

PROJECT EVALUATION AND SOCIO-ENVIRONMENTAL
CONSIDERATIONS

CHAPTER 8

STUDY ON DEVELOPMENT FOR REACTIVATION
OF PRODUCTIVITY AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION
OF THE REPUBLIC OF ECUADOR

- FINAL REPORT -

August, 2005

CHAPTER 8 PROJECT EVALUATION AND SOCIO-ENVIRONMENTAL CONSIDERATIONS

8.1 Project Evaluation

8.1.1 Outline of the Project

The project evaluation shall be conducted with regard to respective project. Each project comprises different beneficiaries and scope, so an outline of individual project is summarized in the following manner.

Project Name	Project Summary
Projects in General	Capacity building of farmers and farmers organizations, aiming that the same farmers undertake measures to mitigate poverty with governmental support concerning micro-credit, support to agriculture and supply of the necessary material for infrastructure rehabilitation in order to achieve the reactivation of economic activities in rural areas.
1.1 Upgrading of subsistence-oriented agro-products	Farmers' organization shall procure improved seed and agricultural inputs through micro-credits to improve the production of agricultural products. An improved seed bank shall be conformed in each Canton, to establish an agricultural system to reinforce the assistance to agriculture by the utilization of improved seed. In this way, the agricultural production shall be increased improving the farmer families' subsistence level. For the effect, a center for improved seed production and the seed banks should be rehabilitated, a micro credit system should be implemented, and the assistance system should be reinforced.
1.2 Raising farmer's income	In areas far away from the market, cuy breeding, an important source of protein in the Andean region, shall be introduced, as also the cultivation of Andean fruit at a level of producers cooperative. A cuy breeding center and a producers association shall be established for the purpose. Besides, the cooperative shall be organized to reinforce cuy breeding and cuy commercialization routes. The initial capital shall be provided through micro-credits but as the activity stabilizes, producers shall be able to develop the business on their own.
1.3 Improvement of milk productivity among marginal cattle farmers	In relation to the milk production micro-farming zone, the strategies to improve the production are the introduction of improved pasture, improvement of cattle raising techniques and installation of electrical fence, so as to increase milk production and at the same time to alleviate the burden of work for women. A producer's organization shall be established, diffusion activities shall be reinforced, milk production shall be improved and micro-credits shall be introduced for the purpose.
1.4 Support to cash crops production	The activities of Andean fruit cultivation diffusion shall be reinforced to improve quality, once such products have lost competitiveness. The reinforcement to the support farming and the introduction of micro-credit shall be conducted.
1.5 Improvement for marketing of dairy products	In order to achieve the competitiveness increase in products of the zone, the commercialization system of dairy products to be produced in the region should be improved. In this way, support to establish the organization and improve commercialization as also support for financing necessary fund to introduce refrigeration tanks, to improve the commercialization system, among others shall be provided.
2.1 Encouragement of agro-products processing industry	Promote the processing of strategic agricultural products of the zone to improve competitiveness of said products. Technical assistance shall be provided to the existing agricultural products, specially Andean fruits. Assistance to entrepreneurial activities, financing and management of enterprises shall be provided.
2.2 Encouragement of dairy products processing industry	In order to increase the added value of dairy products of the zone and to enlarge the market, support for existing dairy production related enterprises shall be provided. The support shall consist in the analysis of market competitiveness, strategies to improve quality, methods to assure markets and financial support, according to the necessities.
2.3 Encouragement of rural handicrafts manufacturing industry	By providing assistance to the local handicraft, competitiveness increase of the region activity is aimed. The assistance methods are the training reinforcement provided by CREA in its facilities, organization of sales systems, improvement of products quality through the financial support to implement the facilities.
3.1 Social and economic infrastructure development	Production infrastructure projects to be conducted in zones with a defined agricultural production plan requiring said installation through the supply of construction machinery and material and engineering services allowing the beneficiaries to build production infrastructure by themselves. The construction machinery and logistic sector of CREA, the supporting entity, should be habilitated. Construction material supply for zones wishing to improve basic infrastructure allowing the same population to build schools, health centers and roads
4.1 Promotion of reforestation	Reforestation shall be conducted in cooperation between the population and government in areas that should be protected or where the population so desires, aiming to preserve the natural resources of the zone. The governmental entity should distribute seedling for free to achieve such purpose.

4.2 Strengthening of environmental education	Environmental education at schools and community centers of the zone shall be carried out aiming to awaken consciousness on the population concerning the importance of environment.
5.1 Functional strengthening of CREA	CREA reinforcement so the assistance to be provided to farmers, farmers organization and entrepreneurs achieve satisfactory results. For the purpose, its facilities should be modernized, farms should be effectively used and personnel training should be reinforced.
5.2 Functional strengthening of INIAP	INIAP should be reinforced to establish the foundations of the technical diffusion to farmers allowing them to conduct agricultural activities adequate to the zone.

8.1.2 Evaluation Methodology

The evaluation method shall follow qualitative analysis method of DAC that is based on five items, namely, “Relevance”, “Effectiveness”, “Efficiency”, “Impact” and “Sustainability”. Besides, in an attempt of making an appraisal on viability for implementation of project at farmer’s level, a quantitative analysis (tangible impact analysis) of project shall be conducted by means of farm balance analysis.

8.1.3 Qualitative Analysis

(1) Project Relevance

The relevance of project has been examined in accordance with the following three factors:

- a. Eligibility of project (Target, scale and measures)
- b. Compliance project goals with the needs of beneficiaries
- c. Coordination with development policies of Ecuador

Each project has been evaluated to be highly relevant as explained below:

Project Name	Evaluation Parameters	Pertinence
Projects in General	a	<ul style="list-style-type: none"> • Target beneficiaries are represented by farmers who live in mountain areas suffered from underdevelopment of road network.
	a	<ul style="list-style-type: none"> • To be complied with the needs and managerial capacity of beneficiaries.
	a, b	<ul style="list-style-type: none"> • Development with use of locally available resources is proposed.
	b	<ul style="list-style-type: none"> • Development with use of locally available financial resources (Remittance by migrant workers) is proposed aiming at encouragement of regional development.
	b	<ul style="list-style-type: none"> • Agricultural and livestock improvement plan depends on the least investment cost.
	c	<ul style="list-style-type: none"> • To be accorded with poverty reduction policy, a national development goal in Ecuador.
	c	<ul style="list-style-type: none"> • Poverty reduction plan aims to contribute to attainment of purposes envisaged in millennium plan of the United Nations.
	c	<ul style="list-style-type: none"> • Revitalization in activities of farmers/farmers’ organizations serves to bear positive impact.
1.1 Upgrading of subsistence-oriented agro-products	a	<ul style="list-style-type: none"> • Target beneficiaries are represented by destitute farmers who are not in a position of producing enough amounts of crops for self-sufficiency.
	b	<ul style="list-style-type: none"> • Target farmers are eager for improvement of their farming technologies on basic crops
	b	<ul style="list-style-type: none"> • Investment cost on improvement of farming for basic crops is depressed (Average cost: US\$ 209/farmer/year).
1.2 Raising farmer’s income	a	<ul style="list-style-type: none"> • Target farmers are represented by destitute farmers who engage in subsistence-oriented agro-products.
	b	<ul style="list-style-type: none"> • Target farmers are eager for improvement of farming technologies on raising small animals and production of vegetables and fruits.
	b	<ul style="list-style-type: none"> • Investment cost on raising of small animals and production of vegetable and fruits is depressed (Average cost: US\$ 300/farmer/year, excluding installation of animals’ pen)

1.3 Improvement of milk productivity among marginal cattle farmers	a	<ul style="list-style-type: none"> Target beneficiaries are represented by destitute cattle farmers who are engaged in low-productive livestock activity.
	b	<ul style="list-style-type: none"> Target farmers are eager for introduction of seeds for improved pasture and improvement on raising method of livestock.
	b	<ul style="list-style-type: none"> Investment cost on procurement of seed for improved pasture, installation of fence equipped with electric wiring and procurement of farm inputs is depressed (Average cost: US\$ 260/farmer/year).
1.4 Support to cash crops production	a	<ul style="list-style-type: none"> Target beneficiaries are represented by small farmers who are engaged in production of crops, peculiar products in the Andean Region like fruits.
	b	<ul style="list-style-type: none"> Target farmers are eager for improvement of their farming technologies on production of competitive crops, peculiar ones in the Andean Region.
	b	<ul style="list-style-type: none"> Investment cost on improvement of farming for Andean fruits and highland vegetables is depressed (Average cost: US\$ 500/farmer/year).
1.5 Improvement for marketing of dairy products	a	<ul style="list-style-type: none"> Target beneficiaries are represented by destitute farmers who are engaged in low-profitable dairy production with consistent output but forwarding low-quality milk under ordinary temperature.
	b	<ul style="list-style-type: none"> Target farmers are eager for the establishment of collection and forwarding of high-quality milk, improvement of marketing facilities and improvement on technology for raising dairy cattle.
	b	<ul style="list-style-type: none"> Project's input consists of introduction of cooling and preservation plant and investment cost is relatively elevated but raising of income (Twice as much as actual level) is anticipated.
2.1 Encouragement of agro-products processing industry	a	<ul style="list-style-type: none"> Target beneficiaries are represented by farmers who engage in lowered profitable farming by supplying their products as raw materials for agro-industry attained at depressed price, although attaining sufficient output.
	b	<ul style="list-style-type: none"> Target farmers are eager of the creation of new employment opportunities through the encouragement of agro-industry and for elevating value-added to their products.
	b	<ul style="list-style-type: none"> Project's input consists of improvement of facilities and procurement of equipment for development of agro-industry and investment is relatively elevated but raising of income (Twice as much as actual level) is anticipated.
2.2 Encouragement of dairy products processing industry	a	<ul style="list-style-type: none"> Target beneficiaries are represented by farmers who engage in lowered profitable farming by supplying their products as raw materials for agro-industry attained at depressed price, although attaining sufficient output.
	b	<ul style="list-style-type: none"> Target farmers are eager of the creation of new employment opportunities through the encouragement of dairy products processing industry and for elevating value-added to their products.
	b	<ul style="list-style-type: none"> Project's input consists of introduction of cooling and preservation plant and investment cost is relatively elevated but raising of income (Twice as much as actual level).is anticipated.
2.3 Encouragement of rural handcrafts manufacturing industry	a	<ul style="list-style-type: none"> Target beneficiaries are represented by destitute farmers who engage in lowered profitable agricultural and livestock production suffered from inconsistent output and farm-gate price.
	b	<ul style="list-style-type: none"> Target farmers are eager for the development of facilities and equipment as well as improvement of relevant technologies for rural handicraft manufacturing industry (Panama hat, ceramics, etc.).
	b	<ul style="list-style-type: none"> Project's input consists of development of facilities and equipment for rural handicraft manufacturing industry and investment cost is depressed (Average cost: US\$ 200/farmer/year).
3.1 Social and economic infrastructure development	a	<ul style="list-style-type: none"> Target beneficiaries are represented by destitute farmers who engage in unstable farming suffering from an absence of productive infrastructure (Irrigation works and rural road network).
	b	<ul style="list-style-type: none"> Target farmers are eager for the development of productive infrastructure such as irrigation works that are indispensable for production of crops and improvement of operation and maintenance of facilities.
	b	<ul style="list-style-type: none"> Project's input consists of development of productive infrastructure and investment cost is lowered due to save of labor force depending on <i>Minga</i>-related activities.
	b	<ul style="list-style-type: none"> Productive infrastructure eagerly anticipated by beneficiaries may be constructed by beneficiaries under the guidance of public supporting organization.
4.1 Promotion of reforestation	a	<ul style="list-style-type: none"> Conservation of natural resources that are essential for productive activities in the region is also a prerequisite for sustainable implementation of agricultural and livestock activities undertaken by most of the destitute farmers.

	b	<ul style="list-style-type: none"> Target farmers are eager of being distributed seedlings of plants and transfer of relevant nursing technology, both of which are indispensable for environmental conservation of target areas.
	b	<ul style="list-style-type: none"> Project's input consists of development of facilities for production of seedlings, grant distribution of seedlings and technology transfer of nursing technology and investment cost is compensated by activities to guarantee regional environmental conservation.
4.2 Strengthening of environmental education	a	<ul style="list-style-type: none"> Raising awareness among local people on conservation of natural resources that are essential for productive activities in the region is an important lesson to farmers engaging in productive activities in the region.
	b	<ul style="list-style-type: none"> Raising awareness on environmental conservation constitutes environmental education targeting farmers as well as students of primary, secondary and higher education schools.
	b	<ul style="list-style-type: none"> Project's input consists of development of facilities for production of seedlings, grant distribution of seedlings and technology transfer of nursing technology and investment cost is compensated by activities to guarantee regional environmental conservation.
5.1 Functional strengthening of CREA	b	<ul style="list-style-type: none"> For implementation of projects of the Master Plan, capacity building and empowerment of CREA, public supporting organization, relevant to provision of supporting services are of importance.
	b	<ul style="list-style-type: none"> Capacity building and empowerment of CREA's human resources are required so as to carry out development of personnel in rural area from viewpoint of functional and technical strengthening.
5.2 Functional strengthening of INIAP	b	<ul style="list-style-type: none"> For implementation of projects of the Master Plan, capacity building and empowerment of INIAP, public supporting organization, relevant to provision of supporting services are of importance.
	b	<ul style="list-style-type: none"> Capacity building and empowerment of INIAP's human resources are required so as to carry out development of personnel in rural area from the viewpoint of functional and technical strengthening.

(2) Project Effectiveness

Regarding with effectiveness of project, the following parameters have employed to verify proposed benefits to be expected by target beneficiaries owing to implementation of project.

