially women and young people of both sexes, with training and other assistance for the identification, planning and implementation of small non-farm rural enterprises, and prepare them for profitable jobs related to value added chains in agricultural production or non-farm activities in their areas.
Social inclusion and affirmation of civic rights.	Groups of indigenous and peoples. Migrants.	Obtaining citizenship documents. Knowledge and exercising of fundamental rights, particularly for indigenous and original peoples. Literacy. Increase in educational level. Economic and social inclusion.	Information and training in fundamental rights and the particular rights of indigenous and original peoples, and support for the exercising of these rights. Include literacy in the formal educational system with an approach rooted in cultural identity. Build capacities for development of economies and territories, preserving cultural values and emphasizing biodiversity and sound environmental management. Reduce isolation, vulnerability, marginalization and exclusion.
Empowerment of women and ability to fully exercise their rights.	Women in various groups within the rural poor population.	Obtaining citizenship documents. Knowledge and exercising of fundamental rights. Effective protection against abuse. Effective access to literacy and formal education. Integration into economic and social organizations. Inclusion in leadership positions.	Facilitate and support women's access to literacy and formal education. Train women and their organizations to fully exercise their civic rights. Prioritize organizations with high participation by women and support women's promotion to decision-making positions.
Access to health, education and other basic services.	Andean communities and rural households in the lowlands, which are scattered or far from intermediate cities.	Actions to break down physical isolation. Equipment in communities. Improvements to make roads usable year-round. Increase efficiency of basic rural services.	Pay particular attention to and channel investments by various programmes, to expand and reinforce basic services and equipment for rural communities and promote and facilitate access to them, especially by mothers and children.

## Key file 2: Organizations matrix (strengths, weaknesses, opportunities and threats [SWOT] analysis)

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
Ministry of Development Planning <ul style="list-style-type: none"> <li>Vice Ministry of Planning and Coordination</li> <li>Vice Ministry of Public Investment and External Financing</li> <li>Vice Ministry of Territorial Planning and Environment</li> </ul>	<ul style="list-style-type: none"> <li>Plans public investment policies and strategies for the country's integral development.</li> <li>Official counterpart for various multi- and bilateral bodies in negotiation of loans and donations for the country.</li> <li>Has qualified technical staff with extensive experience in public investment.</li> </ul>	<ul style="list-style-type: none"> <li>Control of programmes and projects highly oriented toward financial indicators and indicators linked to percentage of progress made in producing outputs.</li> <li>Planning processes and activities too centralized.</li> <li>Lacks results-oriented monitoring and evaluation system.</li> </ul>	<ul style="list-style-type: none"> <li>Funders' commitment to align their programmes/projects with ministry objectives.</li> <li>Economic environment conducive to increasing domestic public investment and obtaining better results.</li> <li>Risk that technical personnel may be politically influenced.</li> </ul>	Under the new executive branch structure, MDSP oversees all development policy and is the nerve centre for analysis and design of public policy. This establishes an implicit objective of separating government fiscal and financial areas from development-related issues.
Ministry of Rural Development, Agriculture and Environment <ul style="list-style-type: none"> <li>Vice Ministry of Land Development and Agriculture</li> <li>Vice Ministry of Biodiversity, Forestry Resources and Environment</li> </ul>	<ul style="list-style-type: none"> <li>Turnover among top authorities, with new officials showing signs of more effective management of sector policies and programmes.</li> <li>Encourages more efficient farm land titling</li> <li>Extensive experience with programmes/projects financed by multi- and bilateral entities.</li> </ul>	<ul style="list-style-type: none"> <li>High turnover of technical personnel.</li> <li>Ministry lacks credibility with local and international entities.</li> <li>Inadequate process for hiring technical personnel.</li> <li>Weak coordination with prefectures.</li> <li>Lack of system for monitoring and evaluation of interventions and results.</li> </ul>	<ul style="list-style-type: none"> <li>With appropriate political and technical leadership, could play a key role in a new, integral approach to development based on the National Development Plan.</li> <li>Direct dialogue with grassroots movements.</li> <li>Lack of credibility makes it difficult for the ministry to attract financial resources, because it has shown few results.</li> <li>Lack of control over land takeovers.</li> </ul>	After passage of the new law reorganizing the executive branch, this ministry absorbed two ministries and part of a third (Peasant and Agricultural Affairs, the Ministry of Indigenous Affairs and Original Peoples, and part of the former Ministry of Sustainable Development, which included land, environment and biodiversity).  The National Development Plan proposes strengthening women's active participation in productive economic processes, establishing a culture of equity and equality, ensuring access to justice, the exercising of fundamental rights and life without violence.
Ministry of Water <ul style="list-style-type: none"> <li>Vice Ministry of Irrigation</li> </ul>	<ul style="list-style-type: none"> <li>Recently created ministry that has the opportunity to develop an organizational culture of technical capacity</li> </ul>	<ul style="list-style-type: none"> <li>Because it is new, it is still institutionally weak at the national and departmental levels.</li> <li>Lack of operating capacity to ensure</li> </ul>	<ul style="list-style-type: none"> <li>Enforce Law 2878 and its enabling regulations, which define the legal framework for planning the sector's</li> </ul>	

