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Enabling poor rural people  
to overcome poverty

## **Republic of Bolivia**

### **President's memorandum**

### **Management of Natural Resources in the Chaco and High Valley Regions Project**

### **Expansion of the project area and target group**

Executive Board — Ninety-fifth Session  
Rome, 15–17 December 2008

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For: **Approval**

## **Note to Executive Board Directors**

This document is submitted for approval by the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

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## **Recommendation for approval**

The Executive Board is invited to approve the expansion of the project area and target group as outlined in paragraph 12.



## President's memorandum

# Management of Natural Resources in the Chaco and High Valley Regions Project

## Expansion of the project area and target group

### I. Background

1. In September 2000, the Executive Board at its Seventieth Session approved a loan of SDR 9.25 million (equivalent to approximately US\$12.0 million) to the Republic of Bolivia on highly concessional terms, to finance the Management of Natural Resources in the Chaco and High Valley Regions Project.
2. The overall goal of the project is to reduce rural poverty and desertification to enable beneficiary groups to significantly improve their economic standing. This includes: (i) improving the management of natural resources by enhancing the capacity of campesinos to manage such resources sustainably and rationally; and (ii) facilitating access to technical assistance and other rural services to strengthen small farmer organizations and municipalities.
3. The project was not declared effective until August 2003 as a result of a series of institutional and political changes in Bolivia. The executing agency designated to implement the project was dismantled, and a new institution has been selected. The project originally fell under the responsibility of the Ministry of Environment (dismantled in 2005), and is currently under the Ministry of Planning.
4. Despite the slow start, during its four years of implementation the project has developed sound intervention mechanisms and generated important outcomes for beneficiaries. More than 500 campesino communities and associations have benefited from increases in their natural resources in terms of quantity and commercial value, more than 1,000 micro business plans for small groups are being implemented, and a substantial increase in human and social capital has been reported by the IFAD midterm review mission (November 2006), the supervision mission (December 2007), and recent implementation support visits by the country programme manager (May and August 2008).
5. The midterm review mission also recommended increasing the project coverage to include neighbouring areas and families, as well as restructuring the loan categories to promote better project performance and progress.

### II. Status of project implementation

#### Project implementation: performance and progress

6. The project actions have had a significant influence on the intervention area. The management of natural resources component has operated through incentive funds (allocated on a competitive basis) and the human resources strengthening fund (training at workshops and in the field).
7. The development of rural services component operates through business plans and rural services projects approved by local committees; these also support terrace upgrading and organizations combating desertification.
8. Although only 40 per cent of the funds have been disbursed, the project has reached more than 14,000 men and women (the project target is 15,000) from a variety of rural communities and municipalities with severe desertification problems.

### **III. Proposal for expansion of the project area and target group**

9. Implementation of the project has had a positive impact within the intervention area. Several opportunities that would support redefining the project area have been identified, and requests for support have been received from other rural areas.
10. According to the terms and conditions approved by the Executive Board, the project area covered 26 municipalities in the Chaco region of the departments of Tarija and Chuquisaca and the High Valleys of the department of La Paz. The borrower is requesting that the project area be expanded to include 27 additional municipalities in the following ecoregions: Inter-Andean Valleys (4 municipalities) High Valleys (12 municipalities), Northern Valleys (9 municipalities) and Chaco (2 municipalities). Thus, the expanded project area would now include a total of 53 municipalities, as shown in the attached map.
11. The original project area included a rural population of 343,417 inhabitants, or approximately 79,600 families, and the target group comprised 58,470 families. The expanded target group would include an additional 40,000 families for a total of 100,000 families, half of them Quechua speakers, 30 per cent Chaqueño campesinos (including Guaranis, Weehenayeks and other indigenous peoples) and the rest racially mixed.