- a. Degree for attainment of project goals and its outputs
- b. Contribution and constraints affecting effectiveness

Project Name	Evaluation Parameters	Effectiveness
Projects in General	a	<ul style="list-style-type: none"> Activities of farmers/farmers' organizations shall be revitalized owing to implementation of projects.
	a	<ul style="list-style-type: none"> Supporting services of public organizations on extension and technical assistance shall be strengthened.
	b	<ul style="list-style-type: none"> Anticipated contribution consists of deepening of collaboration and raising awareness on regional mutual support among farmers.
1.1 Upgrading of subsistence-oriented agro-products	a	<ul style="list-style-type: none"> Farmers are anticipated to attain self-sufficiency of basin crops and to forward surplus products.
	a	<ul style="list-style-type: none"> Attainment of self-sufficiency and forwarding of surplus products shall be brought about due to "Stabilization and expansion of agricultural output" attributable to implementation of the project.
	b	<ul style="list-style-type: none"> Expansion of subsistence-oriented agro-products shall be attained in shorter period and in wider range owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
1.2 Raising farmer's income	a	<ul style="list-style-type: none"> Farm income shall be raised owing to embarking on rearing of small animals in combination with production of vegetables and fruits.
	a	<ul style="list-style-type: none"> Attainment in raising farmer's income depending on combined farming of rearing of small animals with production of vegetables and fruits shall be brought about due to "Stabilization and expansion of agricultural output" attributable to implementation of the project.
	b	<ul style="list-style-type: none"> Expansion of combined farming shall be attained in shorter period and in

		wider range owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
1.3 Improvement of milk productivity among marginal cattle farmers	a	<ul style="list-style-type: none"> • Milk production of farmers shall be stabilized contributing raising of farm income.
	a	<ul style="list-style-type: none"> • Attainment in consistent dairy production shall be brought about due to prolongation of milking period and improvement in productivity per day in the course of implementation of the project.
	b	<ul style="list-style-type: none"> • Expansion in milk production shall be attained in shorter period and in wider range owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
1.4 Support to cash crops production	a	<ul style="list-style-type: none"> • Output of Andean agro-products, peculiar and competitive regional agro-products, shall be accomplished contributing raising of farm income.
	b	<ul style="list-style-type: none"> • Attainment in output of Andean agro-products shall be brought about due to improvement of cropping technology and introduction of useful varieties in the course of implementation of the project.
	b	<ul style="list-style-type: none"> • Expansion in output of Andean agro-products, competitive and peculiar agro-products in the region, shall be attained in shorter period and in wider range owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
1.5 Improvement for marketing of dairy products	a	<ul style="list-style-type: none"> • Quality of dairy product shall be enhanced accomplished contributing elevating value-added of dairy product and raising farm income.
	b	<ul style="list-style-type: none"> • Attainment in elevation of value-added of dairy product owing to enhanced quality of milk shall be brought about due to improvement of collection and forwarding facility of dairy product, transfer of technology for operation and maintenance of improved facility and upgrading of milking technology in the course of implementation of the project.
	b	<ul style="list-style-type: none"> • Improvement in collection and forwarding facility of dairy products and upgrading of milking technology as well as enhancement in quality and stabilization of output shall be attained owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
2.1 Encouragement of agro-products processing industry	a	<ul style="list-style-type: none"> • Introduction of agro-products processing industry shall contribute to elevating value-added of regional agro-products and raising farmer's income.
	b	<ul style="list-style-type: none"> • Elevated value-added of regional agro-products shall be attained in the course of implementation of the project owing to introduction of facilities and equipment required for development of agro-industry together with transfer of relevant technology.
	b	<ul style="list-style-type: none"> • Elevated value-added of regional agro-products shall be attained owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
2.2 Encouragement of dairy products processing industry	a	<ul style="list-style-type: none"> • Introduction of agro-products processing industry shall contribute to elevating value-added of regional agro-products, creating employment opportunity and raising farmer's income.
	b	<ul style="list-style-type: none"> • Elevated value-added of regional agro-products shall be attained in the course of implementation of the project owing to introduction of facilities and equipment required for development of agro-industry together with transfer of relevant technology.
	b	<ul style="list-style-type: none"> • Elevated value-added of regional agro-products shall be attained owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
2.3 Encouragement of rural handicrafts manufacturing industry	a	<ul style="list-style-type: none"> • Introduction of rural handicrafts manufacturing industry shall contribute to creating side-business income in addition to agricultural and livestock income and raising farmer's income.
	b	<ul style="list-style-type: none"> • Creating side-business income shall be attained in the course of implementation of the project owing to introduction of facilities and equipment required for development of rural handicraft manufacturing industry together with extension of relevant technology.
	b	<ul style="list-style-type: none"> • In case of use of actually applied technology, relevant know-how shall have a value.
	b	<ul style="list-style-type: none"> • Extension of manufacturing technology shall be attained owing to exchange and extension of technical knowledge and know-how among farmers/farmers' organizations.
	b	<ul style="list-style-type: none"> • Participation of women, aged people and youths in the project is possible.

3.1 Social and economic infrastructure development	a	<ul style="list-style-type: none"> • Under supporting services of the public sector on procurement of materials and equipment as well as on transfer of technologies, productive infrastructure shall be developed, with use of <i>Minga</i>-related activities.
	b	<ul style="list-style-type: none"> • Development of productive infrastructure shall be implemented with supply of construction machinery by the public sector, which shall accompany donation of materials and transfer of technologies to water users' association.
	b	<ul style="list-style-type: none"> • Awareness on ownership of facilities to be developed shall be raised with employment of participatory approach of beneficiaries and construction works of the project shall be promoted effectively.
4.1 Promotion of reforestation	a	<ul style="list-style-type: none"> • Forest resources shall be formed owing to the support of the public sector on procurement of necessary materials and equipment including relevant technical assistance and operation and maintenance of nursery, which, in turn, shall contribute to alleviating soil erosion and cultivating water resources.
	b	<ul style="list-style-type: none"> • Alleviation of soil erosion and cultivation of water resources as a consequence of formation of forest resources shall be attained in the course of implementation of the project owing to development of nursing facilities of seedlings, donation of seedlings and technical transfer on management for nursing of seedlings and plants to be rendered by the public sector.
	b	<ul style="list-style-type: none"> • Awareness of local people on environmental conservation shall be raised through reforestation project.
	b	<ul style="list-style-type: none"> • With an introduction of plants to be marketed, participation of beneficiaries in reforestation activities shall be hastened.
4.2 Strengthening of environmental education	a	<ul style="list-style-type: none"> • By means of environmental education through productive activities of destitute farmers in the region and introduction of the same at primary, secondary and higher education level, local people's awareness on environmental conservation shall be raised and implementation of reforestation project shall be hastened.
	b	<ul style="list-style-type: none"> • Raising awareness of local people on environmental conservation and promotion of reforestation project shall be attained attributable to dissemination activities of the public sector on environmental education.
	b	<ul style="list-style-type: none"> • Environmental education on the environment directly related with productive activities undertaken by destitute farmers in the region shall be provided and lessons on functions of forest resources shall be given in theoretical and practical manners at educational institutions.
5.1 Functional strengthening of CREA	a	<ul style="list-style-type: none"> • By means of capacity building and empowerment of public supporting organization, each project shall be implemented in more effective manner.
	b	<ul style="list-style-type: none"> • Functional strengthening of public supporting organization shall be attained owing to modernization of facilities, rational use of experimental farms and capacity building and empowerment of human resources.
	b	<ul style="list-style-type: none"> • By giving on-the-job training in the course of respective project, capacity building and empowerment of personnel in charge of project implementation shall be strengthened.
5.2 Functional strengthening of INIAP	a	<ul style="list-style-type: none"> • By means of capacity building and empowerment of public supporting organization, each project shall be implemented in more effective manner.
	b	<ul style="list-style-type: none"> • Functional strengthening of public supporting organization shall be attained owing to modernization of facilities, rational use of experimental farms and capacity building and empowerment of human resources.
	b	<ul style="list-style-type: none"> • By giving on-the-job training in the course of respective project, capacity building and empowerment of personnel in charge of project implementation shall be strengthened.

(3) Project Efficiency

The efficiency for implementation of projects has been evaluated on the degree of synergy effect of their inputs, and the impact of technical assistance services of public organization constitutes a parameter for evaluating project efficiency.

- a. Output to be attained with input of human resources (technical assistance) and financial resources
- b. Output to be attained with input of actions (timing for input)

Each project has been evaluated highly efficient as explained below.

Project Name	Evaluation Parameters	Efficiency
Projects in General	a	<ul style="list-style-type: none"> With input of labor force in joint effort through <i>Minga</i>-related activities, etc., projects shall be implemented efficiently.
	a	<ul style="list-style-type: none"> Projects shall be implemented with investment cost relatively depressed.
	a	<ul style="list-style-type: none"> Group procurement method of materials to be input shall alleviate financial burden of individual farmer, which shall facilitate efficient participation of farmers in projects.
	b	<ul style="list-style-type: none"> Measures to improve and strengthen agricultural and livestock activities are formulated as projects, so implementation of project shall be made in efficient manner.
1.1 Upgrading of subsistence-oriented agro-products	a	<ul style="list-style-type: none"> Expansion of agricultural output shall be attained owing to input of technical assistance and farm inputs including hybrid seeds, which, in turn, shall contribute to realizing self-sufficiency of foodstuff and forwarding of surplus output.
	a	<ul style="list-style-type: none"> Targeting individual farmer' organization, proposed technical assistance on farming technology of basic crops shall be rendered theoretically and by means of on-the-job training at common farms and efficient transfer of relevant technologies shall be thus attained.
	b	<ul style="list-style-type: none"> Group procurement method of materials to be input shall alleviate financial burden of individual farmer, which shall facilitate efficient participation of farmers in the project.
	b	<ul style="list-style-type: none"> The project aims at expansion of crops' output attributable to input of hybrid seeds for basic crops kept by INIAP and project inputs consist of depressed cost on hybrid seeds, fertilizers, etc.
1.2 Raising farmer's income	a	<ul style="list-style-type: none"> Expansion of agricultural and livestock output shall be attained owing to provision of technical assistance on rearing of small animals and cultivating of vegetable and fruits as well as input of farm inputs, which, in turn, shall contribute to raising farmer's income.
	a	<ul style="list-style-type: none"> Targeting individual farmer' organization, proposed technical assistance on rearing method of small animals and farming technology of vegetables and fruits shall be rendered theoretically and by means of on-the-job training at common farms and efficient transfer of relevant technologies shall be thus attained.
	a	<ul style="list-style-type: none"> The project aims at expansion in production of cuys and Andean fruits and project inputs consist of small amount of improved species of cuys and hybrid seedling of fruits.
	b	<ul style="list-style-type: none"> Distribution of improved species of cuys kept by INIAP shall bring about breed improvement of cuy and shall serve dissemination of thus improved species to neighboring farmers' organizations by farmers' organizations to be benefited.
	b	<ul style="list-style-type: none"> With progress of the project, expansion of input of improved species of cuy, technical assistance, installation of pen for animals and formation of farmers' organization shall be accelerated in efficient manner.
	b	<ul style="list-style-type: none"> With progress of the project, expansion of input of improved species of cuy, technical assistance, installation of pen for animals and formation of farmers' organization shall be accelerated in efficient manner.
1.3 Improvement of milk productivity among marginal cattle farmers	a	<ul style="list-style-type: none"> With provision of technical assistance to the farmers to have been adhered to conventional milk production method, increased output of milk and alleviated farm labor in rearing of cattle shall be attained.
	a	<ul style="list-style-type: none"> Targeting individual farmers' organization, proposed technical assistance on cultivation of improved pasture, fertilization and introduction of fence equipped with electric wiring shall be rendered and efficient transfer of relevant technologies shall be thus attained. .
	b	<ul style="list-style-type: none"> Marginal cattle farmers are suffering from low productivity of milk per head of cattle, so an improvement of productivity owing to cultivation of improved pasture, fertilization and introduction of fence equipped with electric wiring is an efficient input.
	b	<ul style="list-style-type: none"> Supporting services of the public sector shall be provided in different way regarding input amount and timing for farmers and for farmers' organizations. These services are to be provided in the course of the implementation of the project, so efficient input of services contributing to producing satisfactory outcome of the project is anticipated.

	b	<ul style="list-style-type: none"> The project aims at expansion of milk production attributable to introduction of improved pasture, fertilization and installation of fence equipped with electric wiring at depressed investment cost.
1.4 Support to cash crops production	a	<ul style="list-style-type: none"> With provision of technical assistance as well as procurement and utilization of farm inputs, an increased output and forwarding of crops shall be attained.
	a	<ul style="list-style-type: none"> Targeting individual farmer's organization, proposed technical assistance on cultivation of cash crops shall be rendered and efficient transfer of relevant technologies shall be thus attained.
	b	<ul style="list-style-type: none"> Extension of cultivation technology on cash crops shall be rendered by public supporting organization, and target farmers shall embark on production activity with procurement of necessary input and following the technology to be extended.
1.5 Improvement for marketing of dairy products	a	<ul style="list-style-type: none"> With introduction of cooling and preservation plant of milk, consistent farm-gate price of milk shall be sought for. Anticipated benefits to be stemmed from elevated farm-gate price shall outstrip the investment cost on facilities, so it is proved to be efficient.
	b	<ul style="list-style-type: none"> Group procurement method of materials to be input shall alleviate financial burden of individual farmer, which shall facilitate efficient participation of farmers in the project.
2.1 Encouragement of agro-products processing industry	a	<ul style="list-style-type: none"> With provision of technical assistance as well as group procurement and utilization of farm inputs by farmers' organization, an improved marketing of elevated value-added agro-products depending on Andean fruits shall be proceeded and creation of regional employment opportunity owing to development of agro-industry shall be made.
	b	<ul style="list-style-type: none"> This project is scheduled for implementation once an expansion in agricultural and livestock output shall have been accomplished and thereby an efficient implementation of the project by both public supporting organization and farmers shall be made because revitalization of regional agricultural and livestock activities shall have been in progress.
2.2 Encouragement of dairy products processing industry	a	<ul style="list-style-type: none"> With provision of technical assistance as well as group procurement and utilization of farm inputs by farmers' organization, an improved marketing of elevated value-added dairy products shall be proceeded and creation of regional employment opportunity owing to development of agro-industry shall be made..
	b	<ul style="list-style-type: none"> This project is scheduled for implementation once an expansion in dairy output shall have been accomplished and thereby an efficient implementation of the project by both public supporting organization and farmers shall be made because revitalization of regional agricultural and livestock activities shall have been in progress.
2.3 Encouragement of rural handicrafts manufacturing industry	a	<ul style="list-style-type: none"> Group procurement method of materials to be input shall alleviate financial burden of individual farmer, which shall facilitate efficient participation of farmers in the project.
	a	<ul style="list-style-type: none"> With provision of technical assistance as well as procurement and utilization of farm inputs, farmers are anticipated to have an opportunity for getting side business income.
	b	<ul style="list-style-type: none"> This project is scheduled for implementation once organization activities of farmers shall have been realized and thereby an efficient implementation of the project by both public supporting organization and farmers shall be made.
3.1 Social and economic infrastructure development	a	<ul style="list-style-type: none"> Social and economic infrastructure shall be developed at depressed investment cost and in accordance with expectation of local people owing to technical assistance of public supporting organization and supply of labor force by means of <i>Minga</i>-related activities by beneficiaries.
4.1 Promotion of reforestation	b	<ul style="list-style-type: none"> Reforestation projects are at present carried out by CREA and this project shall hasten this enterprise. Thus, with implementation of this project, an expansion of CREA's reforestation projects shall be attained efficiently.
4.2 Strengthening of environmental education	b	<ul style="list-style-type: none"> Reforestation projects are at present carried out by CREA and this project shall contribute to promote enlightenment activity to disseminate CREA's projects to farmers and local people. Thus, with implementation of this project, an expansion of CREA's reforestation projects shall be attained efficiently.
5.1 Functional strengthening of CREA	b	<ul style="list-style-type: none"> CREA shall play a core role in implementation of the Master Plan. Therefore, functional strengthening of CREA shall serve efficiently for implementation of the projects included in the Master Plan.
	b	<ul style="list-style-type: none"> Functional strengthening of CREA shall serve to intensify and improve its supporting services in a more intimate and adequate manner.

5.2 Functional strengthening of INIAP	b	<ul style="list-style-type: none"> In the present Master Plan, INIAP shall play such an important role as supplying hybrid seeds and improved species of cuy, provision of various kind of technical assistance, etc. Therefore, functional strengthening of INIAP shall serve efficiently for implementation of the projects included in the Master Plan.
	b	<ul style="list-style-type: none"> Functional strengthening of INIAP shall serve to develop adequate farming technologies highly anticipated by farmers and to apply its supporting services to farmers in more intimate and adequate manner.

(4) Project Impact

The project impact shall be examined on long-term and indirect benefits including synergy effects and for this purpose the following viewpoints shall be taken into account. Additionally, an examination on environmental and social factors shall be made in the subsequent section 8.4 “Environmental and Social Considerations”

- a. Impact on governmental policies
- b. Socio-economic impact on target societies, inside of project implementation agencies, beneficiaries, etc.
- c. Impact on technical renovation
- d. Impact on women’s situation, human rights, disparity in wealth, etc.
- e. Impact on environmental conservation
- f. Contribution and constraint affecting on attainment of upper targets

Each project shall have the following impacts.

Project Name	Evaluation Parameters	Impact
Projects in General	a	<ul style="list-style-type: none"> In compliance with the government’s austerity policy under progress of decentralization program, the proposed project with depressed investment cost shall constitute regional development model.
	b	<ul style="list-style-type: none"> As a consequence of satisfactory outcome of projects, remittance to be made by migrant workers shall be utilized as projects’ fund.
	b	<ul style="list-style-type: none"> With provision of technical assistance services by the public sector to farmers who have not been accessible to such services, the relationship between projects’ beneficiaries and public supporting organization in charge of technical assistance shall be deepened.
	b	<ul style="list-style-type: none"> Owing to revitalization of economic activities in rural area, remittance to be made by migrant workers shall be invested on development of agricultural and livestock activities, which, in turn, shall structure bases for remobilization of migrant workers to their hometown.
	c	<ul style="list-style-type: none"> Project implementation methodology with input of organizations’ activities shall be disseminated to neighboring areas due to realization of projects comprising component for structuring and strengthening of organizations.
	c	<ul style="list-style-type: none"> With provision of technical assistance services by the public sector to farmers in mountain zone, far from urban area, who have not been accessible to such services, an eagerness of farmers on upgrading their technological level shall be fostered.
	c	<ul style="list-style-type: none"> With deepening of the relationship between beneficiaries and public supporting organizations, projects shall be developed.
	c	<ul style="list-style-type: none"> Experience and know-how to be accumulated in the course of implementation of projects, which shall serve functional strengthening of public supporting organizations.
	c	<ul style="list-style-type: none"> Prevailing agricultural and livestock activities (both in technical and social aspects) of proposed beneficiaries shall be improved.
	b, f	<ul style="list-style-type: none"> With employment of participatory approach in implementation of projects, ownership of beneficiaries on projects shall be created.
1.1 Upgrading of subsistence-oriented agro-products	b	<ul style="list-style-type: none"> Subsistence-oriented crops shall be produced in satisfactory amount to satisfy farmers’ household, and nutritious conditions of local people shall be enhanced and security of foodstuff shall be attained.
	b	<ul style="list-style-type: none"> In addition, due to forwarding of surplus crops, an increase in farm income shall

		be realized.
	c	<ul style="list-style-type: none"> • Crop cultivation technologies of beneficiaries shall be upgraded.
	d	<ul style="list-style-type: none"> • By satisfying self-sufficiency of foodstuff, regional disparity within the areas of the Master Plan shall be mitigated.
	d	<ul style="list-style-type: none"> • Due to implementation of the project, women shall be acquired with adequate cultivation technologies of crops, which shall give them an opportunity to play a core role in crops cultivation.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because of development in limited scale.
1.2 Raising farmer's income	d	<ul style="list-style-type: none"> • Position of socially handicapped persons represented by women and youth shall be raised with participation in rural organization.
	d	<ul style="list-style-type: none"> • Poverty situation of farmers within the target region of the Master Plan shall be mitigated owing to raising and stabilization of their income.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because cultivation of feed grains shall be in limited scale.
1.3 Improvement of milk productivity among marginal cattle farmers	c	<ul style="list-style-type: none"> • Technical assistance services on introduction of improved variety of pasture, improvement of rearing method of cattle, etc. shall be disseminated to the target area of the project and its surrounding areas.
	d	<ul style="list-style-type: none"> • Position of socially handicapped persons represented by women and youth shall be raised with participation in rural organization.
	d	<ul style="list-style-type: none"> • Due to implementation of the project, women shall be acquired with adequate cultivation technologies of crops, which shall give them an opportunity to play a core role in crops cultivation.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because this project aims at improvement of cattle farming in a small scale.
1.4 Support to cash crops production	b	<ul style="list-style-type: none"> • Elevated farmer's income owing to implementation of the project shall raise farmers' willingness to continue the enterprise proposed in this project.
	c	<ul style="list-style-type: none"> • Technical assistance to be rendered to beneficiaries shall upgrade technological standard relevant to farming activities in the target area of the project, which shall be followed by synergy effect on surrounding areas.
	d	<ul style="list-style-type: none"> • Position of socially handicapped persons represented by women and youth shall be raised with their participation in rural organizations.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because this project consists of small-scaled productive activity.
1.5 Improvement for marketing of dairy products	b	<ul style="list-style-type: none"> • Elevated farmer's income owing to implementation of the project shall raise farmers' willingness to continue the enterprise proposed in this project.
	c	<ul style="list-style-type: none"> • Introduction of milk cooling and preservation plant targeting small and marginal cattle farmers and their organizations shall lead to technological renovation of cattle farming.
	d	<ul style="list-style-type: none"> • Position of socially handicapped persons represented by women and youth shall be raised with participation in rural organization.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because this project consists of introduction of cooling and preservation facility.
2.1 Encouragement of agro-products processing industry	b	<ul style="list-style-type: none"> • Elevated farmer's income owing to implementation of the project shall raise farmers' willingness to continue the enterprise proposed in this project.
	b	<ul style="list-style-type: none"> • Rational utilization of regional agro-products shall be realized because this project proposes to use surplus products as raw materials for the agro-industry.
	c	<ul style="list-style-type: none"> • Putting into implementation of new project targeting small farmers and their organizations shall exercise positive effect on development of agro-industrial technologies of the region.
	d	<ul style="list-style-type: none"> • Development of agro-industry gives employment opportunity among women in the region raising their awareness on labor as well as their social position.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because this project consists of small-scaled productive activity.
2.2 Encouragement of dairy products processing industry	b	<ul style="list-style-type: none"> • Rational utilization of regional agro-products shall be attained because locally available dairy products shall be used as raw materials.
	b	<ul style="list-style-type: none"> • Elevated farmer's income owing to implementation of the project shall raise farmers' willingness to continue the enterprise proposed in this project.
	c	<ul style="list-style-type: none"> • Putting into implementation of new project targeting small farmers and their organizations shall exercise positive effect on development of dairy products processing technologies of the region.

	d	<ul style="list-style-type: none"> • Development of dairy products processing industry gives employment opportunity among women in the region raising their awareness on labor as well as their social position.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because this project consists of small-scaled productive activity.
2.3 Encouragement of rural handicrafts manufacturing industry	b	<ul style="list-style-type: none"> • Elevated farmer's income owing to launching on side business shall raise farmers' willingness to continue the enterprise proposed in this project.
	b	<ul style="list-style-type: none"> • This project targets farmers' organizations and improved profit is anticipated because of lowered cost for procurement of raw materials per farmer.
	d	<ul style="list-style-type: none"> • Development of rural handicrafts manufacturing industry gives an opportunity among women in the region for side business income and, at the same time shall raise their awareness on labor as well as their social position.
	e	<ul style="list-style-type: none"> • Negative impact on environment due to implementation of the project shall be minimized because this project aims to support small-scaled household industry.
3.1 Social and economic infrastructure development	b	<ul style="list-style-type: none"> • With completion of irrigation works, farmers anticipate to attain higher profit owing to implementation of irrigation farming.
	c	<ul style="list-style-type: none"> • Development of irrigation works shall lead to the introduction of unconventional farming technologies depending on irrigation system.
	d	<ul style="list-style-type: none"> • Through participation in <i>Minga</i>-related activities, women's awareness on social activities shall be deepened bringing about raising their social position.
	e	<ul style="list-style-type: none"> • Securing of water resources to be used for irrigation purpose shall help to raise local people awareness on environmental conservation like embarking reforestation project.
4.1 Promotion of reforestation	b	<ul style="list-style-type: none"> • Reforestation project shall contribute to securing of soil and water resources and shall serve to maintain productivity of farmland.
	c	<ul style="list-style-type: none"> • The project proposes to plant native plants and shall promote establishment of reforestation technologies with the use of native plants.
	e	<ul style="list-style-type: none"> • Soils, water resources and ecosystem of fauna and flora shall be conserved with implementation of the project.
	e	<ul style="list-style-type: none"> • Reforestation projects that have been implemented to date shall be revitalized and reforestation-related activities shall be fostered.
4.2 Strengthening of environmental education	b	<ul style="list-style-type: none"> • Implementation of project shall raise local people's awareness on environmental conservation, ruling out of existing vicious practice like burning off a field.
5.1 Functional strengthening of CREA	b	<ul style="list-style-type: none"> • Functional strengthening of CREA shall be the basis for efficient implementation of the whole projects included in the Master Plan.
	b	<ul style="list-style-type: none"> • The relationship between CREA and farmers shall be deepened through improvement of construction machinery, procurement of equipment and materials and capacity building and empowerment of personnel by respective project.
	e	<ul style="list-style-type: none"> • Owing to modernization of facilities and rational utilization of experimental farms, reforestation project aiming at environmental conservation shall be intensified.
5.2 Functional strengthening of INIAP	b	<ul style="list-style-type: none"> • Functional strengthening of INIAP shall be a basis for efficient implementation of the whole projects included in the Master Plan.
	c	<ul style="list-style-type: none"> • Farming technologies to be accorded with local characteristics shall be established.

(5) Project Sustainability

The project sustainability deals with the durability of positive project benefits after termination of the technical cooperation channeled through respective project.

- a. Durability of projects' outcomes after termination of the relevant technical cooperation.
- b. Study on productive factors of projects' durable outcomes from the viewpoints of policy, economy and organization/institution.
- c. Study on productive factors of projects' durable outcomes from technical, social, cultural and environmental viewpoints.
- d. Negative impact on environment that contributes to durability of activities

e. Constraints on sustainability of projects

Each project shall have the following sustainability.

Project Name	Evaluation Parameters	Sustainability
Projects in General	a	<ul style="list-style-type: none"> The projects comprise technical assistance services of the public sector and extension of technologies among beneficiaries, so durable implementation of projects is possible.
	b	<ul style="list-style-type: none"> The projects of the Master Plan have been formulated in line with the prevailing activities of public supporting organizations, so continuous supports of the public sector is expected.
	b	<ul style="list-style-type: none"> Through the experience of past projects, personnel of public supporting organization are posted, by putting the right persons in the right positions, which enables continuous implementation of projects
	b	<ul style="list-style-type: none"> Legal and institutional systems on registering of organization with relevant public agencies are prepared. And, sustainable implementation of the projects is viable, provided that the beneficiaries should form legally approved organization required for financing.
	c	<ul style="list-style-type: none"> Through the training for capacity building and empowerment of leaders to be conducted in the course of project implementation, decision-making of beneficiaries shall be hastened.
	c	<ul style="list-style-type: none"> Depopulation due to exodus of male adults seeking for employment opportunity outside the region is a serious problems in the target region. Sustainable projects targeting aged people, women and youth shall be implemented in this Master Plan.
	b	<ul style="list-style-type: none"> In view of encouraging farmers to be acquired with ownership in the course of project implementation, participatory approach of beneficiaries is employed in the projects. Therefore, sustainable implementation of the projects with initiative taken by farmers is viable.
	b	<ul style="list-style-type: none"> Because the activities of farmers/farmers' organizations shall be carried out satisfactory and technical and financial supporting services of the public sector shall be rendered adequately, sustainable implementation of the projects may be possible.
	c	<ul style="list-style-type: none"> With participation of group training course in learning agricultural technologies, an awareness on interdependency shall be raised among local people, which shall contribute to sustainable implementation of the projects.
1.1 Upgrading of subsistence-oriented agro-products	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken farmers shall be made durably.
	a	<ul style="list-style-type: none"> Because the project aims to expand an output of basic crops depending on locally available resources, its sustainable implementation shall be viable.
	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to provision of micro-credit system, which is expected to contribute to spontaneous implementation of the project.
	c	<ul style="list-style-type: none"> The outcomes attributable to application of unconventional farming technologies and input of hybrid seed shall be disseminated over farmers of surrounding areas.
	c	<ul style="list-style-type: none"> Enlargement in use of hybrid seeds shall enable farmers to engage continuously in crop production with input of superior seeds.
1.2 Raising farmer's income	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers shall be made durably.
	b	<ul style="list-style-type: none"> Because the project aims to expand an output of small animal, vegetables and fruits depending on locally available resources, its sustainable implementation shall be viable.
	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to provision of micro-credit system, which is expected to contribute to spontaneous implementation of the project.
	c	<ul style="list-style-type: none"> The outcomes attributable to application of rearing technology on small animal (cuy) and cultivation technology on Andean fruits shall raise farmer's income and shall be disseminated over farmers of surrounding areas.
	c	<ul style="list-style-type: none"> Enlargement in rearing of improved breed of small animal shall enable farmers to engage continuously in rearing of small animal with input of

		superior breed.
	c	<ul style="list-style-type: none"> Owing to introduction of improved breed, farmers may sustain farming activity depending on input of superior breed.
1.3 Improvement of milk productivity among marginal cattle farmers	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers shall be made durably.
	c	<ul style="list-style-type: none"> Sanitary control on cattle (vaccination, etc.) is legalized. Transfer and implementation of technology on this sanitary control shall satisfy legal sanitary standard on cattle, which, in turn, shall enable cattle farmers to engage in continuous forwarding of milk.
	d	<ul style="list-style-type: none"> Because the project aims to expand an output of milk depending on locally available resources, its sustainable implementation shall be viable.
	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to provision of micro-credit system, which is expected to contribute to spontaneous implementation of the project.
	c	<ul style="list-style-type: none"> The outcomes attributable to introduction of improved variety of pasture and transfer of cattle farming technology shall be disseminated over farmers of surrounding areas.
1.4 Support to cash crops production	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers shall be made durably.
	c	<ul style="list-style-type: none"> Because the project aims at rendering of technical assistance on production of Andean fruits, a sustainable implementation of the project shall be viable.
	b	<ul style="list-style-type: none"> Farmers shall rely on micro-credit or financing system to entrepreneurs for procurement of farm inputs required for introduction of applied technology and the responsibility of beneficiaries on execution of the project shall be clarified making it possible to implement the spontaneously.
	c	<ul style="list-style-type: none"> Both output and quality of Andean fruits shall be upgraded attributable to transfer of applied technology. Consequently, the projects shall be disseminated to surrounding areas where farmers shall be willing to launch on this enterprise and shall be provided relevant technical assistance from affiliated members of farmers' organization.
1.5 Improvement for marketing of dairy products	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers' organizations shall be made durably.
	d	<ul style="list-style-type: none"> Because the project proposes to raise farm-gate price of milk owing to installation of cooling and preservation tank, a sustainable implementation of the project shall be viable.
	c	<ul style="list-style-type: none"> Installation of cooling and preservation tank shall serve to upgrade quality of milk, which, in turn, shall contribute to expansion of marketing destination and revitalization of dairy cattle farming with development of such new markets as large-scaled processing companies and major urban areas of the country.
	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to financing system to entrepreneurs, which is expected to contribute to spontaneous implementation of the project.
	b	<ul style="list-style-type: none"> Implementation and outcomes of the project undertaken by farmers' organizations shall be disseminated over farmers of surrounding areas and an intensification of activities of farmers' organizations and enlargement of cooling and preservation facilities are expected.
	e	<ul style="list-style-type: none"> The conflict between cattle farmers/farmers' organizations and middlemen involved in marketing of regional milk may form a constraint on sustainability of farmers' organizations.
2.1 Encouragement of agro-products processing industry	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers' organizations and small-scaled processing agencies in the region shall be made durably.
	b	<ul style="list-style-type: none"> Legal and institutional systems on sanitary control for processing goods of agro-products and sanitary inspection on agro-products shall be developed and quality control on production system and produces shall be maintained.
	d	<ul style="list-style-type: none"> Because the project aims to encourage small-scaled agro-products processing industry depending on locally available agro-products, its sustainable implementation shall be viable.
	b	<ul style="list-style-type: none"> Regional society shall be durably revitalized as a consequence of expansion of agro-products to be used as raw materials for agro-industry as well as creation of employment opportunity, both of which are attributable to implementation of the project.