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
Ministry of Production and Microenterprise	<p>and efficiency that will give it credibility.</p> <ul style="list-style-type: none"> <li>The first team of executives has developed a comprehensive, sustainable water policy to ensure the right to access to water for the entire population, with emphasis on environmental protection.</li> <li>There is a new law (Law 3525) for regulation and promotion of agricultural production and ecological, non-timber forest products</li> <li>Has the authority to take leadership role in promoting and encouraging enterprise among indigenous and peasant communities and civil society organizations, to develop tourism and ecotourism activities in coordination with the appropriate bodies.</li> </ul>	<p>good system for monitoring and evaluation of its work plan and to ensure that the plan is results oriented.</p> <ul style="list-style-type: none"> <li>Irrigation projects are infrastructure oriented.</li> <li>High personnel turnover.</li> <li>Selection process for technical staff not oriented toward hiring the best.</li> <li>Weak coordination with prefectures and municipal governments.</li> <li>Weak coordination with prefectures and municipal governments for supporting programmes to increase productive initiatives.</li> <li>Lack of promotion of its programmes, which would encourage organizations and/or communities to take advantage of training for indigenous communities.</li> <li>Lack of dissemination of information about its strategy and work plans in rural areas.</li> </ul>	<p>development, based on collective rights reflected in "uses and customs."</p> <ul style="list-style-type: none"> <li>Play a more active role in organizing investments, programmes and projects at departmental and municipal levels.</li> <li>Enormous potential in the various regions of the country to take advantage of biodiversity and foster eco- and ethno-tourism initiatives.</li> <li>Channelling technical assistance to assist municipal governments and associations that create initiatives for local and international tourism.</li> </ul>	<p>The National Development Plan proposes expanding women's participation in the labour force, enhancing their active participation in productive economic processes.</p>
<ul style="list-style-type: none"> <li>Vice Ministry of Microenterprise and Small Business</li> <li>Vice Ministry of Tourism</li> </ul>	<ul style="list-style-type: none"> <li>This is the technical body responsible for planning, implementing and consolidating the country's agrarian reform.</li> <li>Technical experience in land titling.</li> <li>Decentralized offices nationwide, with technical and legal teams.</li> </ul>	<ul style="list-style-type: none"> <li>Cumbersome bureaucratic processes for clearing and obtaining land titles.</li> <li>Entity historically managed with criteria that are more political than technical.</li> <li>High turnover of technical staff.</li> <li>High administrative costs of technical processes.</li> </ul>	<ul style="list-style-type: none"> <li>President's political commitment to support more effective processes for providing land.</li> <li>Willingness of financial cooperation bodies to support processes for clearing and obtaining land titles.</li> </ul>	<p>Progress in clearing land titles has been slow since Law INRA 1715 was signed (1996)</p> <p>The Bolivian government promulgates Law 3545 of Nov. 28, 2006, the goal of which is to modify and incorporate new provisions of Law 1715 of Oct. 18, 1996 (Law INRA).</p>

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
Bolivian Agricultural Technology System ( <i>Sistema Boliviano de Tecnología Agropecuaria, SIBTA</i> )	<ul style="list-style-type: none"> <li>Initiated an institutional process to ensure the technical quality of its services.</li> <li>Engaged in a decentralization process in its regional offices.</li> </ul>	<ul style="list-style-type: none"> <li>Institutional solidification at risk because of political pressure in naming of technical personnel.</li> <li>Not all regional offices use technically correct processes and procedures.</li> <li>Does not make information about management and results public.</li> </ul>	<ul style="list-style-type: none"> <li>Can support enhancement of competitiveness of agro market chains, from production to sale.</li> <li>Can help ensure sustainable use of natural resources.</li> </ul>	Entity is currently being questioned, and a new institutional structure has been proposed for research and agricultural extension. The proposal would centralize its operations in the national government, which could affect participatory models of demand-driven access supported by IFAD.
National Agricultural Health and Food Safety Service ( <i>Servicio Nacional de Sanidad Agropecuaria e Inocuidad Alimenticia, SENASAG</i> )	<ul style="list-style-type: none"> <li>Has received assistance to strengthen its institutional structure.</li> <li>Services and offices were decentralized and some have made notable progress in quality of services.</li> <li>Implementation of quality and certification processes has improved some services, such as school breakfast programme.</li> <li>Definition of technical processes for importing and exporting agricultural products.</li> </ul>	<ul style="list-style-type: none"> <li>Suffers from political pressure and high turnover of technical personnel.</li> <li>Management has done little to make processes more transparent and overcome reputation for being a corrupt organization.</li> </ul>	<ul style="list-style-type: none"> <li>Improving phytosanitary registration process.</li> <li>New ministry officials have the opportunity to lead a process to increase institutional solidity and increase transparency for enhancing services.</li> </ul>	<ul style="list-style-type: none"> <li>There has recently been a new outbreak of hoof-and-mouth disease, with a negative impact on meat exports.</li> </ul>
Superintendency of Banks and Financial Entities ( <i>Superintendencia de Bancos y Entidades Financieras</i> )	<ul style="list-style-type: none"> <li>Structured supervisory body for formal financial sector (banks, mutual savings banks, home loans, open savings and credit cooperatives, private financial funds).</li> <li>Mandate to protect national savings.</li> </ul>	<ul style="list-style-type: none"> <li>Some shortcomings in supervision of formal microfinance activities, making it difficult for IFIs to gain access to rural areas.</li> </ul>	<ul style="list-style-type: none"> <li>Recent external technical assistance (USAID)</li> <li>Approval, as of November 2006, of new regulations regarding "mandates for financial intermediation," through which formal IFIs can delegate their functions (capturing and lending) to contractually designated, legally established non-supervised entities, expanding their coverage.</li> </ul>	
Productive Development Bank ( <i>Banco de Desarrollo</i> )	<ul style="list-style-type: none"> <li>Second-tier public bank in process of formalization (by merger between</li> </ul>	<ul style="list-style-type: none"> <li>Government structure still undefined.</li> <li>Mission includes providing both</li> </ul>	<ul style="list-style-type: none"> <li>Risk of political influence undermining scrupulous management.</li> </ul>	<ul style="list-style-type: none"> <li>Creation of the BDP was authorized by decree in January 2007, although</li> </ul>



ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
<i>Productivo</i> , BDP)	<p>NAFIBO and FONDESIF). It will be a mixed corporation with the state and the Corporación Andina de Fomento (CAF) as majority stakeholders.</p> <ul style="list-style-type: none"> <li>▪ Its mission is to refinance national productive development, with priority on microenterprise and small and medium-size businesses, especially in the rural sector.</li> </ul>	<p>financial (second tier) and non-financial (technological resources) services.</p> <ul style="list-style-type: none"> <li>▪ State as majority stakeholder.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Political will to lower active rates in the short term.</li> <li>▪ Willingness to greatly expand poor people's access to diversified financial services, fostering broader coverage with bank customer service windows throughout the country.</li> </ul>	<p>the merger of NAFIBO and FONDESIF, the two existing public development financing entities, has not been finalized.</p>
State-owned Union Bank (Banco Unión)	<ul style="list-style-type: none"> <li>▪ Extensive coverage nationwide, with intention of expanding existing network of customer service windows.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bank in process of recovery after near failure in 2003, which led state to become a shareholder (transformation of subordinate loans), which explains certain technical and operational weaknesses and obsolescence in the design of the products and services offered.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There could be a risk of decision making based on non-financial criteria because of the ownership structure of the bank, which is a first-tier government instrument for implementation of the PND.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To date there is no formal information about the bank's future strategic plan, which depends on future Bolivian government decisions.</li> </ul>
Prefectures (in the nine departments of Bolivia)	<ul style="list-style-type: none"> <li>• Top prefecture authorities have been democratically elected for the first time.</li> <li>• Prefecture revenues have increased with the direct tax on hydrocarbons.</li> <li>• Departmental policies have been aligned with national policies for projects involving local governments and other geographic entities or authorities and public and private agencies, within the framework of the PND and Departmental Development Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Coordination between central government and prefectures is not optimal.</li> <li>• Representation of prefectures at department level generally weak (sub-prefectures).</li> <li>• Technical personnel usually not selected by competitive processes.</li> <li>• Competitive technical structures are not being formally established within most prefectures.</li> <li>• Most do not base their management on a sound monitoring and evaluation system.</li> <li>• Prefectures have not had a clear role in the decentralization process, creating gaps in relations with national government and municipal and local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen institutional structures and presence in all provinces of departments, decentralizing certain technical and administrative levels to respond more effectively at the departmental level.</li> <li>• Strengthen coordination and efforts with mayors, in accordance with their functions.</li> <li>• Joint investment with municipalities within a comprehensive plan for departmental development.</li> <li>• There is political friction between the central government and prefectures that do not support its political position.</li> </ul>	<p>Positions that favour reducing the prefectures' autonomy and scope of action could gain strength.</p>

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
Municipal governments (327 nationwide)	<ul style="list-style-type: none"> <li>• Democratically elected</li> <li>• The Popular Participation Law reinforces municipal authority and decentralization.</li> <li>• Participatory processes in municipalities for drafting annual operating plans.</li> <li>• Municipal government is the basic unit for planning, administration and management, which is important in functions related to control and oversight of resources transferred from the national level.</li> <li>• Partnerships with other municipalities through groupings of municipalities known as <i>mancomunidades</i>.</li> </ul>	<ul style="list-style-type: none"> <li>• Politically influenced and often lacking institutional development.</li> <li>• Non-competitive hiring practices result in lack of qualified technical personnel.</li> <li>• Censure vote allows mayor to be changed every year.</li> <li>• Lack of continuity in policies and plans because political interests prevail over service to local residents.</li> <li>• The way districts are defined results in a popular participation process that is complicated by conflicts over boundaries and jurisdictions, overlapping or ambiguous borders, lack of geographic continuity, and sections of provinces or cantons that exist only on paper.</li> <li>• Political-administrative unit with sparse population and an enormous number of sections of provinces, many with small, scattered populations.</li> <li>• Groupings of municipalities (<i>mancomunidades</i>) are contractual entities for dealing with specific projects and certain regional matters, and for fostering technical and institutional support networks, but have not attained the necessary degree of specialization.</li> <li>• In general, municipal governments have prioritized spending on health and education infrastructure, neglecting production.</li> <li>• In general, little emphasis on or support for productive projects.</li> </ul>	<ul style="list-style-type: none"> <li>• 85% of resources are to be dedicated to the implementation of plans and projects.</li> <li>• Equitable distribution and better administration of public resources.</li> <li>• Complementary revenue from direct hydrocarbon tax, approximately US\$202 million per year nationally.</li> <li>• Opportunity to carry out true local development.</li> <li>• Groupings of municipalities to make greater progress.</li> <li>• Technical assistance initiatives from international cooperation agencies.</li> <li>• The process of decentralization, expanding the role of municipal governments and forming clusters of municipalities (<i>mancomunidades</i>) attracted the attention of various cooperation agencies, and significant cooperation programmes and projects were designed.</li> <li>• The country's geographic conditions, due to which municipalities are scattered and distant from one another and from urban centers.</li> <li>• The inaccessibility of many municipalities, not only because of their remoteness, but also, and mainly, because of the lack of roads and other means of communication.</li> <li>• Legal recognition of the groupings of municipalities is still weak, as is the establishment of their organic structure and overall functioning.</li> <li>• Create opportunities at the departmental level to identify</li> </ul>	<ul style="list-style-type: none"> <li>• The existing legal framework, based on decentralization and an expansion of the role of municipal governments, motivated local stakeholders to think in terms of local development. The formation of groupings of municipalities is mainly based on special legislation for their formation and operation. These laws stemmed from the need to respond to problems arising from implementation of the Popular Participation Law and the expansion of the role of local governments.</li> <li>• Groupings of municipalities (<i>mancomunidades</i>) were created to fill the planning space between the local and departmental levels, to stimulate concurrent investment with departmental prefectures.</li> <li>• The PND lists 148 priority municipalities, which would also be targeted by COSOP project activities.</li> <li>• Of a total of 327 existing municipalities, 285 (87.16 percent) belong to 76 departmental groupings of municipalities (<i>mancomunidades</i>).</li> </ul>

