

PEI Paraguay

Theory of Change

2014-2017



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Context and Problem Statement

In Paraguay, poverty currently affects 32.4% of the total population, while extreme poverty affects 18%, with a higher concentration of poor people in rural areas (57%). In Caazapá, 82% of the population lives in rural communities with a livestock and agrarian based economy (bean, maize, cotton, peanut, soybean, sunflower, sugar cane). 42% of the population is poor, resulting in Caazapa being one of the poorest parts of the country. The Tavaí District northeast of the Caazapá Department is the poorest of the department. Key environmental problems in Tavaí include degraded land, low-yield soil and illegal logging from the Caazapá National Park to produce charcoal as a source of income. Environmental protection practices in the area are practically unknown due to the fact that small-scale farmers lack technical and financial support to establish sustainable production systems, as well as a lack of coordination between public institutions and private stakeholders, especially at the departmental and municipal level, to integrate small poor landowners into the formal economy. Diverse public institutions - Secretariat of Social Action (SAS), Ministry of Agriculture and Livestock (MAG), the Environment Secretariat (SEAM), the Agricultural Credit Institution (CAH) have programs in place to sustainably support livelihoods of the most vulnerable population. These programs – TEKOPORA (conditional cash transfer program), TENONDERA (economic entrepreneurship of TEKOPORA beneficiaries about to exit the program), Food Production Program (PPA), work in silos and need to increase coordination in order to achieve efficiency and impact on sustainable use of natural resources for poverty reduction in Paraguay.

Barriers Analysis

1. Lack of policy coherence and coordination mechanisms between government institutions responsible for pro-poor ENR management (national level).
2. Inadequate coordination between national development plans and sub-national and sector plans and budgets.
3. Insufficient informed participation of non-government actors to hold government accountable on implementation of sustainable and pro-poor ENR management.
4. Limited beyond GDP measurements (MPI, SEEA, etc.) contribution and quantification of natural wealth valuation and accounting to contribute to poverty eradication.

Project Objective and Assumption

Objective

Improve inter-institutional coordination for pro-poor ENR management to drive sustainable income generation and well-being for poor rural communities (Caazapá National Park area) through development of a replicable demonstration model of sustainable agricultural production, livelihoods and creation of inclusive markets.

Assumptions

Improved institutional awareness, capacity and coordination mechanisms will enable the government to approve and administer public policy in a pro-poor manner that will improve conditions and sustainable consumption and production options for rural communities/families.

PEI Interventions

In response to identified challenges, PEI focuses efforts in three key areas:

Capacity building to enhance awareness and understanding to mainstream pro-poor, gender responsive and environmentally sustainable outcomes into national planning processes, targeting TEKOPORA and PPA programs.

Progress

Promotion of inter-institutional coordination mechanisms amongst the SAS, CAH, Caazapá Department, Tavaí Municipality, and the MAG.

Elaboration of a joint Operational Manual to improve efficiency of TEKOPORA and TENONDERA programmes in collaboration with the Ministry of Women and application of the MPI to modify beneficiaries selection and exit criteria.

Facilitate SAS certification for ISO 14001 as part of the creation of an environmental unit within SAS to mainstream PE objectives.

Remaining Interventions

Elaboration of a proposal of an MPI methodology to apply in Tavaí as selection and exit criteria for TENONDERA beneficiaries.

Systematization of lessons learnt and elaboration of products for replication in other municipalities.

Develop capacities of local stakeholders to increase opportunities for socio-economic and environmental integration and participation in local development agendas.

Inter-institutional Roundtable for productive coordination in Tavaí established to improve coordination of socio-economic and environmental initiatives and promotion of inclusive businesses.

Strengthening organizational and productive capacities of beneficiaries of the TEKOPORA and PPA programmes in Tavaí through sustainable agriculture practices in order to produce environmentally sustainable agricultural products and generate income through supply chains.

Sustainable inclusive businesses through environment-friendly agricultural production, natural resources conservation/management, supply chains and microenterprises, for food production and income generation.

Strengthening of communal bank modality to provide inclusive micro-credit services in Tavaí in order to improve production and foster the development of micro-enterprises.