### **IV. Recommendation**

12. I recommend that the Executive Board approve the proposed modifications in terms of the following resolution:

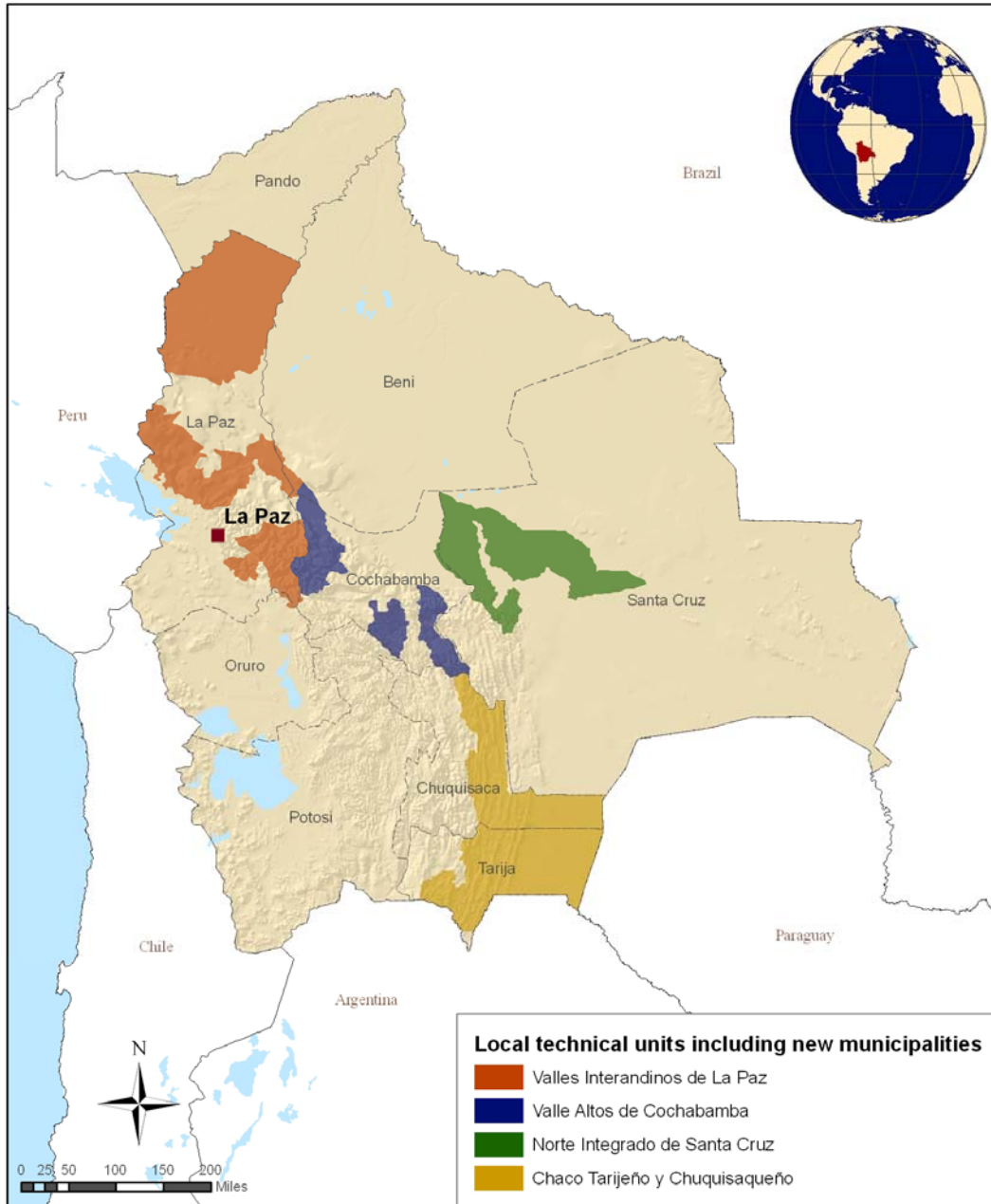
RESOLVED: that the Fund shall approve an expansion of the project area and target group of the Management of Natural Resources in the Chaco and High Valley Regions Project in the Republic of Bolivia, to take effect on the date of approval hereof, upon the terms and conditions presented herein.

Lennart Båge  
President

# Map of the project area

## Bolivia

Management of Natural Resources in the Chaco and High Valley Regions Project



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD