

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

Item	Assessment Remarks	Rating
Country & Project Name	Bolivia: Management of Natural Resources in the Chaco and High Valley Regions Project	
Loan No.	540-BO	
Project Id.	1145	
Board Date	13 September 2000	
Effectiveness Date	22 August 2003	
Original Closing Date	31 December 2008	
Final Closing Date	31 May 2011	
Total Project Cost US\$(M)	US\$14.9 million	
IFAD loan US\$(M)	US\$12.0 million	
Cofinanciers (if any)	None	
Implementing Agency	Small Farmer Development Fund (FDC)	
Principal Components	The project will include implementation of two main components: (a) management of natural Resources. The objective of this component is to improve natural resources and enhance the capacity of beneficiaries' organizations to manage them rationally and in a sustainable manner; and (b) development of rural non-financial services. The objective of this component is to satisfy the specific productive and marketing technical assistance demands of beneficiaries. The implementation of this component is based on the provision of subsidies to small producers' organizations, rural women and indigenous groups so that they may identify and contract the technical support services they require, and supervise the execution of the services they have contracted for. The project will also establish an autonomous implementation unit (AIU) with a monitoring and evaluation (M&E) unit.	
Project Performance		
Relevance	The project's goal to reduce rural poverty and to revert natural resource deterioration and desertification was relevant to and consistent with the needs of the target population, as well as with the political priorities of Bolivia. Its design was also based on lessons learned during the implementation of previous IFAD-funded projects both in Bolivia and Peru. The project was designed with a participatory and demand-driven approach aimed at involving community leaders, local authorities and beneficiaries in the analysis and identification of possible solutions for their improvement. The project was flexible in adopting some changes between design and implementation level, with concern to the natural resources management component as well as the rural non-financial services component. It also promoted and built alliances with municipalities, which had been not taken into account in the original design. The project widened its target area up to 53 municipalities, thus responding to the request of 2006 MTR, as well as beneficiaries, social organizations, municipalities. On the less positive side, PROMARENA relevance has been affected by the complexity of its design as well as its instruments. Furthermore, at project's design level the beneficiaries' need for water was not sufficiently considered. This is unfortunate as the water scarcity for a long period of time is a major constraint for the project's target group. Moreover, the project's focus in relation to the natural resources management has allowed only interventions at family level and parcel level, without having an influence on the territorial public administration's level, nor on the planning and management capacities at community level.	4
Effectiveness	The project's effectiveness has been moderately satisfactory, as the project was hampered by the difficulties faced during the first years of implementation. The project's objective to improve natural resources and enhance the capacity of beneficiaries' organizations to manage them rationally and in a sustainable manner has been achieved. Families have applied technologies that help restore farmland and obtain organic agricultural products. There also has been an improvement of the farm plots through reforestation, construction of terraces, construction of infiltration ditches and water reservoirs. With regard to the objective of developing rural non-financial services, there were implemented 951 PRONES (business proposals aimed at increasing micro-entrepreneurs' access to technical assistance services) against a target of 1301 (73%), supporting a total of 622 organizations and groups. Among the 951 PRONES, 24% were successful, 10% failed and 66% were moderately successful. With some differences, the involved organizations have improved their production and marketing skills for several products and services concerning fattening activities, production of chicken meat, egg production, beekeeping, processing of agricultural products, crafts.	4
Efficiency	The project's efficiency has been moderately unsatisfactory due to several reasons. The effectiveness lag stands at 35.8 months, as a result of several changes occurred at institutional as well as political level (there were 4 Presidents of the Republic; the original executing agency, the Peasant Development Fund [Fondo de Desarrollo Campesino, FDC] faded away; there were changes within the Ministry of Sustainable Development). In addition, between 2003 and 2010, there were four different project's Coordinators, while the project had no Coordinator during nine months of 2007 and during the first months of 2010. All these changes affected project's implementation, which was extended twice with a final completion in May 2011. As a result of the project's extensions there was an increase of the project's	3