	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to financing system to entrepreneurs, which is expected to contribute to spontaneous implementation of the project.
2.2 Encouragement of dairy products processing industry	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers' organizations and small-scaled processing agencies in the region shall be made durably.
	d	<ul style="list-style-type: none"> Because the project aims to encourage small-scaled agro-products processing industry depending on locally available dairy products, its sustainable implementation shall be viable.
	b	<ul style="list-style-type: none"> Regional society shall be durably revitalized as a consequence of expansion of dairy products to be used as raw materials for agro-industry as well as creation of employment opportunity, both of which are attributable to implementation of the project.
	b, c	<ul style="list-style-type: none"> A successful example in elevating value-added of dairy products shall give farmers in the surrounding areas an impulse to be involved in the project.
	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to financing system to entrepreneurs, which is expected to contribute to spontaneous implementation of the project.
2.3 Encouragement of rural handicrafts manufacturing industry	a	<ul style="list-style-type: none"> With introduction of financing system, an expansion of the project with the initiative taken by farmers shall be made durably.
	d	<ul style="list-style-type: none"> Because the project aims to render technical assistance to household industry managed by individual farmer, its sustainable implementation shall be viable.
	b	<ul style="list-style-type: none"> The project is benefited in terms of giving farmers an opportunity to get side business income, contributing to intensification of activity.
	b	<ul style="list-style-type: none"> A successful example for creation of opportunity for getting side business income shall give farmers in the surrounding areas an impulse to be involved in the project.
	b	<ul style="list-style-type: none"> The responsibility of beneficiaries on execution of the project shall be clarified owing to provision of micro-credit, which is expected to contribute to spontaneous implementation of the project.
3.1 Social and economic infrastructure development	b	<ul style="list-style-type: none"> Legal and institutional systems on water users' association shall be developed and quality control on production system and operation and maintenance of irrigation works shall be adequately carried out.
	d	<ul style="list-style-type: none"> Negative impact on environment shall be minimized because the project accompanies enlightening activities targeting farmers and comprises such components as renovation of vegetation, reforestation at water resources conservation area, etc., which shall enable sustainable implementation of the project.
	e	<ul style="list-style-type: none"> With involvement in the project, farmers' organization shall be strengthened and sustainable use of irrigation works shall be realized accordingly.
4.1 Promotion of reforestation	b	<ul style="list-style-type: none"> Reforestation project aiming at environmental conservation entails planting again after deforestation. Through this project, sustainability of forest resources shall be kept in case of implementing reforestation aiming at environmental conservation.
4.2 Strengthening of environmental education	a	<ul style="list-style-type: none"> Environmental education has a purpose to help for promoting sustainable agricultural production activities. Thus, awareness of local people on environmental conservation to be enlightened in the course of implementation of the project shall be sustained even though after completion of the project.
5.1 Functional strengthening of CREA	b	<ul style="list-style-type: none"> Sustainable support for respective project shall be kept owing to supply of construction machinery, procurement of equipment and materials and capacity building/empowerment of personnel of CREA.
	c	<ul style="list-style-type: none"> Functional strengthening and establishment of CREA's technical assistance and extension services on agricultural and livestock production in the Andean Region shall contribute to sustainable development of the region.
5.2 Functional strengthening of INIAP	b	<ul style="list-style-type: none"> Sustainable support for respective project shall be kept owing to functional strengthening of research and investigation sections, improvement of experimental farms and capacity building/empowerment of personnel of INIAP.
	c	<ul style="list-style-type: none"> Functional strengthening and establishment of INIAP's technical assistance and extension services on agricultural and livestock production in the Andean Region shall contribute to sustainable development of the region.

8.2 Assessment on Project Outcomes

In this section, in view of encouraging farmers to be benefited to participate in the projects of the Master Plan, tangible efficiency of the projects shall be assessed by means of farm economy analysis (Viability on raising farmer's income).

Through implementation of the pilot projects, it was verified that financial and technical inputs for the projects included in the component: "Improvement of agricultural and livestock sector", having higher priority among the projects of the Master Plan and to be implemented within single year, should bring about satisfactory outcomes. Referring to the results of the said pilot projects, the outcomes of the projects in this component shall be assessed hereinafter.

The projects of the component: "Activation of non-agricultural sector" are less pressing and their implementation are scheduled as mentioned in Chapter 4 during latter part of the Master Plan. These projects shall bring about higher profit, so support of the public sector shall be limited to technical field; proposed beneficiaries are required to arrange by themselves for procurement of necessary fund for the projects making access to private banking institutions. Participatory approach is employed for implementation of these projects. A variety of agro-industry is proposed in development of the projects and the implementation process for the projects are diversified by target product. Under the circumstances, the assessment on outcomes of the projects shall not be made quantitatively but qualitatively on the basis of five parameters mentioned before.

Supporting services of CREA and other public agencies are actually rendered to the component: "Upgrading of living standard" and the component: "Environmental conservation". These components are highly public-natured and comprise projects aiming at securing a safe and stable living standard of destitute farmers in the region. In this regard, since these projects are small-scaled and are contributing to human security they shall not be assessed quantitatively but qualitatively.

8.2.1 Assumptions

For assessment of project outcomes, the following assumptions are applied.

①. Initial investment cost

The initial investment cost per farmer is estimated by each project as follows:

Projects	Inputs	Initial Investment Cost (US\$/farmer/year)
1.1 Upgrading of subsistence-oriented agro-products	• Seeds for crops (Potato, corn, barely, broad beans, kidney beans), fertilizers, and other farm inputs.	209
1.2 Raising farmer's income	• Cuy, fertilizers, and other farm inputs.	300
1.3 Improvement of milk productivity among marginal cattle farmers	• Seeds for improved pasture, fertilizers, agricultural instruments, materials and equipment for sanitary control of cattle.	260
1.4 Support to cash crops production	• Construction of green house.	500
1.5 Improvement for marketing of dairy products	• Cooling and preservation tank, materials and equipment for sanitary control of milk.	2,500

②. Term for economic analysis of project and loan and repayment conditions

The term for farm economy analysis and loan/repayment conditions are as follows:

Projects	Term for farm economy analysis	Loan/Repayment Conditions
1.1 Upgrading of subsistence-oriented agro-products	<ul style="list-style-type: none"> One year (Cultivation period of crops) 	<ul style="list-style-type: none"> 130% of seeds and 100% of other costs should be repaid.
1.2 Raising farmer's income	<ul style="list-style-type: none"> One year (Rearing period of cuy) 	<ul style="list-style-type: none"> Twice as many as the head of cuy to be supplied should be repaid.
1.3 Improvement of milk productivity among marginal cattle farmers	<ul style="list-style-type: none"> One year (Effective period of improved pasture) 	<ul style="list-style-type: none"> 100% of the cost for seeds for improved pasture, fertilizers, agricultural instruments, materials and equipment for sanitary control of cattle should be repaid.
1.4 Support to cash crops production	<ul style="list-style-type: none"> One year (Cultivation period of crops) 	<ul style="list-style-type: none"> Capital together with 8% of interest rate should be repaid.
1.5 Improvement for marketing of dairy products	<ul style="list-style-type: none"> 10 year (Economic evaluation period of tank) 	<ul style="list-style-type: none"> Capital together with 12% of interest rate should be repaid.

- ③. Price escalation shall not be taken into account.
- ④. Labor cost on Minga-related activities shall be excluded from farm economy analysis

8.2.2 Farm Economy Analysis without Project

The contents of inputs by farmer and by public supporting organizations and timing for their application were disclosed as a result of the socio-economic survey carried out during initial phase of the field works of the Master Plan as well as the monitoring survey on pilot projects. The following profit and loss analysis was made accordingly.

Projects	Target Areas	Number of Family Members (Person)	Farm Income per Farmer (US\$/year)	Expenditure per Farmer (US\$/year)
1.1 Upgrading of subsistence-oriented agro-products	Suscal	6.2	521	1,004
1.2 Raising farmer's income	Oña	3.5	1,711	829
1.3 Improvement of milk productivity among marginal cattle farmers	Cachi	3.6	2,658	1,843
1.4 Support to cash crops production	Bulan	5.2	2,899	3,192
1.5 Improvement for marketing of dairy products	San Geraldo	5.1	4,656	3,401
	Average	4.7	2,489	2,053

8.2.3 Farm Economy Analysis with Project

As provided in “(1) Assumptions” and “②. Term for economic analysis of project and loan and repayment conditions” mentioned before, the projects depending on micro-credit shall be implemented in single year, meanwhile those depending on financing system for entrepreneurs shall be in multi-year. The profit and loss analysis at farm level thereby shall be made separately with regard to respective financing proposal.

a. Projects with provision of micro-credit

The projects relying on provision of micro-credit are composed of those with low investment in view of rational use of existing resources and matching prevailing technological level and farming scale of proposed beneficiaries. As given in the table below, loan amount relevant to micro-credit shall be paid off in first year of each project and beneficiaries are entitled to gain net profit from subsequent year.

For example, in case of the project: Upgrading subsistence-oriented agro-products, the profit without project is estimated in US\$ 521/farmer/year. With implementation of the project, it is anticipated that the profit should be elevated to US\$ 1,869/farmer/year, resulting in incremental profit of

US\$ 1,348/farmer/year. Deducting US\$ 271/farmer/year as repayment amount against loan from the said incremental profit, the net balance of farm economy shall remain a surplus of US\$ 1,077/farmer/year.

Table: Profit and Loss of the First Year of Project (Unit: US\$/farmer/year)

Projects	Profit without project	Profit with project	Incremental benefit <i>Obs). 1</i>	Repayment of loan <i>Obs). 2</i>	Balance
1.1 Upgrading of subsistence-oriented agro-products	521	1,869	1,348	271	1,077
1.2 Raising farmer's income	1,711	4,138	2,427	306	2,121
1.3 Improvement of milk productivity among marginal cattle farmers	2,658	3,176	518	200	318
1.4 Support to cash crop production	2,899	5,615	2,716	540	2,176

Obs). 1: Calculated based on "Profit without project" minus "Profit with project". "Profit with project" that is calculated on the basis of the data of the pilot project, is compared with "Profit without project" in terms of the amount of input described in "Reference of Chapter 7 Project Implementation Program". The cost borne by farmers is not included in "Incremental benefit".

Obs). 2: Calculated on the basis of credit and repayment conditions of the pilot projects with reference made to the table of the chapter 7: Investment Cost and No. of Beneficiary by Project.

b. Projects with provision of loan to entrepreneurs

Entailing considerable amount as initial investment, the project "Improvement for marketing of dairy products" is forged to be implemented depending on loan targeting entrepreneurs to be provided by general financing institutions. Different from other projects envisaged in the Component "Improvement of Agriculture and Livestock Sector", it is proposed that repayment of loan amount in this project shall not be made in the first year but in 10 years as given below.

An accumulated balance per farmers' organization in the fourth year amounts to US\$ 27,040, which outstrips the capital amount of US\$ 25,000, and the beneficiaries can afford the repayment of loan amount without difficulty. A total of ten farmers shall be affiliated with an organization and a projected accumulated balance of farm economy per farmer during ten years of the project is estimated in US\$ 11,874. On the other hand, one farmer may anticipate a net surplus of US\$ 137 shall be anticipated from the first year of the project. This project is thereby assessed as a project that hastens beneficiaries an aggressive involvement in the project.

Table: Cost, Profit, Loan Amount and Balance of the Project for Improvement for Marketing of Dairy Products

(Unit: US\$)

	Finance to Entrepreneurs	YEAR									
		1	2	3	4	5	6	7	8	9	10
Cost											
Farm Investment	25,000.00										
Input(Tank) rehabilitation						12,500.00					12,500.00
O/M Cost		2,280.00	2,280.00	2,280.00	2,280.00	2,280.00	2,280.00	2,280.00	2,280.00	2,280.00	2,280.00
Sub-total		2,280.00	2,280.00	2,280.00	2,280.00	14,780.00	2,280.00	2,280.00	2,280.00	2,280.00	14,780.00
Income											
Project Profit		8,100.00	16,200.00	18,900.00	21,600.00	24,300.00	24,300.00	24,300.00	24,300.00	24,300.00	24,300.00
Sub-total		8,100.00	16,200.00	18,900.00	21,600.00	24,300.00	24,300.00	24,300.00	24,300.00	24,300.00	24,300.00
Loan											
Capital	25,000.00										
Interest (12%)	12%	3,000.00	2,826.00	2,631.12	2,412.85	2,168.40	1,894.60	1,587.96	1,244.51	859.85	429.04
Repayment of Capital		4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,004.33
Remaining Balance		23,550.00	21,926.00	20,107.12	18,069.97	15,788.37	13,232.98	10,370.93	7,165.44	3,575.30	0.00
Balance per Organization		1,370.00	9,470.00	12,170.00	14,870.00	5,070.00	17,570.00	17,570.00	17,570.00	17,570.00	5,515.67
Accumulated Balance			10,840.00	21,640.00	27,040.00	19,940.00	22,640.00	35,140.00	35,140.00	35,140.00	23,085.67
- Balance per Farmer		137.00	947.00	1,217.00	1,487.00	507.00	1,757.00	1,757.00	1,757.00	1,757.00	551.57
- Accumulated Balance			1,084.00	2,301.00	3,788.00	4,295.00	6,052.00	7,809.00	9,566.00	11,323.00	11,874.57

8.3 Environmental and Social Considerations

In accordance with the guidelines for socio-environmental considerations prepared by JICA, the following issues shall be tackled with.

