

Data Sheet

USAID Mission:	Bolivia
Program Title:	Natural Resources Sustainably Managed
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	511-004
Status:	Continuing
Planned FY 2005 Obligation:	\$4,100,000 DA; \$1,936,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$3,896,000 DA
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2008

Summary: To generate economic growth based on sound use of natural resources, USAID employs a three-pronged strategy to: 1) promote sustainable management of natural forests through improved community management and increased trade in forest products; 2) improve park and protected area management, fostering local participation to increase awareness and generate economic benefits, particularly through tourism and the valuation of environmental services; and 3) help industries become more efficient, more competitive, and less polluting through cleaner production practices. Both forestry and cleaner production activities seek to improve the competitiveness of Bolivian industry and products.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$3,800,000 DA, \$1,936,000 ESF). Using DA, USAID will provide technical assistance to communities to better manage their forests, with continued attention to securing independent certification of forest management practices. Increased involvement of the private sector will be promoted through the creation of public-private alliances. Technical assistance will help government institutions to develop and implement policies that support sustainable forest management. USAID will support a communications campaign to raise the national profile of the forestry sector. ESF funding will be used to assist private sector companies to reduce their operating costs, become more competitive, and foster partnerships with communities and U.S. firms to increase sales of timber and non-timber forest products. Working in partnership with international nongovernmental organizations (NGOs), USAID will also provide technical assistance to communities living in and around protected areas, indigenous groups, and local NGOs in conserving the critically biodiverse eastern slope of the Andes and other key Bolivian protected areas. Principal grantees are the Nature Conservancy, the Amazonian Center for Sustainable Forest Enterprise, the U.S. Forest Service, the World Wildlife Fund, the Wildlife Conservation Society, and Tahuamanu SA.

Reduce, Prevent and Mitigate Pollution (\$300,000 DA). Through technical assistance, training, and environmental audits of facilities, USAID will assist the private sector in adopting cleaner production technologies and practices. These methods have been proven to increase operating efficiency, reduce production costs, and improve environmental performance, all of which contribute to improved competitiveness in the marketplace. The program will continue to train university students in cleaner production methods to help build the cadre of Bolivian professionals qualified to do audits, and will capture lessons learned from the many years of performing industrial audits by publishing a series of environmental audit how-to manuals for industry experts. Principal contractors and grantees are the Center for the Promotion of Sustainable Technologies and PA Consulting.

FY 2006 Program: Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$3,596,000 DA). USAID will continue technical assistance in sustainable forest

management, targeting community managed forests and private sector firms. A focus will be placed on certification of forest management and in promoting value-added forest-product exports. Through a new consolidated program, USAID will continue to provide technical assistance to local organizations to conserve the critically biodiverse eastern slope of the Andes and other key protected areas in Bolivia. The focus will continue to be on valuing conservation and sustainable development and use of forest resources through identification of local alternative income-generation activities. Principal contractors and grantees are the Nature Conservancy, Amazonian Center for Sustainable Forest Enterprise, and the U.S. Forest Service.

Reduce, Prevent and Mitigate Pollution (\$300,000 DA). USAID will provide technical assistance to expand the benefits of industrial clean production to include municipal environmental management. USAID will continue to work with industries in improving their internal environmental performance. Technical assistance will be provided to address environmental issues associated with where the industries are located through support of municipal governments and other local institutions. Principal contractors and grantees to be determined.

Performance and Results: As a result of investments catalyzed by USAID, Bolivia remains the global leader in tropical forest management, with almost 1.6 million hectares independently and voluntarily certified as well managed, with another 700,000 pending certification. Additionally, certified forestry is one of the few relatively bright spots in Bolivia's economy; 2004 exports are estimated to be \$20 million, a more than \$5 million increase from 2003.

In FY 2004, significant gains were made in promoting tourism and eco-tourism activities. As examples, Chalalan EcoLodge, a community-managed and operated effort in Madidi National Park, was cited as one of the premier jungle experiences by National Geographic Traveler. The community of San Miguel del Bala has ceased subsistence hunting to concentrate community efforts on new eco-tourism venture. These efforts are directly linked with conservation at some of Bolivia's most important protected areas and all provide economic benefits to local communities.

Through USAID's partnership with Bolivian industry, a total of 64 industrial plants have adopted cleaner production practices through December 2004. A sub-set of 43 companies have been environmentally audited for cleaner production practices.

In a little over one year of operations, Fundación PUMA, the environmental foundation established through a debt-for-nature swap under the Enterprise for the Americas Initiative, is fulfilling its mission of funding natural resource management activities through grants to civil society organizations. In its first year of activity, Fundación PUMA approved over 25 projects for almost \$1.7 million in grants to community based groups. The resources of Fundación PUMA, which come to about \$17.5 million, are a significant complement to USAID environmental programs in Bolivia.

In 2004, USAID established an alliance to develop Bolivia's first wood collection, processing, and distribution center. Total investment including cash and in-kind contributions by alliance members is close to \$5 million. The facility is expected to be in operation by April 2005 in time for the seasonal timber harvest.

Upon completion of the environment strategic objective, sustainable forestry management will be institutionalized through both private sector bodies and the strengthening of Government of Bolivia oversight agencies, such as the Superintendancy of Forests. Communities living in and around parks and protected areas will enjoy increased income through diverse activities, consistent with sustainable resource management principals. Significant numbers of private industries will adopt new technologies, lessening their negative impact on the environment while lowering operating costs.

US Financing in Thousands of Dollars

Bolivia

	DA	ESF
511-004 Natural Resources Sustainably Managed		
Through September 30, 2003		
Obligations	37,984	1,000
Expenditures	34,075	666
Unliquidated	3,909	334
Fiscal Year 2004		
Obligations	4,018	0
Expenditures	2,367	93
Through September 30, 2004		
Obligations	42,002	1,000
Expenditures	36,442	759
Unliquidated	5,560	241
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	4,100	1,936
Total Planned Fiscal Year 2005		
Obligations	4,100	1,936
Proposed Fiscal Year 2006 NOA		
Obligations	3,896	0
Future Obligations	16,770	0
Est. Total Cost	66,768	2,936