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	administrative costs which stood at 168% compared to the original amount. At project's completion, IFAD's loan disbursement stood at 88%. PROMARENA benefitted from a favorable change between DEG and US\$, which granted more resources in US\$ than those originally budgeted (from US\$14,9 million to US\$17,1 million). Project's efficiency has also been hampered by the unbalanced ratio between the technical and administrative staff of the Local Technical Units (UTLs) and the project's beneficiaries, especially after the inclusion of new 27 municipalities, which would have called for more human resources to provide an appropriate support to the project's beneficiaries.	
Project Performance		3.6
Partner Performance		
IFAD	IFAD has been responsible for some important flaws in the design. In addition, given the multiple changes occurred, it seems that IFAD support to the project could have been closer and stronger. In 2004 the Field Presence initiative got started, aiming at strengthen the direct supervision of the projects in the country. However, it had contradictory results, as the roles of the Field Presence were not well defined and for the project staff it was unclear who was their reference person, whether the CPM or the Field Presence person.	4
Cooperating Institution	The CAF (Cooperacion Andina de Desarrollo) was the Cooperating Institution until 2008. The PCR just mentions that the CAF did not have a technical team to monitor and evaluate the project's operations in the field. This may imply a major failure in following up on project's implementation.	3
Government	During its first implementation period, the project suffered from the continuing changes at political level. Each new authority wanted to have an influence on the project's strategy, methodology, target area and other aspects. Starting from 2008, the performance of the Executing Agency (Ministry of Development Planning) has been more constructive, by allowing more stable conditions to project's implementation and by providing all the agreed counterpart funds. Between January and May of 2010, the absence of the Project Coordinator caused some problems for the project's implementation. As far as the local municipalities, these have provided a substantial financial contribution to the project as well as an important logistical support. The performance of the project's administrative staff has been overall good, apart from the Monitoring and Evaluation Unit which had the weakest performance. The monitoring and evaluation system got installed only in late 2008, but it started functioning adequately only at the end of 2010. Finally, during 2011 there were found some cases of corruption among the project staff. There was a lack of a direct and permanent relationship between the UTLs and beneficiaries, also due to the huge distances between the UTLs and the project's areas.	3
NGO/Other	The project benefitted from the presence of various service providers involved in project's activities. However, it is not possible to evaluate their performance as a whole, given the huge differences in their roles and functions.	n.a.
Cofinancier(s)		
Combined Partner Performance	<i>There was no information on the partner performance. It seems that they could have had a better collaboration in order to solve some of the constraining problems affecting the project quickly.</i>	
Rural Poverty Impact		
Household Income and Net Assets	The PCR mentions an increase of beneficiaries' income between 40% and 60% against the target of 30%, while the PSR mentions an increase of 20-50%. The PCR also reports an increase in the land value between 140% and 1000% against the set target of 120%. Unfortunately, very few information are available to back up this data. Nonetheless, an increase in beneficiaries' income seems quite likely as a result of better natural resource management, as well as the microenterprise activities (PRONES).	4
Natural Resources and Environment	Within this domain, project's impact has been substantial thanks to management practices and soil conservation, such as the incorporation of manure, crop rotation practices, realization of hedges, tree plantations, rehabilitation of ancient terraces, critical consciousness about waste management. The recovery of ancient 'technologies', such as construction and rehabilitation of archaeological terraces, allowed the use of lands that were deserted or were prone to erosion. However, the PCR points out that the impact of soil conservation works has been only at the family plot, and thus there was not a strong influence on a situation of land degradation as dramatic as that in the project area.	4
Human, Social Capital and Empowerment	As a result of the project, beneficiaries acquired new knowledge and skills in managing natural resources, as well as managing technical assistance. They also benefitted from improved dwellings and kitchens. Women increased the level of participation, developed family leadership, increased knowledge and lost the fear to speak in public. Through the competitive process, social capital of project's beneficiaries and group organizations got strengthened, with higher cohesion within communities and production groups.	4