Targeting a total of 13 projects from the Master Plan, the environmental and social considerations on each topic have been reviewed as explained hereinafter.

Scope of the socio-environmental considerations (scope of the evaluated influences)

Conditions of climate, water, soil, waste, accidents, global warming, land use, flora and fauna among others that cause impacts to human beings health and safety as well as to the environment.

Influences

- Compulsory displacement of the population
- Regional economy in relation to employment and way of life.
- Land use and use of natural resources of the zone.
- Organizations of social capital or regional power of decision
- Infrastructure and existing social services
- Disadvantaged groups such as population in poverty, native population.
- Income distribution and equity by the development processes
- Gender
- Children's rights
- Cultural resources
- Conflict of interests in the zone
- Transmissible diseases such as HIV/AIDS

8.3.1 Environmental Considerations

(1) Negative Impacts

In accordance with the guideline for environmental and social considerations of JICA, negative impacts on such environment-related topics as “Atmosphere”, “Water quality”, “Soil”, “Solid wastes”, “Noise and vibration”, “Land subsidence”, “Nasty smell”, “Geology and topography”, “Bed condition”, “Biology and ecosystem”, “Water use”, “Accident” and “Global warming” were reviewed regarding the projects of: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.3 Improvement of milk productivity among marginal cattle farmers, 1.4 Support to cash crops production, 1.5 Improvement for marketing of dairy products, 2.1 Encouragement of agro-products processing industry, 2.2 Encouragement of dairy products processing industry, 2.3 Encouragement of rural handicrafts manufacturing industry, 3.1 Social and economic infrastructure development, 4.1 Promotion of reforestation, 4.2 Strengthening of environmental education, 5.1 Functional strengthening of CREA, and 5.2 Functional strengthening of INIAP.

The projects of the present Master Plan aim in general at improvement of agricultural and livestock activities of regional farmers without comprising large-scaled development works. It is thus considered that negative impact of these projects on natural environment and ecosystem should be minimized. In the same way, the said project hardly exercise negative impact on human health and security.

(2) Positive Impacts

Positive impact of the projects on each topic of environment is as indicated in the table below.

Project Name	Atmosphere	Water Quality	Soil	Solid Wastes	Noise & Vibration	Land Subsidence	Nasty Smell	Geology & Topography	Biology and Ecosystem	Water Use	Accident	Global Warming
1.1 Upgrading of subsistence-oriented agro-products												
1.2 Raising farmer's income												
1.3 Improvement of milk productivity among marginal cattle farmers												
1.4 Support to cash crops production												
1.5 Improvement for marketing of dairy products												
2.1 Encouragement of agro-products processing industry												
2.2 Encouragement of dairy products processing industry												
2.3 Encouragement of rural handcrafts manufacturing industry												
3.1 Social and economic infrastructure development										○		
4.1 Promotion of reforestation	○	○	○						○			○
4.2 Strengthening of environmental education	○	○	○						○	○		
5.1 Functional strengthening of CREA												
5.2 Functional strengthening of INIAP												

Both projects of 4.1 Promotion of reforestation and 4.2 Strengthening of environmental education, which have purposes of recovery of vegetation and mitigation of soil erosion, shall exercise positive impact on “Atmosphere”, “Water quality” and “Soil”. All of the projects shall not be concerned with Solid wastes”, “Noise and vibration”, “Land subsidence”, “Nasty smell”, “Geology and topography” and “Bed condition”.

The projects of 4.1 Promotion of reforestation and 4.2 Strengthening of environmental education shall also exercise positive impact on “Biology and ecosystem” through implementation of reforestation project with the use of native plants. On the other hand, the project: 3.1 Social and economic infrastructure development shall exercise positive effect on “Water use” in terms of rational use of water resources, meanwhile the project: 4.2 Strengthening of environmental education shall contribute to conservation of water resources and sustainable utilization of water resources.

None of the projects is related with “Accident” and regarding “Global warming”, the project: 4.1 Promotion of reforestation project shall have positive effect with implementation of reforestation-related activities.

8.3.2 Social Considerations

(1) Negative Impacts

With implementation of the projects of the Master Plan, the following negative impacts on social factors are considered.

Project Name	Mobilization of population due to involuntary resettlement, etc.	Regional economy such as employment and means of income	Land use and utilization of natural resources	Social organization relevant to social capital formation and regional decision making	Existing social infrastructure and social services	Socially disadvantaged strata such as the poor, indigenous people	Equitability on distribution of losses and benefit and on development process	Gender	Children's rights	Cultural heritage	Conflict of interests among benefited areas	Infectious Diseases such as HIV/AIDS
1.1 Upgrading of subsistence-oriented agro-products							△				△	
1.2 Raising farmer's income							△				△	
1.3 Improvement of milk productivity among marginal cattle farmers							△				△	
1.4 Support to cash crops production							△				△	
1.5 Improvement for marketing of dairy products							△				△	
2.1 Encouragement of agro-products processing industry							△				△	
2.2 Encouragement of dairy products processing industry							△				△	
2.3 Encouragement of rural handicrafts manufacturing industry							△				△	
3.1 Social and economic infrastructure development							△				△	
4.1 Promotion of reforestation			△									
4.2 Strengthening of environmental education												
5.1 Functional strengthening of CREA												
5.2 Functional strengthening of INIAP												

The present Master Plan consists of the projects with small-scaled input targeting marginalized farmers and materials and equipment to be input are limited to generally available ones. And, because the implementation of the projects relies on existing social organizations, no considerable change affecting regional social condition is envisaged. It is thereby assessed that negative impact on social factors attributable to implementation of the projects should be minimized.

None of the projects shall cause “Mobilization of population due to involuntary resettlement” and negative impact on “Regional economy such as employment and means of income” shall not be presumed because the projects included in this Master Plan aim to raise the farmer's income and to create employment opportunities.

The project: 4.1 Promotion of reforestation may exercise negative impact on “Land use and utilization of regional resources” because the project focuses on reforestation of conventional plants represented by eucalyptus and pine and, affecting global environment (Vegetation, soils and water resources). In view of mitigating such negative impact, the project proposes reforestation project depending on the use of existing vegetation as much as possible.

In relation with “Social organization relevant to social capital formation and regional decision making”, “Existing social infrastructure and social services” and “Socially disadvantaged strata such as poor and indigenous people”, the projects of the present Master Plan hardly exercise negative impact due to the fact that these projects propose to implement improvement measures targeting regional society and marginalized farmers.

The projects of: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer's income, 1.3 Improvement of milk productivity among marginal cattle farmers, 1.4 Support to cash crops

production, 1.5 Improvement for marketing of dairy products, 2.1 Encouragement of agro-products processing industry, 2.2 Encouragement of dairy products processing industry, 2.3 Encouragement of rural handicrafts manufacturing industry, 3.1 Social and economic infrastructure development may exercise negative impact on “Equitability on distribution of losses and benefits and on development process”, because an implementation of these projects shall be made with the initiative taken by farmers’ group. Nevertheless, it is presumed that negative impact on equitability might be mitigated with designing of more adequate supporting services to beneficiaries; in an attempt to mitigating negative impact in question, public supporting organizations shall render relevant technical assistance to farmers’ organizations in the course of implementation of the projects.

No negative impact is presumed on such social topics as “Gender” and “Children’s right”, because the projects of the Master Plan shall result in upgrading social position of socially disadvantaged people. The topics “Cultural heritage” is not concerned with the projects in question.

Such projects as: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.3 Improvement of milk productivity among marginal cattle farmers, 1.4 Support to cash crops production, 1.5 Improvement for marketing of dairy products, 2.1 Encouragement of agro-products processing industry, 2.2 Encouragement of dairy products processing industry, 2.3 Encouragement of rural handicrafts manufacturing industry, 3.1 Social and economic infrastructure development may exercise negative impact on “Conflict of interests among benefited areas” , because an implementation of these projects shall be made generally with the initiative taken by farmers’ group and it is probable that conflict of interest among benefited areas should be produced in terms of distribution of projects’ benefits and development process. Regarding the project: 3.1 Social and economic infrastructure development, no serious conflict of interest among benefited areas is considered subject to preparation of sufficient financial resources, because the project proposes to develop small-scaled civil works with the initiative taken by beneficiaries. On the contrary, under limited financial resources for the project, conflict of interests in deciding high priority areas for implementation of the project may be taken place among benefited areas, as a result of exercising political decision. In view of avoiding such negative impact, it is of importance that public supporting organizations should design carefully the contents of the project.

The subject of “Infectious diseases such as HIV/AIDS” is not related with the projects of the present Master Plan.

(2) Positive Impacts

Positive impacts could be caused in the following items:

Project Name	Mobilization of population due to involuntary resettlement, etc.	Regional economy such as employment and means of income	Land Use and utilization of natural resources	Social organization relevant to social capital formation and regional decision making	Existing social infrastructure and social services	Socially disadvantaged strata such as the poor, indigenous people	Equitability on distribution of losses and benefit and on development process	Gender	Children's rights	Cultural heritage	Conflict of interests among benefited areas	Infectious Diseases such as HIV/AIDS
1.1 Upgrading of subsistence-oriented agro-products		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>				
1.2 Raising farmer's income		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>				
1.3 Improvement of milk productivity among marginal cattle farmers		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>				
1.4 Support to cash crops production		<input type="radio"/>	<input type="radio"/>									
1.5 Improvement for marketing of dairy products		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>							
2.1 Encouragement of agro-products processing industry		<input type="radio"/>										
2.2 Encouragement of dairy products processing industry		<input type="radio"/>										
2.3 Encouragement of rural handcrafts manufacturing industry		<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>				
3.1 Social and economic infrastructure development		<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>						
4.1 Promotion of reforestation		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>							
4.2 Strengthening of environmental education			<input type="radio"/>									
5.1 Functional strengthening of CREA		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>				
5.2 Functional strengthening of INIAP		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>						

The present Master Plan has purposes to undertake capacity building/empowerment of local population and to promote interdependency among them and may produce positive impact accordingly.

No project of the Master Plan shall cause “Mobilization of population due to involuntary resettlement, etc.”.

Considerable positive impact is expected on “Regional economy such as employment and means of income” with implementation of such projects as: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer's income, 1.3 Improvement of milk productivity among marginal cattle farmers, 1.4 Support to cash crops production, 1.5 Improvement for marketing of dairy products, 2.1 Encouragement of agro-products processing industry, 2.2 Encouragement of dairy products processing industry, 2.3 Encouragement of rural handcrafts manufacturing industry, 3.1 Social and economic infrastructure development, 4.1 Promotion of reforestation, 5.1 Functional strengthening of CREA and 5.2 Functional strengthening of INIAP; upgrading of living standard among local people and creation of job opportunity shall be attained because eligible target areas of these projects are those which have been alienated from development activities of the public sector, an increased output of agricultural and livestock production shall be brought about owing to introduction of hybrid seeds and improved

species, an improvement of farming activities is proposed with provision of adequate technical assistance services of the public sector, etc..

As for the land use of the subject “Land use and utilization of regional natural resources”, positive outcomes are anticipated due to realization of more adequate land use shifting from extensive farming to intensive one is envisaged in such projects as: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.3 Improvement of milk productivity among marginal cattle farmers, 1.4 Support to cash crops production, 1.5 Improvement for marketing of dairy products, 4.1 Promotion of reforestation, 5.1 Functional strengthening of CREA and 5.2 Functional strengthening of INIAP, meanwhile two projects: 1.4 Support to cash crops production, and 1.5 Improvement for marketing of dairy products, shall exercise positive effect on utilization of regional natural resources because these projects aim at improvement of agricultural and livestock activities by means of encouragement of production of Andean fruits and intensification of dairy cattle farming and marketing.

In so far as the subject: “Social organization relevant to social capital formation and regional decision making” is concerned, all the project of the Master Plan composed of: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.3 Improvement of milk productivity among marginal cattle farmers, 1.4 Support to cash crops production, 1.5 Improvement for marketing of dairy products, 2.1 Encouragement of agro-products processing industry, 2.2 Encouragement of dairy products processing industry, 2.3 Encouragement of rural handicrafts manufacturing industry, 3.1 Social and economic infrastructure development, 4.1 Promotion of reforestation, 4.2 Strengthening of environmental education, 5.1 Functional strengthening of CREA and 5.2 Functional strengthening of INIAP are anticipated to have positive effect on it, because these projects have an eye to intensify *Minga*-related activities, a traditional cooperative working system, and, as a consequence, to strengthen regional alliance and interdependency among inhabitants in the region.

Social infrastructure shall be developed through the projects: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.5 Improvement for marketing of dairy products, 2.3 Encouragement of rural handicrafts manufacturing industry, 3.1 Social and economic infrastructure development, 4.1 Promotion of reforestation, 5.1 Functional strengthening of CREA, so implementation of these project shall exercise positive effect on the subject: “Existing social infrastructure and social services”.

Positive impact on “Socially disadvantaged people such as the poor and indigenous people” is supposed in relation with 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.3 Improvement of milk productivity among marginal cattle farmers, 2.3 Encouragement of rural handicrafts manufacturing industry, 3.1 Social and economic infrastructure development, 5.1 Functional strengthening of CREA and 5.2 Functional strengthening of INIAP; these projects not only focus on destitute strata but also propose participation of women in productive activity for making utilization of their capacity as well as farming system to be undertaken without difficulty even though by socially disadvantaged people. It was verified that mentally handicapped people, the elderly, women, etc. had participated in the pilot projects at the areas where pilot projects had been put into implementation; furthermore, an example was given that a raise in household income was attained as a consequence of farming activity undertaken by nobody but the elderly/women or only women. In sum, it is probable that even socially disadvantaged people can contribute to raising household income of farmers with the implementation of the project.

No project of the Master Plan is concerned with the subject: “Equitability on distribution of losses and benefits and on development process”.

Such projects that envisage participation of women by taking into account of the predominance of exodus of male adults seeking job opportunity outside the region as: 1.1 Upgrading of subsistence-oriented agro-products, 1.2 Raising farmer’s income, 1.3 Improvement of milk productivity among marginal cattle farmers, 2.3 Encouragement of rural handicrafts manufacturing

industry and 5.1 Functional strengthening of CREA shall have positive effect on “Gender”.

No positive impact as a consequence of implementation of the projects included in the Master Plan is identified on “Children’s right”, “Cultural heritage”, “Conflict of interests among benefited areas” and “Infectious diseases such as HIV/AIDS”.

CONCLUSIONS AND RECOMMENDATIONS

CHAPTER 9

STUDY ON DEVELOPMENT FOR REACTIVATION
OF PRODUCTIVITY AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION
OF THE REPUBLIC OF ECUADOR

- FINAL REPORT -

August, 2005

CHAPTER 9 CONCLUSIONS AND RECOMMENDATIONS

9.1 Conclusions

The present Master Plan has been formulated on the basis of the analysis that has been made by the Japanese Study Team in collaboration with the Ecuadorian governmental agencies in the course of the relevant study together with pilot studies during four (4) years.