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
Private generalist banks	<ul style="list-style-type: none"> <li>▪ Generally efficient in their traditional market niches.</li> <li>▪ Financial criteria for decision making.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Urban bias; tend to exclude the poor.</li> </ul>	<p>opportunities for technical and financial support.</p> <ul style="list-style-type: none"> <li>• Sharing of experiences and lessons learned among the groupings of municipalities.</li> <li>• Political influence in the various municipal groupings' processes for achieving objectives.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Some banks could be exceptions to overall trends.</li> </ul>
Microfinance banks (BancoSol and Los Andes-PROCREDIT) and private financial funds	<ul style="list-style-type: none"> <li>▪ Considered very efficient, with a few exceptions.</li> <li>▪ Target low-income clientele with specifically designed products.</li> <li>▪ Able to capture customers' savings.</li> <li>▪ Low portfolio-in-arrears rate.</li> <li>▪ Very agile in responding to consumers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ When they first appeared, they had a largely urban bias.</li> <li>▪ Nationwide coverage still limited.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Slow, gradual development of client portfolios beginning in smaller cities and rural areas.</li> <li>▪ Strong competition between national IFIs is both an opportunity (fosters innovation and decreases active rates) and a threat, as the 1999 crisis showed.</li> </ul>	<ul style="list-style-type: none"> <li>▪ PRODEM FFP is an exception to the urban bias, as it has development strategies for both the medium urban and rural sectors (with 75 agencies and service points nationwide).</li> <li>▪ IFIs are particularly relevant for the purposes of an IFAD intervention (oriented toward the poor; passive products).</li> </ul>
Savings and Credit Cooperatives	<ul style="list-style-type: none"> <li>▪ Financial entities generally well inserted into social fabric.</li> <li>▪ Often closed entities that serve members based on socio-professional characteristics.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Microfinance technologies generally insufficient.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Only open cooperatives are supervised by the SBEF; closed cooperatives have a delegated supervision system.</li> <li>▪ Greater proximity to low-income clientele.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The cooperative sector varies, including both strong, well-structured entities and others with weak governance and financial performance.</li> <li>▪ Open cooperatives are relevant for the project's purposes.</li> </ul>
Financial NGOs	<ul style="list-style-type: none"> <li>▪ Some are considered efficient (e.g., FADES, CRECER, PROMUJER, ANED)</li> <li>▪ Strong presence in remote rural areas.</li> <li>▪ Support for management of financial resources.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Technology sometimes inappropriate.</li> <li>▪ Reduced volume of operations.</li> <li>▪ Unable to capture customers' savings.</li> <li>▪ Dependence on external resources.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Because they are NGOs, they have trouble connecting with private capital (including the market for capturing savings).</li> </ul>	<ul style="list-style-type: none"> <li>▪ They would not be relevant to the project if they are unable to capture savings.</li> </ul>

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
NGOs, non-profit corporations and development foundations	<ul style="list-style-type: none"> <li>▪ Accumulated experience in managing external financing and implementation of projects in rural areas.</li> <li>▪ Occasionally present in remote rural areas.</li> <li>▪ Experience in supporting camelid sector, especially areas related to primary production.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Approaches based on handouts and supply.</li> <li>▪ Resource intermediation, raising costs of services and weakening poor people's sense of ownership.</li> <li>▪ Insufficient updating of development approaches and mechanisms.</li> <li>▪ Dependence on external resources.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Availability of public and international cooperation resources, creating financial dependence.</li> <li>▪ Reduction of government services has stimulated the growth of private organizations.</li> <li>▪ Independence from state control and lack of connection with public policies.</li> <li>▪ Possibility of creating partnerships for assistance in primary production.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Could be service providers if grassroots organizations decide to contract them and pay for their services.</li> <li>▪ Could present proposals in innovation contests and compete with other public and private institutions for some funds, for which accountability would be public and transparent.</li> </ul>
Non-governmental organizations (NGOs)	<ul style="list-style-type: none"> <li>• NGOs have nationwide presence.</li> <li>• Many have various years of experience in the country.</li> <li>• With some exceptions, NGO management has historically been based more on technical than political criteria.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of continuity in financing.</li> <li>• Short time frames.</li> <li>• Not easy to obtain financing for long-term projects and programmes.</li> <li>• Programmes and projects not always in line with national strategies, leading to lack of appropriate coordination.</li> <li>• Influence of funders (regional political management).</li> </ul>	<ul style="list-style-type: none"> <li>• International bodies' initiatives and offers of financing are an opportunity that could lead to poverty reduction.</li> <li>• The process of decentralization, expansion of the role of municipalities and formation of groupings of municipalities (<i>mancomunidades</i>) attracted the attention of various cooperation agencies, and significant cooperation programmes and projects were designed.</li> </ul>	<ul style="list-style-type: none"> <li>• There are an excessive number of NGOs in Bolivia</li> </ul>
Association of Ecological Producers' Organizations of Bolivia ( <i>Asociación de Organizaciones de Productoras Ecológicas de Bolivia, AOPEB</i> )	<ul style="list-style-type: none"> <li>• Began working with six affiliated organizations; now has 56 involving 30,000 producers nationwide.</li> <li>• 7,000 producers with ecological certification, exporting about 10,000 tons valued at US\$20 million.</li> <li>• Has national structure.</li> <li>• Has institutional strengthening plan for its members.</li> <li>• Its actions and interventions are designed to provide assistance and enhancement at all levels of the market chain.</li> </ul>	<ul style="list-style-type: none"> <li>• Because of rapid growth, organization has not adapted its structure to fully respond to all members.</li> <li>• Weak communication system (internal and external).</li> <li>• Has still not attained financial self-sustainability and is dependent on external funders.</li> </ul>	<ul style="list-style-type: none"> <li>• Influencing national policy, such as the draft law for regulation and promotion of agricultural production and ecological non-timber products, benefiting its affiliates and others.</li> <li>• There is strong demand from its affiliates and from producers for medium- and long-term training for their children.</li> <li>• It has strengthened commercialization with the "Superecologito" chain of stores for sale and distribution in La Paz, Cochabamba, Santa</li> </ul>	<p>AOPEB has 56 affiliated organizations nationwide.</p> <p>Work with media to promote ecological products and raise consumer awareness, so as to better position the AOPEB.</p>