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Ag. Productivity	By applying the new skills and knowledge acquired on natural resources management, and thanks to the incorporation of fertilizers, introduction of pasture and soil conservation practices, there has been an increase in productivity levels, as well as a higher crop diversification.	4
Food Security	The PCR provides very little information on this domain. However, it seems that there has been a fairly good improvement in food security, due to the diversification of agricultural productivity deriving from better natural resource management and also thanks to higher incomes deriving from the microenterprises activities.	4
Agricultural Productivity and Food Security		4
Inst. & Policies	PROMARENA was successful in building a direct link between the project and local governments, which turned to be involved in project activities. On the other hand, the project approach with respect to natural resource management have allowed solutions only at the family and plot level, without affecting the level of territorial public administration, nor the planning capabilities and action at community level.	3
Markets	The PCR provides very little information on this domain. It seems that the organizations as well as producers' associations have a better access to markets by offering better quality products in a higher quantity. Cultural value products (such as handicrafts, traditional music and medicine) are being valued in rural markets and outside the region.	4
Project Impact		4
Overarching Factors		
Innovation	The project was not innovative per se, as it mainly incorporated some methodologies adopted in other projects implemented in Peru and Bolivia. The innovative features presented in the PCR are mainly adaptations of these adopted methodologies, which in some cases did not seem to be fully respondent to the project context.	3
Replicability and Scaling-up	For some aspects, the project's methodology is considered as a successful model to be followed. The Government of Bolivia intends to replicate and upscale PROMARENA's experience within the project Plan Vida-PEEP (Pilot Project to Strengthen the Capacity of Communities and Families Living in Extreme Poverty) and the forthcoming project ACCESOS (Economic Inclusion Programme for Families and Rural Communities in the Territory of the Plurinational State of Bolivia). New projects funded with Bolivia's public funds, the international community and NGOs are taking into account PROMARENA's competition-based methodology as a way to mobilise local capacities in order to improve beneficiaries' conditions. Some Bolivian local municipalities have also taken their own initiatives and have invested their own resources to replicate some project's interventions.	4
Innovation, Replicability and Scaling-up		4
Sustainability and Ownership	Project's sustainability is quite unlikely. There is no evidence of continuation of the activities, encouraged through the contests methodology, once the incentives are over. In addition, it seems that the resources/financial incentives provided by the project have not been sufficient to guarantee the medium and long-term sustainability of microenterprises. With regard to the technical assistants, their sustainability is also unlikely as, by the end of the project, there are no examples of technical assistants which have been hired autonomously by the poor micro-entrepreneurs. The only positive aspect concerns the business proposals, which are considered sustainable when they lead to a higher quality product/service and thus to increasing sales and profit.	3
Targeting	The project mainly targeted the native indigenous groups located in marginal, ecologically fragile lands with degraded natural resources and low crop potential. These country's poorest groups are excluded from Bolivia's social and economic mainstream as well as they lack educational opportunities and remain excluded from agricultural extension, credit and natural resources management. Even those new areas which were included in the project at a later stage, were selected by considering the beneficiaries' high poverty indexes as well as the their basic unsatisfied needs.	5
Gender	According to the PCR, the gender strategy as conceived at appraisal has only partially been implemented, mainly due to a less than skilled gender specialist hired by the project. This has been the main reason for a lower than expected women's participation to project's activities. Women's involvement mainly dealt with family orchards, support to poultry and pig farming business plans. In general, the project adopted a "Gender and Development" approach, whereby gender equity has been tackled by taking into account the participation of all family members. There was some positive discrimination towards women, when supporting those activities explicitly targeting only women, such as the competitions among business women and by focusing on women's requests for technical assistance and business proposals.	3
Overall Performance		
Estimated number of beneficiaries	63 758 beneficiaries, making up 15 424 families, with a 70% being indigenous groups.	

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PCR Quality		
Scope	Overall, the PCR is in line with the Guidelines for Project Completion. The project made an effort to include most of the requested annexes.	4
Quality	The PCR tries to build its assessment on logical and coherent arguments. However, it suffers from the lack of information and reliable data, due to the lack of a good Monitoring and Evaluation system. This is evident in the section on project's impact, which is very poor. Thus, the validity of some assessments it is not evidence-based and could be questionable.	3
Lessons	The lessons learned would have deserved a better systematization. In addition, they address only some of the major issues faced during the project's implementation, without considering some other project's crucial aspects.	4
Candour	Overall, the PCR made an effort in highlighting both successful and less successful aspects of the project. However, this was not enough, as in some cases there are some contradictions and it is still biased towards a too positive assessment of the project's achievements.	4