Summarized outline of the Master Plan

The present Master Plan comprises 5 development components that are composed on 13 projects in total. It is scheduled that the said Master Plan should be implemented in 15 years, with a total cost of US\$ 20,693 million and a total number of beneficiaries amounting to 305 thousand farmers.

Constraints inherent to the target region

The poverty in the region is closely related with depressed income stemmed from agricultural and livestock activities and deficient employment opportunities within the region. The main cause for depressed agricultural and livestock income would be unfavorable land conditions represented by steep topography and extremely limited farm size; in addition, inappropriate provision of institutional supporting services both in technical and financial aspects without raising farmers' income and lack of labor force engaging in farming activities as a consequence of exodus of male adults leaving the region in search of job opportunities either for urban areas of the country or for foreign countries.

Apart from the factor cited above, it is worth while to mention that public investment budget to be earmarked to local governments would be scarcely increased under austerity policy of the central government in Ecuador and that procurement of necessary funds to be allocated to the projects aiming at poverty reduction in rural areas would be faced with bottleneck in an absence of foreign investment under the accumulated foreign debts.

Development potentials

Despite above-mentioned demerits, the climate condition in the region endowed with cool temperature and rainfall throughout the year allows to cultivate crops and to raise small animals, special products of the Andean Region having higher market value. In addition, diligent personality of people together with *Minga*-related activities, traditional cooperative organization of local people may be a positive factor for revitalization of regional economy and society.

Intensification of institutional supporting services

In order to attain poverty reduction in this region, it is prerequisite that destitute farmers engaging farming activities at limited farmland with steep slope should embark on production of crops and livestock activity making rational use of regional specific resources and environment by means of upgrading relevant technologies. In this regard, the said farmers are expected to undertake by themselves tasks for revitalization of regional economy and society. So as to hasten spontaneous activities of farmers, it is required that relevant public agencies should intensify their supporting services to farmers with provision of adequate technical assistance and input of necessary fund.

Upper target and development components

The upper target under the present Master Plan was set as "Revitalization of productive activities and poverty reduction". In order to accomplish the said upper target, the Master Plan, in accordance with analysis on prevailing constraints, envisages five development components, namely: "Upgrading of living standard", "Improvement of agricultural and livestock sector", "Activation of non-agricultural sector" and "Environmental conservation". In addition, "Functional strengthening of public supporting organization" was added to the development component so as to accelerate accomplishment of the upper target.

Scenario for accomplishment of upper target

In order to accomplish the upper target, it is indispensable to promote spontaneous activities of farmers/farmers' organizations apart from strengthening technical and financial supporting services to be rendered by public agencies to farmers. In this connection, the scenario under the present Master Plan was elaborated separating "the role to be entrusted to farmers/farmers' organizations", the activities of farmers' side by "the role of governmental organizations", the supporting activities of public agencies in line with farmers' activities.

Development subjects and implementation procedure

The projects included in the present Master Plan should be put into implementation in an effective manner in due consideration of the living standard of benefited farmers and development level of economic revitalization plans in the target region. For the sake of implementation prioritization and implementation period, the said projects were divided into "those contributing directly to raising farmers' income" and "those depending on public investment".

In relation with the development subject: "the projects contributing directly to raising farmers' income", four development goals, namely "Consistent agricultural production", "Expansion of production", "Development of marketing system" and "Higher value-added of products" shall be attained. It is proposed that production of subsistence-oriented crops should be intensified aiming at "Consistent agricultural production" and self-sustenance of foodstuff among households of farmers. Meanwhile, "Improvement of collection and shipment system of agricultural production" seeks for structuring marketing system to sell surplus agro-products within the region. Furthermore, "Promotion of higher value-added products" envisages production of cash crops, etc. aiming at raising farmers' income. The Master Plan shall be implemented in accordance with this order.

On the other hand, "the projects depending on public investment" concern with "Development of social and economic infrastructure", "Environmental conservation" and "Functional strengthening of implementation and supporting organizations". Development of such social infrastructure as road network and irrigation system, premises for development of social and economic infrastructure, are scheduled to be implemented during the whole period of the Master Plan. The project relevant to reforestation and environmental education included in "Environmental conservation" shall be carried out in par with the progress of the Master Plan. The project related with "Functional strengthening of implementation and supporting organization", which is capacity building of public agencies rendering supporting services to project beneficiaries, shall be implemented continuously from setout to finalization of the Master Plan.

Specific projects

The table below comprises development subjects and development components together with projects aiming at attainment of these subjects and components.

Table: Development Subjects, Goals, Components and Proposed Projects

Development Subjects	Development Goals	Development Components	Proposed Projects		
Contributing directly to raising farmer's income	Consistent agricultural production	1. Improvement of agriculture and livestock sector	1-1 Upgrading of subsistence-oriented agro-products		
			1-2 Raising farmer's income		
	1-3 Improvement of milk productivity among marginal cattle farmers				
	1-4 Support to cash crops production				
	1-5 Improvement for marketing of dairy products				
	Expansion of production	2. Activation of non-agricultural sector	2-1 Encouragement of agro-products processing industry		
	Development of marketing system		2-2 Encouragement of dairy products processing industry		
	Higher value-added of products		2-3 Encouragement of rural handicrafts manufacturing industry		
Depending on public investment	3. Upgrading of living standard	3. Upgrading of living standard	3-1 Social and economic infrastructure development		
			4. Environmental conservation	4-1 Promotion of reforestation	
	4. Environmental conservation	4. Environmental conservation	4-2 Strengthening of environmental education		
			5. Functional strengthening of public supporting organization	5. Functional strengthening of public supporting organization	5-1 Functional strengthening of CREA
					5-2 Functional strengthening of INIAP

Outcomes of the Master Plan

Owing to implementation of the present Master Plan, the relation between destitute farmers to be targeted and public supporting organizations shall be intensified bringing about as a consequence revitalization of activities undertaken by farmers/farmers' organizations. In view of the fact that the projects included in the Master Plan shall be carried out with the initiative taken by beneficiaries (farmers), an awareness of the beneficiaries on ownership of project shall be raised. Meanwhile, it is anticipated that an implementation of the projects should bring about capacity building/empowerment of personnel of the public sector in charge of provision of relevant supporting services to beneficiaries. Furthermore, an awareness on interdependency among local people shall be raised through operation and management of organizations as well as group participation in acquisition of farming technologies, which, in turn, shall lead to succeeding traditional group activities remaining in the region.

Conclusion of the Master Plan

By means of implementation of the development components of the present Master Plan together with specific projects to have been forged to materialize these development components, self-sufficiency of foodstuff among destitute farmers shall be achieved and farmer's income shall be elevated owing to an expansion of agricultural and livestock output leading to improvement of marketing for these outputs. In addition to intensification of such productive activities, an implementation of the projects of the Master Plan aims to promote highly competitive specific products of the region, increasing value-added of local products attributable to upgrading in quality and encouragement of agro-industry, and to revitalize overall productive sectors of the region. Besides, revitalization of these productive sectors shall encourage other industrial sectors of the region resulting in creation of more employment opportunity for local people.

The components for social and economic infrastructure development, environmental conservation and functional strengthening of public supporting organization constitute indispensable factors in view of attainment of satisfactory outcomes of productive activities and their development mentioned before including creation of employment opportunity.

In sum, it is concluded that the present Master Plan should serve as a guideline for "Revitalization of Productive Activities and Poverty Reduction" in the Central-Southern Region in Ecuador and, at the same time, shall result in the development model for poverty reduction in the mountainous regions of the country.

Pilot Projects

The outcomes to have been attained in the course of implementation of the pilot projects serve effectively for planning of development project of the Master Plan. A summary of these outcomes is given hereinafter.

- *In order to make good use of the organization capacity of farmers' organizations a close technical assistance on the part of the supporting entity is needed and by providing proper orientation it is possible to improve the capacity of Minga giving a space for the farmers organizations to act. Donations by the governmental entity should be avoided in the project implementation, as much as possible, and the same beneficiaries should bear their responsibilities. Beneficiaries' consciousness about the burden of their own responsibilities is directly related to the good use of the population capacities.*
- *The presence of a leader is essential for the project success. Leadership building has to be considered in the implementation of the project.*
- *The relationship of trust between the supporting entity and the population is very important for the project success and it is required that the supporting entity carries out human resources building actions for the purpose.*
- *The budget considered for the present project by the Ecuadorian government is expected to be very small, a project to be executed with minimal investment requirements. Therefore the population participation is essential and project implementation should be based in the population requirements in order to obtain their agreement.*
- *The project sustainability is a very important point so the core of the projects to be implemented should be sustainability. For this purpose, besides the improvement of technical capacity, it is necessary to awaken consciousness in the population to the question of providing social services to the population in the zone. It is important also to build a system to allow them to share their information and transfer the acquired technical knowledge for the neighborhood farmers.*

9.2 Recommendations

Reviewing on the Master Plan Study and implementation of six pilot projects, the following recommendations on implementation of the projects of the Master Plan have been elaborated by the Study Team.

Functional strengthening of public supporting organizations

The projects of the Master Plan are proposed to be implemented basically with the initiative taken by farmers/farmers' organizations as core entity and the outcomes of the measures for functional strengthening of public supporting organization aiming at capacity building/empowerment of farmers shall affect considerably on attainment of overall goals of the Master Plan. The said public supporting organization are represented by CREA, INIAP, local governments, universities and NGOs, of which CREA, INIAP and local governments, directly concerned with implementation of development projects in rural area, are eligible organizations for intensive strengthening.

Preservation of existing rural organization

A traditional rural organization still remains in the target areas of the Master Plan, but its activity tends to be stagnated under the progress of depopulation of male adults leaving the region in order to seek employment opportunities. Formation of farmers' organization is a focal factor for satisfactory implementation of the projects, it is thereby recommended to preserve existing rural organizations for preparing basis of this attempt.

Successive implementation of the pilot projects

The projects proposed in the present Master Plan are generally composed of such projects as to make small-scaled investment for each farmer, so procurement of necessary funds for successive implementation of the pilot project may be probable. Because public supporting organizations have acquired useful experience and know-how on implementation of the pilot projects, it is advisable that

these pilot projects should be implemented successively for facilitating implementation of the Master Plan.

Urgent implementation of the Master Plan

The economic situation in Ecuador has varied drastically in recent years and it is likely that disparity among urban and rural sectors of the country is to be escalated year by year. In order to break this unfavorable progress, it is desirable that the present Master Plan should be put into implementation as early as possible so as to contribute to poverty reduction in rural sector.

Implementation of high priority projects

The component: Improvement of agricultural and livestock sector, a high priority component among the components of the Master Plan, proposes consistent supply of hybrid seeds and improved species of small animal (cuy). It is essential to set out and continue the projects contributing to maintenance of these farm inputs.

Financing of projects' fund

For satisfactory attainment of project goals, durable implementation of project is a focal factor. As means of finance, the present Master Plan shall rely on general budgetary system in Ecuador, applying for allocation of budget from CREA, INIAP, provincial governments, municipal government, etc., but for overall implementation of the projects of the Master Plan, application of finance for another source is prerequisite. In this regard, besides securing necessary fund from governmental agencies mentioned before, it is required that projects implementation organizations should make every effort to procure funds from bilateral and multilateral financing institutions in addition to financing institutions of the country.

Request for technical cooperation

In view of upgrading technical field of the projects to be implemented, it is recommended that public agencies concerned with implementation of the Master Plan should make a request to aid countries for technical cooperation; it is further recommended to apply supports from volunteer-related agencies of aid countries for revitalization of the projects.

Joint ownership of existing technologies and their utilization

A variety of public agencies represented by CREA and INIAP are rendering supporting services to marginalized farmers in Ecuador. These agencies hold individually useful technologies, know-how and extension methodology, without being integrated effectively. An advice is thereby given that interdependency and collaboration among these public agencies should be deepened seeking for provision of supporting services to farmers in a more effective and efficient manner. In this connection, in an attempt to integrate experiences/opinions and technologies of these public agencies, a committee on regional development should be established and collaboration and alliance system among concerned agencies should be structured.

Environmental conservation

Environment-related projects are highly public-natured and outcomes/benefits of these projects should be assessed in the long run. Therefore, public supports relevant to environmental conservation should be rendered successively.

ANNEX

STUDY ON DEVELOPMENT FOR REACTIVATION
OF PRODUCTIVITY AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION
OF THE REPUBLIC OF ECUADOR

- FINAL REPORT -

August, 2005

ANNEX A:
MEMBER LIST OF STUDY TEAM

STUDY ON DEVELOPMENT FOR REACTIVATION
OF PRODUCTIVITY AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION
OF THE REPUBLIC OF ECUADOR

- FINAL REPORT -

August, 2005

Study Member List

Ecuadorian
November, 2002 to June, 2004

Counterpart of CREA

Ing. Carlos Fernández de Córdova	Director Ejecutivo
Ing. Verónica Reyes	Sub Directora Ejecutivo
Ing. Carlos Córdova	Director de Planificación
Econ. Carlos Quishpe	Jefe de Dep. Estadística – Director de Planificación
Dr. Vicente Crespo	Director Desarrollo – Cañar
Ing. Guido Crespo	Jefe del Departamento de Evaluación
Ing. Carlos Chica	Departamento de Infraestructura
Soc. Carlos Calle	Departamento Agropecuario
Ing. Rómulo Hernández	Departamento Agropecuario
Ing. Dino Barrera	Departamento de Infraestructura

Technical Staff of CREA

Ing. Adriana León	Dirección de Planificación
Ing. Mario Aviles (Cuenca)	Dirección de Planificación
Ing. Agro. Patricio Zea (Cuenca)	Dirección Agropecuaria
Agro. Víctor Ortiz (Paute)	Dirección Agropecuaria
Ing. Quim. Fulvio Añazco (Cuenca)	Dirección de Planificación
Dr. Manuel Arias (Girón)	Dirección Agropecuaria
Agro. Marcelo Mendoza (Girón)	Dirección Agropecuaria
Ing. Agro. Marco Astudillo (Deleg)	Dirección de Desarrollo Cañar
Ing. Civil Hernán Campoverde (Cuenca)	Dirección de Infraestructura
Agro. Romel Garcia (Cañar)	Dirección Desarrollo Cañar
Agro. Lizardo Ochoa (Cañar)	Dirección Desarrollo Cañar
Prom. Raul Morales (Cuenca)	Dirección Agropecuaria

Technical Support of INIAP

Ing. José Egues Moreno	Director de EE Chiquipata
Ing. Claudio Encalada	Técnico de la E.E. Bullcay
Ing. Maximiliano Ochoa	Técnico de la E.E. Chuquipata
Ing. Jorge Coronel	Técnico de la E.E. Chuquipata

July, 2004 to May, 2005

Counterpart of CREA

Dr. Luis Ayala	Director Ejecutivo
Arq. Freddy Chimbo	Director de Formulación de Planes y Proyectos de Desarrollo
Econ. Carlos Quishpe	Líder de Elaboración de Planes Regionales de Desarrollo
Ing. Enma Caceres	Coordinadora del Proyecto JICA - CREA
Dr. Vicente Crespo	Desarrollo Sustentable del Cañar
Ing. Carlos Chica	Desarrollo Sustentable del Azuay
Soc. Carlos Calle	Desarrollo Sustentable del Azuay
Ing. Jorge Guijo	Desarrollo Sustentable del Azuay