ORGANIZATION	STRENGTHS	WEAKNESSES	OPPORTUNITIES/THREATS	OBSERVATIONS
<p>Coordinating Committee for Integration of Peasant Economic Organizations of Bolivia (<i>Coordinadora de Integración de Organizaciones Económicas Campesinas de Bolivia</i>, CIOEC-Bolivia)</p>	<ul style="list-style-type: none"> <li>• Legally established representative organization for integration and coordination of a diversity of peasant economic organizations at the national and departmental levels, with identity linked to indigenous/original peoples and peasant farmers.</li> <li>• Has national structure with broad social base.</li> <li>• Peasant economic organizations have positioned themselves on national economic-production scene.</li> <li>• Multidisciplinary team identified with peasant economic organizations.</li> </ul>	<ul style="list-style-type: none"> <li>• Excessive dependence on external funding, which reflects weak internal capacity to capture resources for financing itself.</li> <li>• Lack of system for monitoring and evaluation of members' production plans.</li> <li>• Inadequate communication system (internal and external).</li> </ul>	<p>Cruz and Sucre.</p> <ul style="list-style-type: none"> <li>• Political interference by forces seeking control, which could undermine its mission.</li> </ul> <ul style="list-style-type: none"> <li>• With the political and social events of recent years, the peasant economic organizations have emerged as important players in the country's productive and economic development.</li> <li>• They are aligned with the PND concept of food sovereignty, which is also a basic principle of peasant economic organizations.</li> <li>• Small producers play the leading role in the new economic model.</li> <li>• Political interference by forces seeking control, which could undermine its mission.</li> <li>• Lack of food security and food sovereignty in the country (Customs-SENASAG: transgenic seed, unfair competition from contraband).</li> </ul>	<p>CIOEC-Bolivia plays a role in integrating peasant economic organizations and provides services to help strengthen them socially and economically.</p> <p>There are more than 700 peasant economic organizations, involving more than 115,000 peasant families in 180 municipalities nationwide.</p>

### Key file 3: Complementary donor initiative/partnership potential

DONOR/AGENCY	PROGRAMMES AND PROJECTS	SITUATION	POTENTIAL FOR COMPLEMENTARITY/SYNERGY
United Nations Development Programme (UNDP)	<ul style="list-style-type: none"> <li>Rural development is priority, as are issues related to hunger and inequality.</li> <li>Small investments programme with GEF</li> <li>Priority areas: children, literacy, health, identity. Also issues of environment and sustainability.</li> <li>Manages various joint funds, especially in areas of governance and political dialogue.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare programme document.</li> </ul>	<ul style="list-style-type: none"> <li>Has leading role; alignment and harmonizing.</li> <li>Has participated in basket funding.</li> <li>Promotes dialogue initiatives to harmonize cooperation with government. Meetings to exchange ideas and experiences.</li> </ul>
European Commission (EC)	<ul style="list-style-type: none"> <li>Supports various programmes with Bolivian government, including land titling and food security assistance programme. Also supports programmes in education, health and integrated watershed management.</li> <li>The EC has contributed to improvement of physical infrastructure and provision of basic services.</li> </ul>	<ul style="list-style-type: none"> <li>First two phases of food security programme have concluded. Third phase under consideration. Disbursements have been handled well; municipal participation has been key, but is highly susceptible to outside interference.</li> <li>Initiating a new cooperation programme with three work areas: (1) Economic opportunities to be implemented with funders (includes budget assistance for sectors); (2) Budget assistance for alternative development; and (3) international watershed management. The first area offers greater impact on rural poverty reduction programmes, and includes: (i) financial services; (ii) non-financial services; (iii) demand-driven occupational training; and (iv) institutional models for fostering economic opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>The EC will step up coordination efforts with member states and other donors to present a common front to the Bolivian government and ensure the complementarity of actions.</li> <li>Suggests joint missions for identification to achieve a critical mass of donors and reach agreements.</li> <li>The food security programme finances the poorest municipalities, based on demand and the presentation of project proposals. The municipalities make a financial contribution. The food security programme could work with BANDEPRO to finance beneficiaries. Works with the VALE Project, which IFAD supports.</li> <li>The affinity of many programmes with those supported by IFAD offers many opportunities for association.</li> </ul>
World Bank (IBRD)	<ul style="list-style-type: none"> <li>The bank currently concentrates on three programmes, two of which would have an impact on rural development: (a) the decentralized infrastructure for rural transformation programme (rural electrification), which ends in December 2007, and (b) the Rural Alliances project, aimed at commercialization of agricultural products (producer-purchaser relationship), which runs through September 2011.</li> </ul>	<p>The new strategy in rural areas gives priority to:</p> <ul style="list-style-type: none"> <li>Rural community development, within the government's Communities in Action programme. Will provide support for irrigation, roads and production; will include business plans and supervision. Has carried out two identification missions.</li> </ul>	<ul style="list-style-type: none"> <li>There are possibilities for complementarity to be exported in activities such as: community tourism, environmental health, rural alliances, electrification, etc.</li> <li>The rural community development programme would offer the greatest prospects for collaboration agreements.</li> </ul>

DONOR/AGENCY	PROGRAMMES AND PROJECTS	SITUATION	POTENTIAL FOR COMPLEMENTARITY/SYNERGY
		<ul style="list-style-type: none"> <li>• A programme of land for agricultural development (land bank), probably to be eliminated.</li> <li>• Economic and local development in the Lake Titicaca area.</li> <li>• Support for community tourism and environmental health.</li> <li>• Rural alliances.</li> </ul>	
Inter-American Development Bank (IDB)	<ul style="list-style-type: none"> <li>• Has strongly supported SIBTA and SENASAB policies, planned through July 2007.</li> <li>• Has participated in donor basket with Sweden, Holland, Germany and Belgium.</li> <li>• Highways and the environment are Bolivian government priorities with regard to the IDB.</li> <li>• The issue of risks is relevant. Impact is greater in rural sector. Several studies have been done.</li> </ul>	<ul style="list-style-type: none"> <li>• A new programme could be prepared with INIA, but there is still no request, not even for design (there is an offer from DANIDA).</li> <li>• Possibility of a commercial bank escrow fund to address agricultural food emergencies, still undefined by Bolivian government.</li> <li>• One project for marginal rural areas: public risk management.</li> </ul>	<ul style="list-style-type: none"> <li>• Current prospects are mainly in the area of emergencies and risk management. It is important to explore possibilities for participation in SINAFID, and specifically in BANDEPRO, supporting rural financial and non-financial services.</li> </ul>
Corporación Andina de Fomento (CAF)	<ul style="list-style-type: none"> <li>• Because of the conditions of the loans, CAF-financed programmes and projects are mainly aimed at major infrastructure works, especially transportation, as well as finance and commerce sectors. Nevertheless, CAF has been an IFAD cofinancer in Bolivia at various times.</li> <li>• CAF has been associated with financial institutions in Bolivia.</li> </ul>	<ul style="list-style-type: none"> <li>• CAF works with IFAD as cooperation agency, assuming responsibilities in management of IFAD loans, as well as oversight of their use.</li> <li>• CAF has expressed interest in continued collaboration with IFAD.</li> </ul>	<ul style="list-style-type: none"> <li>• CAF has reiterated its willingness to cofinance IFAD loans. Greater participation in a "mix" with donations from another source could be explored.</li> <li>• CAF's participation in BANDEPRO to support the rural financial services programme would be relevant.</li> </ul>

DONOR/AGENCY	PROGRAMMES AND PROJECTS	SITUATION	POTENTIAL FOR COMPLEMENTARITY/SYNERGY
German Cooperation (GTZ)	<ul style="list-style-type: none"> <li>• Modernization of the state (support for young people and their organizations in participatory processes in their communities).</li> <li>• Sustainable Agricultural Development Programme (<i>Programa de Desarrollo Agropecuario Sostenible</i>, PROAGRO). Sustainable agriculture, irrigation, resource conservation (risk management, national irrigation programme, development of microfinance systems, national watershed management programme, etc.).</li> <li>• Supplying drinking water and disposing of solid waste in small and medium-size communities (PROPAC).</li> <li>• Bilingual education projects.</li> </ul>	<ul style="list-style-type: none"> <li>• New coordinator to take over in March 2007</li> <li>• In principle, PROAGRO ended in December 2006. Its areas of action were northern Potosí and the Bolivian Chaco.</li> </ul>	<p>Interest by both parties in closer IFAD-GTZ cooperation, with the possibility of an agreement for supervision of the use of IFAD loans. Cooperation emphasis has been on irrigation and watershed protection (identification, final design, construction of works and assistance for use, including financing), combining donations with loans. The KFW agency participates in studies, design and construction, GTZ is responsible for aspects related to strengthening institutions. The Bolivian government proposes expanding national irrigation coverage. This requires a significant effort in non-financial services to support underutilized irrigation systems, with the possibility of coordinating with IFAD-supported programmes.</p>
Belgian Technical Cooperation (BTC)	<ul style="list-style-type: none"> <li>• Sustainable market chains in Oropeza (department of Chuquisaca).</li> <li>• Sustainable agricultural development (Chayanta province, department of Potosí).</li> <li>• Scholarships and internships (agriculture and food security, environment, etc.).</li> <li>• Integral rural development programme in watersheds in the Tunari mountain range.</li> <li>• Integral rural development programme in Ichilo-Sara, department of Santa Cruz. Includes loan fund.</li> <li>• Integral, sustainable use of forestry resources in the tropical region Cochabamba (five municipalities).</li> <li>• Support for fund for development of indigenous peoples of Latin America and the Caribbean.</li> <li>• Health in El Alto (2006-2011)</li> <li>• Micro interventions. Annual nationwide programme.</li> </ul>	<ul style="list-style-type: none"> <li>• Final design completed. Planned time frame: 2006-2011.</li> <li>• Began in 2006. Planned time frame: five years.</li> <li>• Implemented annually. Little used.</li> <li>• Under way until 2008</li> <li>• Ended in 2006. The prefecture is working on a proposal for continuity. Agreement for management of Loan Fund will be expanded.</li> <li>• 2006-2009.</li> <li>• 7 projects concluded in 2006.</li> <li>• Under way.</li> <li>• Prospects for growth. Has benefited more than 50,000 families.</li> </ul>	<ul style="list-style-type: none"> <li>• Agency funded by the Belgian government, which operates as an autonomous entity. Transfers resources to NGOs. Serves poor areas, including those characterized by low potential and conflict.</li> <li>• Cooperation currently emphasizes health and rural development with agricultural market chains. Another area of increasing importance is governance.</li> <li>• Harmonization is important, but they believe there has been little progress on the part of either donors or recipients.</li> <li>• IFAD programmes/projects could find various areas for cooperation, exchanges and synergy, both with agricultural and rural development programmes and with the scholarship programme and micro interventions, which are aimed at the rural population.</li> <li>• In February, a Mixed Commission is planned for new definition of strategies in the country.</li> </ul>
Danish Cooperation (DANIDA) (principally with the private sector)	<ul style="list-style-type: none"> <li>• Shares programmes with other donors (e.g., seeds with EU and COSUDE)</li> <li>• Assistance to Vice Ministry of Rural Development to improve its systems and accountability.</li> <li>• For some time, has cooperated with lowland</li> </ul>	<ul style="list-style-type: none"> <li>• Has cut back on activities in the country and is reviewing its priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• There is interest in exploring possibilities for association with IFAD. One particular area of interest could be lowland indigenous peoples.</li> </ul>



DONOR/AGENCY	PROGRAMMES AND PROJECTS	SITUATION	POTENTIAL FOR COMPLEMENTARITY/SYNERGY
	indigenous peoples. Collaborates with government land titling and territory consolidation programmes.		
Dutch Cooperation	<ul style="list-style-type: none"> <li>Through businesses has supported programmes related to land ownership and cadastre.</li> <li>Has been involved in agricultural market chain activities, including wine and <i>singani</i>, quinoa, camelids, forestry products, biocommerce (lizards, natural ingredients), and exports.</li> <li>Strengthening of community businesses and linkages with commercial channels.</li> <li>Agreements with financial entities.</li> <li>Supported programmes with SIBTA</li> </ul>	<ul style="list-style-type: none"> <li>Expectations regarding creation of the National Agricultural Research Institute (<i>Instituto Nacional de Investigación Agropecuaria</i>, INIA).</li> <li>Considering three priority areas for the future: (i) new financing system; (ii) innovation fund; and (iii) biocommerce.</li> <li>Looking with interest at organic production in the Altiplano, pollenization of native fruits and development of native bees.</li> </ul>	<ul style="list-style-type: none"> <li>Its programmes in rural areas target peasant farmers who have limited opportunities.</li> <li>Interested in direct transfers to communities and groups, as long as they are very transparent.</li> </ul>
Swedish Cooperation	<p>Works in the following priority areas:</p> <ul style="list-style-type: none"> <li>Democratic governance: human rights, Constituent Assembly, Ombudsman's Office, decentralization, indigenous peoples, reform of the state. Supports various NGOs in these areas.</li> <li>Social sector (jointly with Denmark and Holland): support for education, council of indigenous peoples, reproductive health.</li> <li>Private sector: support for forestry sector (CAINCO). Micro-watershed plan. Support for informal sector.</li> <li>Natural resources. Water and sanitation in peripheral urban areas and watersheds.</li> </ul>	<ul style="list-style-type: none"> <li>Does not consider direct budget support.</li> <li>Regularly supports various studies: results analysis; analysis of poverty in Bolivia.</li> <li>For 2007, considering the following priority strategies, based on PND: i) Communities in Action; b) Land and territories (with INRA); c) Informal economy; d) Social protection networks.</li> </ul>	<ul style="list-style-type: none"> <li>Annual allocations are very significant. Spending has been low in the past year.</li> <li>Expressed interest in IFAD-supported programmes, particularly camelids.</li> <li>Areas of action have great convergence with IFAD priorities. The opportunity for agreements should be explored in depth.</li> </ul>
Swiss Cooperation (COSUDE)	<ul style="list-style-type: none"> <li>Promotion of a sustainable, equitable economy (PROMEQ): local economic promotion and business development services; innovative financial services; employment training; financing of basic infrastructure (public-private partnership); foreign trade; macro conditions.</li> <li>Governance and local democracy building (GODEL) Regional initiatives involving agriculture and the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Currently preparing a new strategy for Bolivia. Believes that future programmes must be adjustable.</li> <li>Considering the possibility of providing budget support to Bolivian government for specific programmes and activities.</li> <li>Offers training and financial guidance.</li> </ul>	<ul style="list-style-type: none"> <li>Swiss Cooperation's annual contribution is significant. COSUDE maintains or supports many programmes related to rural and agricultural development, through NGOs and government agencies, at both the national and regional levels, including: APRU, ATICA, FOMEM, PROFIN, PRO-RURAL, PADER, PDCR, and various other programmes involving seed production, agricultural research, mechanization, forest conservation, integral watershed management, etc.</li> <li>Institution building is important; supports the Support for Municipal Democracy Programme (<i>Programa de Apoyo a la Democracia Municipal</i>, PADEM).</li> <li>There could be possibilities for association in programmes related to developing financial services.</li> </ul>