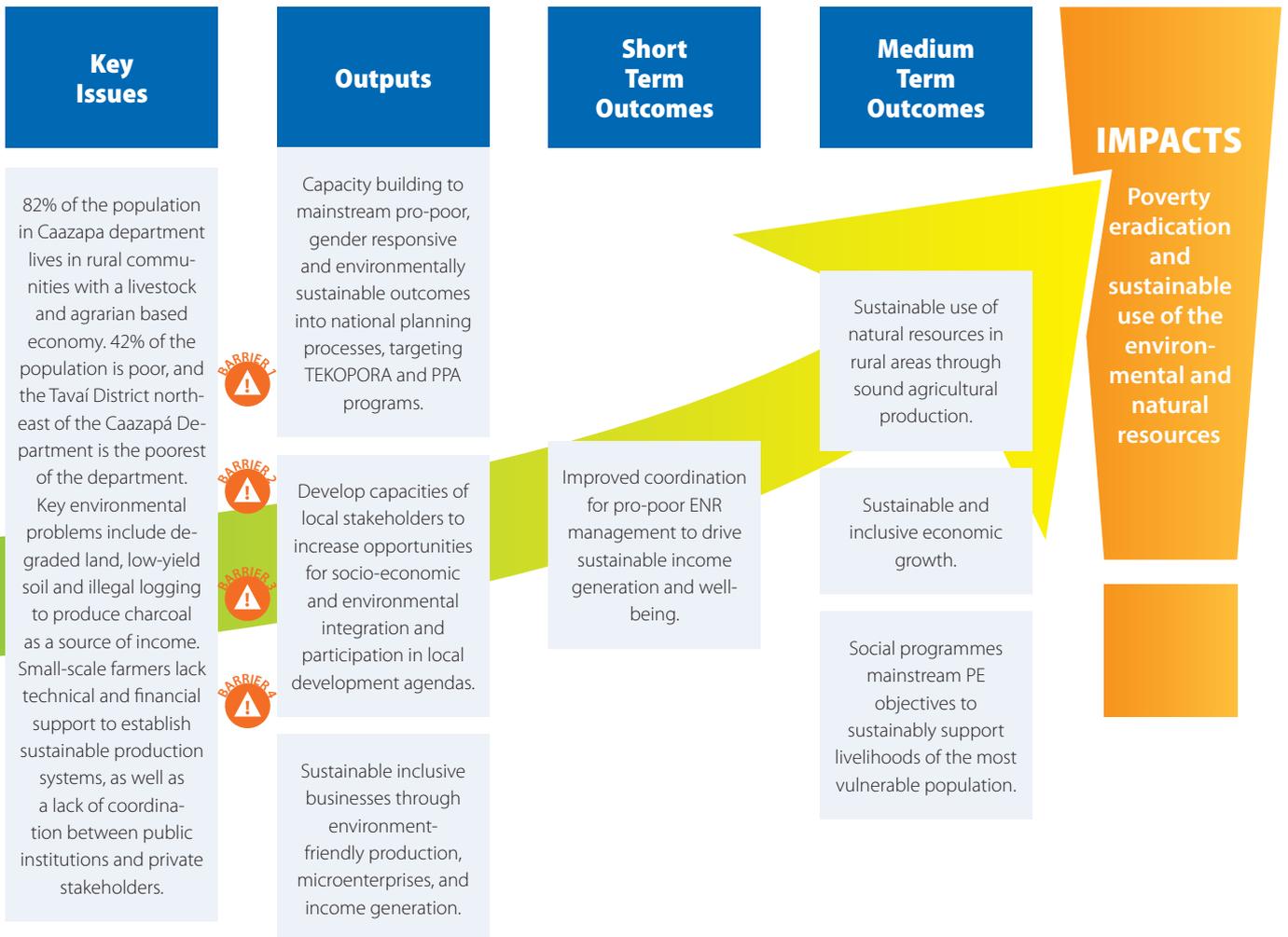
Conduct a study to propose sustainable production and environmentally sustainable business plans for TEKOPORA and TENONDERA beneficiaries.

Organise a study on options to generate supply chains integrating private sector to sell environmentally sustainable agricultural products.

Annex: ToC Diagram

Assumptions

Improved institutional awareness, capacity and coordination mechanisms will enable the government to approve and administer public policy in a pro-poor manner that will improve conditions and sustainable consumption and production options for rural communities/families.



Barriers: 1) Policy coherence and coordination mechanisms 2) Inadequate coordination between NDP and subnational sector plans and budgets 3) Insufficient participation of non-government actors 4) Beyond GDP measurements