Technical Staff of CREA

Dr. Manuel Arias	Desarrollo Sustentable del Azuay
Dr. Hernán Lazo	Desarrollo Sustentable del Azuay
Agro. Marcelo Mendoza	Desarrollo Sustentable del Azuay
Ing. Agro. Marco Astudillo	Desarrollo Sustentable del Cañar
Agro. Romel Garcia	Desarrollo Sustentable del Cañar
Agro. Lizardo Ochoa	Desarrollo Sustentable del Azuay
Ing. Diego Segarra	Desarrollo Sustentable del Azuay
Prom. Raúl Morales	Desarrollo Sustentable del Cañar
Ing. Alberto Cárdenas	Desarrollo Sustentable del Cañar

Technical Support of INIAP

Ing. Walter Larriva	Director de EE. Bullcay
Ing. José Egues Moreno	Técnico de la E.E. Bullcay
Ing. Claudio Encalada	Técnico de la E.E. Bullcay
Ing. Maximiliano Ochoa	Técnico de la E.E. Bullcay
Ing. Jorge Coronel	Técnico de la E.E. Bullcay
Ing. Pablo Pintado	Técnico de la E.E. Bullcay

May, 2005 to present

Counterpart of CREA

Ing. Fernando Valencia	Director Ejecutivo del CREA
Ing. Guido Crespo	Delegado de Director Ejecutivo del CREA
Econ. Carlos Quishpe	Dirección de Formulación de Planes y Proyectos de Desarrollo
Ing. Enma Cáceres	Dirección de Formulación de Planes y Proyectos de Desarrollo
Dr. Vicente Crespo	Desarrollo Sustentable del Cañar
Ing. Carlos Chica	Subproceso de Ejecución de Proyectos Productivos del Azuay
Dr. Hernán Lazo	Subproceso de Ejecución de Proyectos Productivos del Azuay
Ing. Alberto Cárdenas	Subproceso de Ejecución de Proyectos Productivos del Cañar
Soc. Carlos Calle	Subproceso de Ejecución de Proyectos Productivos del Azuay

Technical Staff of CREA

Ing. Agro. Marco Astudillo	Director Técnico de Desarrollo Sustentable del Cañar
Dr. Manuel Arias	Desarrollo Sustentable del Azuay
Ing. Fulvio Añazco	Subproceso de Planes y Proyectos
Agro. Víctor Ortiz	Subproceso de Ejecución de Proyectos Productivos del Azuay
Agro. Marcelo Mendoza	Subproceso de Ejecución de Proyectos Productivos del Azuay
Agro. Romel Garcia	Subproceso de Ejecución de Proyectos Productivos del Cañar
Agro. Lizardo Ochoa	Subproceso de Ejecución de Proyectos Productivos del Cañar
Ing. Diego Segarra	Subproceso de Ejecución de Proyectos Productivos del Azuay
Prom. Raúl Morales	Subproceso de Ejecución de Proyectos Productivos del Cañar
Ing. Jaime Pizarro	Subproceso de Ejecución de Proyectos de Desarrollo Sustentable del Azuay
Ing. Rómulo Hernández	Subproceso de Manejo de Recursos Naturales

Technical Support of INIAP

Ing. Walter Larriva	Director de la E.E. Bullcay
Ing. José Egues Moreno	Técnico de la E.E. Chuquipata
Ing. Claudio Encalada	Técnico de la E.E. Chuquipata – INIAP
Ing. Maximiliano Ochoa	Técnico de la E.E. Chuquipata – INIAP
Ing. Jorge Coronel	Técnico de la Estación Experimental Chuquipata – INIAP
Ing. Luis Minchala	Técnico de la E.E. Chuquipata – INIAP
Ing. Hernán Lucero	Técnico de la E.E. Chuquipata – INIAP
Ing. Pablo Pintado	Técnico de la E.E. Chuquipata – INIAP

Japanese

Study Team

Masayuki Honjo	Jefe de Equipo del Estudio / Socio Economía
Atsushi Kishi	Sub Jefe del Equipo del Estudio / Desarrollo Rural (Año de 2004 a 2005)
Akira Nakamura	Sub Jefe del Equipo del Estudio / Desarrollo Rural (Año de 2002 a 2004)
Masanobu Sakurai	Riego / Agricultura
Leoncio Galarza	Actividad Pecuaria
Harunobu Inoue	Tecnología Agrícola / Extensión
Motohiro Yasuhisa	Forestación / Coordinador

Logistical Support

Ing. José Rodríguez	Levantamiento de SIG
Ing. Favian Alvarez	Técnico de Agro-procesamiento (De 2003 a 2004)
Ing. Fausto Parra	Técnico de Agro-procesamiento (De 2004 a 2005)
Ing. Julio Méndez	Monitoreo de Proyectos Pilotos
Ing. Tania Muñoz	Monitoreo de Proyectos Pilotos

ANNEX B: MINUTES OF MEETING

STUDY ON DEVELOPMENT FOR REACTIVATION
OF PRODUCTIVITY AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION
OF THE REPUBLIC OF ECUADOR

- FINAL REPORT -

August, 2005

Minutes of Meeting
on
Scope of Work
for
the Study on Development
for Reactivation of Productivity and Poverty Reduction
in the Central-Southern Region (Azuay and Cañar) of
the Republic of Ecuador
agreed upon between
Centro de Reconversión Económica del
Azuay, Cañar y Morona Santiago (CREA)
and
the Japan International Cooperation Agency (JICA)

Cuenca, Ecuador, 6, March, 2002



Mr. Carlos FERNÁNDEZ DE CÓRDOVA
Executive Director
Centro de Reconversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Ryuzo NISHIMAKI
Leader
Preparatory Study Team
Japan International Cooperation Agency (JICA)

I. INTRODUCTION

In response to the request of the Government of Ecuador (hereinafter referred to as "GOE"), the Japanese preparatory study team (hereinafter referred to as "the Team") headed by Mr. Ryuzo NISHIMAKI was sent to Ecuador by the Japan International Cooperation Agency (hereinafter referred to as "JICA") from February 23 to March 10, 2002.

The Team held a series of discussions in relation to the scope of the Study on Development for Reactivation of Productivity and Poverty Reduction in Central-Southern Region (Azua y Cañar) of the Republic of Ecuador, (hereinafter referred to as "the Study") with representatives of Centro de Reconversión Económica del Azua y Morona Santiago (hereinafter referred to as CREA) and other relevant organizations and institutions.

The list of participants in the series of working meetings is attached as ANNEX 1.

The followings are agreed upon by both sides in relation to the Study.

II. RESULTS OF DISCUSSIONS

1. The Study in Rural Area

The Study includes following items.

- (a) Agriculture and livestock;
- (b) Natural resource, environment, and water management;
- (c) Socio-economic condition including small scale industry, marketing, technology, employment, education, health, organization, gender, poverty, and income;
- (d) Socio-economic analysis in community level.

CREA should take responsibility for assigning necessary number of qualified counterpart personnel prior to the start of the Study.

2. Pilot projects

Pilot projects shall be implemented as a verification study in rural area. The pilot projects will be identified through consultation and analysis of information to define the needs under the participation of the beneficiaries; and shall be decided through the discussion between both sides in the Phase I.

The Team visited Taday, Pindilig, Cañar, Chaucha, Gualaceo, Chordeleg, Sigisig, and Ludo as proposed sites for the pilot projects.

3. Technical transfer

In course of the Study, JICA shall hold seminars or workshops for the purpose of technical transfer to CREA and to other organizations.

CREA also requested the counterpart training in Japan.

4. Necessary Equipment and Facilities for the Study

CREA promised to provide for the Study with

- office in CREA building,
- desks,
- chairs, and
- exclusive use of telephone lines.

CREA requested to provide some equipment for the study to the Government of Japan. The list of the equipment is attached as ANNEX 2.

The Team promised to convey the request to the Government of Japan.

5. Follow-up Committee

Both sides agreed to establish the Follow-up Committee in order to supervise the Study. The committee would be held when it is necessary. The committee consists of three members; the Chairman of the Advisory Committee of Japan, the Leader of the Study Team and the Executive Director of CREA. In their absence, their respective representatives can take the places. The Executive Director of CREA shall act as the chairman.

6. Consultative Committee

Both sides agreed to establish the Consultative Committee as an advisory and inter-institutional coordination body of the Study. The Committee will be chaired by the Executive Director of CREA and consist of the representatives of the related institutions and organizations of the Study.

CREA promised to prepare the list of the members of this Committee prior to the start of the Study.

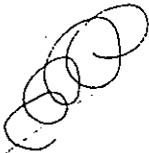
The Members of the Japanese side are as follows;

- Leader of JICA Study Team,
- Representative of Embassy of Japan in Ecuador, and
- Representative of JICA Ecuador Office.

7. Final report

Both sides agreed that the final report would be open to the public, subject to the approval by the Follow-up Committee.

Apart from the final report, the executive summary in Spanish will be made and 500 copies will be submitted.



LIST OF PARTICIPANTS

Ecuadorian Side

Mr. Carlos FERNÁNDEZ DE CÓRDOVA	Executive Director, Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)
Mr. Vicente CRESPO C.	Veterinarian, CREA
Mr. Carlos QUIZHPE G.	Economist, CREA
Mr. Guido CRESPO V.	Agricultural Engineer, CREA

Japanese Side

Preparatory Study Team

Mr. Ryuzo NISHIMAKI	Leader/ Development Planning
Mr. Tatsuo MATSUNAKA	Agriculture, Livestock
Mr. Naotaka YAMAGUCHI	Regional Economy and Society
Ms. Tamaki MUTO	Gender Issues in rural areas, Project Planning
Ms. Atsuko YOSHIKAWA	Interpreter

JICA Expert

Mr. Minoru TAGAMI	International Cooperation
-------------------	---------------------------

ANEXO No. 2**EQUIPOS SOLICITADOS POR EL CREA AL GOBIERNO DE JAPON**

CONCEPTO	No.	CARACTERISTICAS
Vehículos	2	Jeep 4 x 4
Computador y Software	4	Pentium IV
Computador y Software	4	Portatil con CD Writer
Telefax	1	Teléfono con fax
Video cámara	1	Filmadora
Proyector de computador	1	Digital
Cámara fotográfica	2	Digital
Copiadora	1	A colores
Impresora	1	Laser
Impresora	2	Portátil

PROGRAMAS: Windows 2000
Microsoft Office
Corel Drawn

FACILIDADES PARA EL ESTUDIO:

Gastos por concepto de viáticos y/o movilización a empleados y trabajadores asignados por el CREA como contraparte para el cumplimiento del estudio.

Minuta de Reuniones
sobre
el Estudio de Desarrollo
para
la Reactivación Productiva y Mitigación de la Pobreza
en la Región Centro-Sur (Azuay y Cañar)
de la República del Ecuador
Acordado entre
el Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)
y
la Agencia de Cooperación Internacional del Japón (JICA)

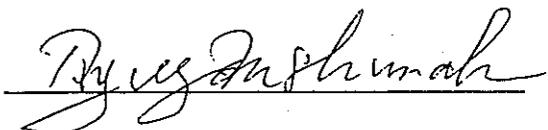
Cuenca, Ecuador; 6 de Marzo del 2002



Ing. Carlos FERNÁNDEZ DE CÓRDOVA

Director Ejecutivo

Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Ing. Ryuzo NISHIMAKI

Líder

Equipo de Estudio Preparatorio
Agencia de Cooperación Internacional
del Japón (JICA)

I. INTRODUCCIÓN

En respuesta a la solicitud del Gobierno de la República del Ecuador (en adelante denominado "el Gobierno del Ecuador"), la Agencia de Cooperación Internacional del Japón (en adelante denominada "JICA") envió el equipo de estudio preparatorio (en adelante denominado "el Equipo"), encabezado por el Ing. Ryuzo Nishimaki, del 23 de febrero al 10 de marzo de 2002.

El Equipo mantuvo una serie de reuniones sobre el alcance del Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la República del Ecuador (en adelante denominado "el Estudio"), con los representantes del Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "el CREA") y otras organizaciones e instituciones relevantes.

En el Anexo 1 se muestra la lista de las personas que participaron en las reuniones de trabajo. Lo que se acordó entre ambas partes sobre el Estudio es lo siguiente:

II. RESULTADOS DE LAS REUNIONES

1. Estudio en Área Rural

El Estudio incluirá los siguientes sectores:

- (a) Agricultura y ganadería;
- (b) Recursos naturales, medio ambiente y manejo del agua;
- (c) Aspectos socioeconómicos como microempresa, marketing, tecnología, empleo, educación, salud, organización, género, pobreza e ingreso; y
- (d) Análisis socioeconómico a nivel comunitario.

El CREA designará expertos de dichas especialidades en número adecuado como personal de contraparte al comienzo del Estudio.

2. Proyectos Piloto

Los proyectos piloto serán implementados como estudio de verificación en el área rural. Los proyectos piloto se identificarán mediante consultas y análisis de información para definir las necesidades con la participación de los beneficiarios; y su determinación se hará bajo el acuerdo entre las partes en la primera fase del Estudio.

El Equipo visitó Taday, Pindilig, Cañar, Chaucha, Gualaceo, Chordeleg, Sigsig y Ludo como posibles lugares para implementar los proyectos piloto.

3. Transferencia tecnológica

En el curso del Estudio, JICA organizará seminarios y talleres a fin de transferir tecnología al personal del CREA y otras organizaciones. El CREA además solicitó la capacitación del personal de contraparte en el Japón.

4. Equipamientos y Facilidades Necesarios para el Estudio

El CREA se compromete a proveer para el Estudio de lo siguiente:

- Oficina en el edificio del CREA,
- Escritorios,
- Sillas, y
- Líneas telefónicas de uso exclusivo.

El CREA solicitó la provisión de algunos equipamientos para el Estudio al Gobierno del Japón. Su listado se adjunta como el ANEXO 2.

El Equipo prometió llevar esta solicitud al Gobierno del Japón.

5. Comité de Seguimiento

Ambas partes acordaron establecer el Comité de Seguimiento a efectos de supervisar el Estudio. El Comité se convocará cada vez que sea necesario. Estará conformado por tres partes: el Presidente del Comité de Asesoría del Japón, el Líder del Equipo de Estudio de JICA y el Director Ejecutivo del CREA, y en su falta, sus respectivos delegados. La presidencia corresponderá al Director Ejecutivo del CREA.

6. Comité Consultivo

Ambas partes acordaron establecer el Comité Consultivo como instancia de asesoría y coordinación interinstitucional del Estudio. Será presidido por el Director Ejecutivo del CREA y estará conformado por representantes de las instituciones y organizaciones involucradas en el Estudio.

El CREA prometió preparar la lista de los miembros de este Comité para el comienzo del Estudio, mientras los de la parte japonesa son los siguientes:

- Líder del Equipo de Estudio de JICA,
- Representante de la Embajada del Japón en el Ecuador, y
- Representante de la oficina de JICA en el Ecuador.