DONOR/AGENCY	PROGRAMMES AND PROJECTS	SITUATION	POTENTIAL FOR COMPLEMENTARITY/SYNERGY
United States (USAID)	<ul style="list-style-type: none"> <li>Assistance is mainly for alternative crop programme in subtropical valleys.</li> </ul>	<ul style="list-style-type: none"> <li>Under way.</li> </ul>	<ul style="list-style-type: none"> <li>There are currently no apparent areas of cooperation with IFAD-supported programmes.</li> </ul>
Centre for International Forestry Research (CIFOR), for forest conservation and improving living conditions of people in the tropics.	<ul style="list-style-type: none"> <li>Forest resource management and conservation; territorial management; forest settlement plans and models.</li> </ul> Programmes: <ul style="list-style-type: none"> <li>Improvement of living conditions for the rural poor and enhancement of their natural assets: development and conservation.</li> <li>Governance: decentralization of natural resources management (with municipalities), sharing of experiences, dissemination of information about priority rights.</li> <li>Environmental services.</li> </ul>	<ul style="list-style-type: none"> <li>Conflict over land occurs in lowland forest areas. Cattle ranching is encroaching on forests. Uncontrolled deforestation and poor management deteriorate natural resources, affecting residents' living conditions.</li> </ul>	<ul style="list-style-type: none"> <li>Experience of cooperation with IFAD in India.</li> <li>CAF is a member of CIFOR's board of directors.</li> <li>Headquartered in Indonesia, and most of its activities take place in that region, but has recently established a regional office in Brazil.</li> <li>Could be a source of support for IFAD programmes in lowlands.</li> </ul>

## Key file 4: Target group identification, priority issues and potential response

TYOLOGY	DEGREE AND CAUSES OF POVERTY	MEASURES FOR ADDRESSING IT	PRIORITY NEEDS	SUPPORT FROM OTHER INITIATIVES	COSOP RESPONSES
Rural population (mainly of indigenous Quechua or Aymara origin) living in poverty in western Bolivia (Altiplano, high valleys)	<p>Moderate to extreme</p> <ul style="list-style-type: none"> <li>• High density on usable agricultural land</li> <li>• Limitations in access to irrigation and use of water</li> <li>• Lack of financial capital and difficulty in gaining access to financial services</li> <li>• Isolation because of difficult topographic conditions</li> <li>• Lack of training and little access to technology</li> <li>• Few or very few jobs available in the area</li> <li>• Little or inadequate economic organization</li> <li>• Aging of the population</li> <li>• Environmental risks</li> </ul>	<ul style="list-style-type: none"> <li>• Seasonal migration by men</li> <li>• Permanent migration of families</li> <li>• Search for new sources of income</li> <li>• Irrigation</li> <li>• Informal commercial activities</li> <li>• Closer ties to cities</li> <li>• Diversification and risk mitigation</li> </ul>	<ul style="list-style-type: none"> <li>• Training for employment and productive enterprises</li> <li>• Opportunities for new sources of employment and income</li> <li>• More technically advanced agricultural production and irrigation</li> <li>• Support for rehabilitation of land and soils</li> <li>• Strengthening economic organizations and supporting their demands</li> <li>• Options for conservation and primary processing of products</li> <li>• Assistance with commercialization</li> </ul>	<ul style="list-style-type: none"> <li>• Development of small businesses and handcrafts, adapted to local conditions</li> <li>• Support for activities related to ecotourism and cultural tourism</li> <li>• Support for access to water for irrigation and assistance with water management</li> <li>• Development of programmes for rehabilitation and management of natural resources</li> <li>• Development of mechanisms for financing and capitalization</li> <li>• Assistance programmes for migrants.</li> <li>• Equipment for basic services</li> <li>• Enhancement of productive infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Support for supply of and demand for technical assistance on the part of producers</li> <li>• Assistance with strengthening of organizations to add value to production and market products</li> <li>• Support for initiatives to obtain equipment and basic services</li> <li>• Assistance for beneficiaries' productive initiatives and enterprises.</li> <li>• Promoting and assisting with natural resources management</li> <li>• Assistance with regularization of land rights</li> <li>• Promoting and supporting mechanisms for increasing rural households' assets and access to financial resources</li> </ul>
Amazonian indigenous groups and communities, women and youth	<p>High vulnerability</p> <ul style="list-style-type: none"> <li>• Little access to health and education services</li> <li>• Lack of identity documents</li> <li>• Little knowledge of rights and how to exercise them</li> <li>• Difficulty organizing into groups.</li> <li>• Limited technology</li> <li>• Isolation and dispersion</li> </ul>	<ul style="list-style-type: none"> <li>• Gathering activities</li> <li>• Occasionally hire themselves out for labour</li> </ul>	<ul style="list-style-type: none"> <li>• Information and assistance with rights and citizenship</li> <li>• Social protection actions</li> <li>• Affirmation of communal land rights</li> <li>• Assistance to organizations</li> <li>• Technical assistance for production</li> <li>• Functional training</li> <li>• Preservation and valuing of the culture</li> </ul>	<ul style="list-style-type: none"> <li>• National and municipal social protection programmes</li> <li>• Specific programmes serving original peoples</li> <li>• Programme for regularization of land rights</li> <li>• Environmental and biodiversity management programmes</li> <li>• Prefecture programme to support indigenous peoples' development</li> </ul>	<ul style="list-style-type: none"> <li>• Support for acquiring identity papers and exercising civic rights and obligations</li> <li>• Support for social and economic organization</li> <li>• Training and productive assistance with cultural identity approach</li> <li>• Assistance with paperwork related to land rights</li> <li>• Training in and valuing of knowledge of sustainable management of biodiversity</li> <li>• Support for formal education processes</li> </ul>