7. Informe Final

Ambas partes acordaron que el informe final quedará abierto para el público, bajo el visto bueno del Comité de Seguimiento.

Además del Informe Final, se elaborará un resumen ejecutivo en español y será entregado un tiraje de 500 ejemplares.

LISTA DE PARTICIPANTES

Parte Ecuatoriana

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo, Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (CREA)
Dr. Vicente CRESPO C.	Veterinario, CREA
Eco. Carlos QUIZHPE G.	Economista, CREA
Ing. Guido CRESPO V.	Ingeniero Agrónomo, CREA

Parte Japonesa

Equipo de Estudio Preparatorio

Ing. Ryuzo NISHIMAKI

Ing. Tatsuo MATSUNAKA

Eco. Naotaka YAMAGUCHI

Lic. Tamaki MUTO

Lic. Atsuko YOSHIKAWA

Líder/ Planificación de Desarrollo

Agricultura y Ganadería

Economía y Sociedad Regionales

Género en Areas Rurales y Planificación de Proyecto

Traductora

Experto de JICA

Ing. Minoru TAGAMI

Cooperación International

ANEXO No. 2**EQUIPOS SOLICITADOS POR EL CREA AL GOBIERNO DE JAPON**

CONCEPTO	No.	CARACTERISTICAS
Vehículos	2	Jeep 4 x 4
Computador y Software	4	Pentium IV
Computador y Software	4	Portatil con CD Writer
Telefax	1	Teléfono con fax
Video cámara	1	Filmadora
Proyector de computador	1	Digital
Cámara fotográfica	2	Digital
Copiadora	1	A colores
Impresora	1	Laser
Impresora	2	Portátil

PROGRAMAS: Windows 2000
Microsoft Office
Corel Drawn

FACILIDADES PARA EL ESTUDIO:

Gastos por concepto de viáticos y/o movilización a empleados y trabajadores asignados por el CREA como contraparte para el cumplimiento del estudio.

MINUTA DE REUNION
DEL
INFORME INICIAL
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)

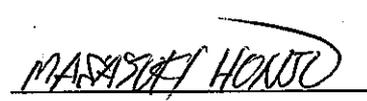
Y

AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

Cuenca, Ecuador, 12 de Noviembre de 2002

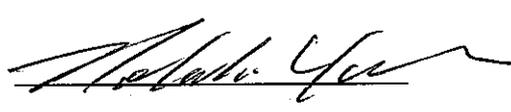


Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)

Testigo de honor



Mr. Nobuyuki Yukawa
Jefe del Comité de Asesoría
La Agencia de Cooperación
Internacional del Japón (JICA)

Lista de Participantes

1. Parte Ecuatoriana

Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación
Ing Carlos CÓRDOVA O.	Director de Planificación

2. Parte Japonés

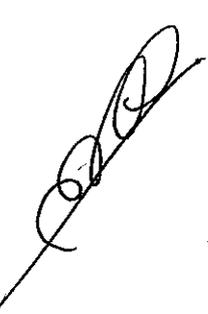
1) Agencia de Cooperación Internacional Japón (JICA)

Nobuyuki Yukawa	Jefe del Comité de Asesoría
Masatada Takemoto	Coordinador del Estudio

2) Equipo del Estudio de JICA

Masayuki Honjo	Jefe del Equipo de Estudio / Socio Economía
Akira Nakamura	Sub-Jefe / Desarrollo Rural
Leoncio Galarza	Ganadería
Motohiro Yasuhisa	Administrador del Estudio
Elena Masaoka	Traductor





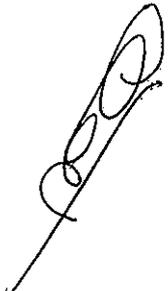
De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la Republica del Ecuador., el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Informe Inicial el día 8 de Noviembre de 2002, con la asistencia del Comité Asesor de JICA encabezado por el Sr. Nobuyuki Yukawa, y el Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por el Ing. Carlos FERNÁNDEZ DE CÓRDOVA, Director Ejecutivo del CREA, y de los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegó a un acuerdo sobre los siguientes puntos :

1. El CREA recibió de parte del Equipo de Estudio veinte (20) copias del Informe Inicial en español y cinco (5) copias del Informe Inicial en Inglés.
2. El CREA manifestó estar de acuerdo con el contenido del Informe Inicial y el Programa del Estudio
3. El CREA confirmó la asignación de una contraparte para cada experto Japonés.
4. El Equipo de Estudio recibió del CREA oficinas en las instalaciones de la Entidad, en Cuenca, con las facilidades necesarias.
5. Los partes acordaron conformar el Comité Consultivo

Esta Minuta de Reunión está elaborada tanto en Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión Inglesa prevalecerá.



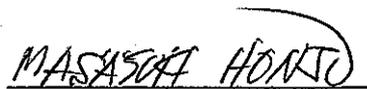
MINUTES OF MEETING
ON
THE INCEPTION REPORT
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Cuenca, Ecuador, November 12th, 2002

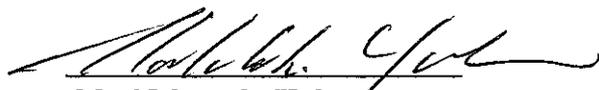


Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reconversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)

Witness



Mr. Nobuyuki Yukawa
Leader of Advisory Committee
Japan International
Cooperation Agency (JICA)

In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Inception Report on November 8th, 2002, under the attendance of the JICA Advisory Committee headed by Mr. Nobuyuki Yukawa, to the Centro de Reconversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Ing. Carlos FERNÁNDEZ DE CÓRDOVA and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received from the Study Team twenty (20) copies of the Inception Report in Spanish and five (5) copies of the Inception Report in English.
2. The CREA has agreed with the contents of the Inception Report and study schedule.
3. The CREA confirmed to assign one counterpart personnel for each Study Team Expert.
4. The Study Team received from to the CREA suitable office with necessary facilities in Cuenca.
5. Both side has agreed to set up the Consultative Committee.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.



List of Participants

1. Ecuador side

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación
Ing Carlos CÓRDOVA O.	Director de Planificación

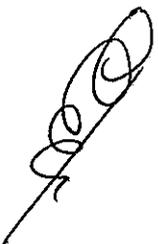
2. Japanese side

1) Japan International Cooperation Agency (JICA)

Nobuyuki Yukawa	Leader of Advisory Committee
Masatada Takemoto	Study Administration

2) The JICA Study Team

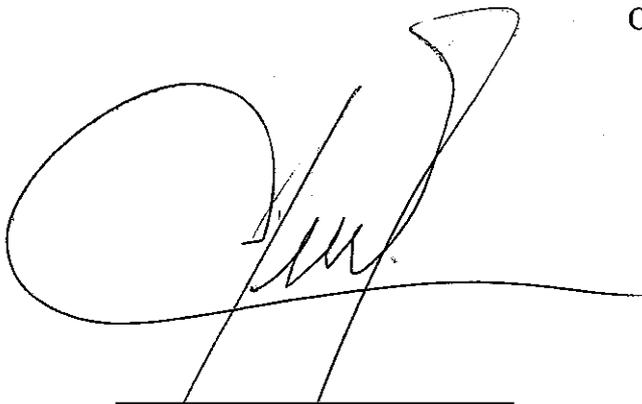
Masayuki Honjo	Team Leader / Socio Economic
Akira Nakamura	Sub-Team Leader / Rural Development
Leoncio Galarza	Livestock
Motohiro Yasuhisa	Coordinator
Elena Masaoka	Translator



MINUTA DE REUNION
DEL
INFORME PROGRESO 1
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
Y
AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

Cuenca, Ecuador, 12 de Febrero de 2003



Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reconversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)

De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la Republica del Ecuador., el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Informe Progreso 1 el día 11 de Febrero de 2003, con el Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por el Ing. Carlos FERNÁNDEZ DE CÓRDOVA, Director Ejecutivo del CREA, y de los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegaron a un acuerdo sobre los siguientes puntos :

1. El CREA recibió de parte del Equipo de Estudio veinte el Informe Progreso 1.
2. El CREA manifestó estar de acuerdo con el contenido del Informe Progreso.1.

Esta Minuta de Reunión está elaborada tanto en Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión Inglesa prevalecerá.



Lista de Participantes

1. Parte Ecuatoriana

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Ing. Carlos CÓRDOVA O.	Director de Planificación
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación

2. Parte Japonés

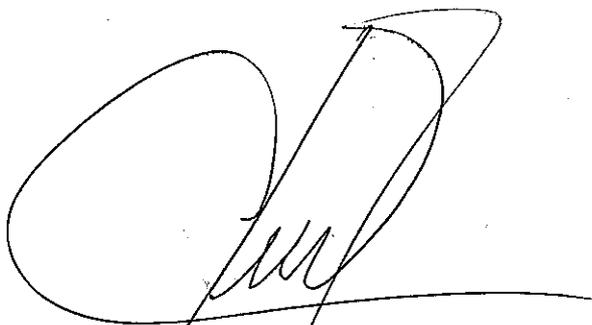
Equipo del Estudio de JICA

Masayuki Honjo	Jefe del Equipo de Estudio / Socio Economía
Akira Nakamura	Sub-Jefe / Desarrollo Rural
Leoncio Galarza	Ganadería
Harunobu Inoue	Tecnología Agrícola / Difusión
Motohiro Yasuhisa	Administrador del Estudio

MINUTES OF MEETING
ON
THE PROGRESS REPORT 1
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Cuenca, Ecuador, February 12th, 2003



Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)

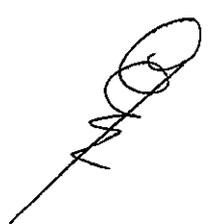
In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Progress Report 1 on February 11th, 2003, to the Centro de Reconversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Ing. Carlos FERNÁNDEZ DE CÓRDOVA and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received the Progress Report 1 from the Study Team.
2. The CREA has agreed with the contents of the Progress Report.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.



List of Participants

1. Ecuador side

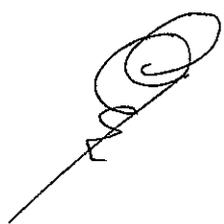
Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Ing Carlos CÓRDOVA O.	Director de Planificación
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación

2. Japanese side

The JICA Study Team

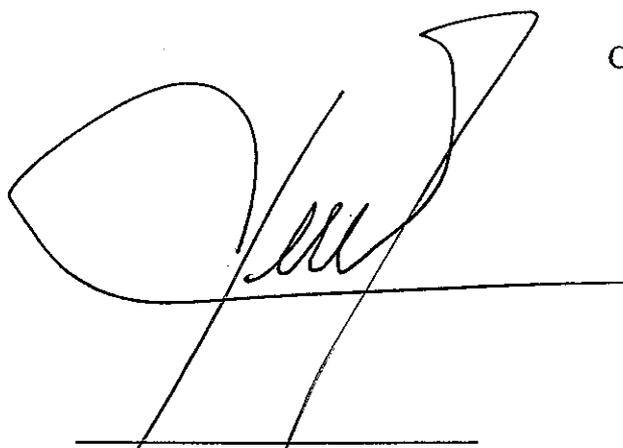
Masayuki Honjo	Team Leader / Socio Economic
Akira Nakamura	Sub-Team Leader /
	Rural Development
Leoncio Galarza	Livestock
Harunobu Inoue	Agricultural Technology/
	Extension
Motohiro Yasuhisa	Coordinator



MINUTA DE REUNION
DEL
INFORME INTERMEDIO 1
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
Y
AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

Cuenca, Ecuador, 20 de Junio de 2003



Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)

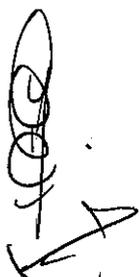
De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la Republica del Ecuador., el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Informe Intermedio 1 el día 20 de Junio de 2003 y el Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por el Ing. Carlos FERNÁNDEZ DE CÓRDOVA, Director Ejecutivo del CREA, y de los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegó a un acuerdo sobre los siguientes puntos :

1. El CREA recibió de parte del Equipo de Estudio veinte (20) copias del Informe Intermedio 1 en español y cinco (5) copias del Informe Intermedio 1 en Inglés.
2. El CREA manifestó estar de acuerdo con el contenido del Informe Intermedio 1, salvo las observaciones efectuadas que serán revisadas posteriormente por el Equipo del Estudio.

Esta Minuta de Reunión está elaborada tanto en Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión Inglesa prevalecerá.



Lista de Participantes

1. Parte Ecuatoriana

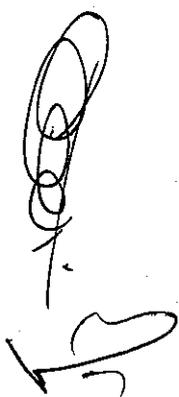
Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Ing. Carlos CÓRDOVA O.	Director de Planificación
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación

2. Parte Japonés

Equipo del Estudio de JICA

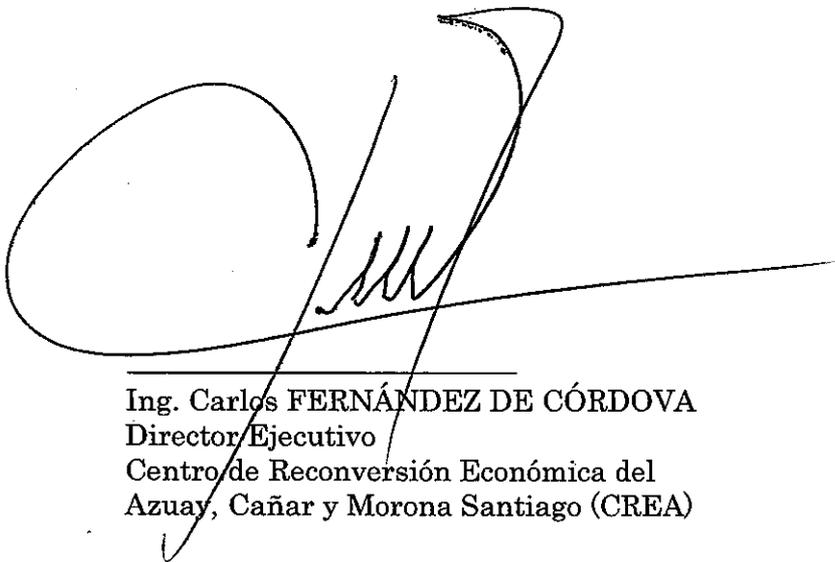
Masayuki Honjo	Jefe del Equipo de Estudio / Socio Economía
Akira Nakamura	Sub-Jefe / Desarrollo Rural
Leoncio Galarza	Ganadería
Motohiro Yasuhisa	Administrador del Estudio
Carlos Wakabayashi	Traductor



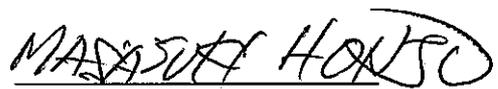
MINUTES OF MEETING
ON
THE INTERIM REPORT 1
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Cuenca, Ecuador, June 20th, 2003



Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reconversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)

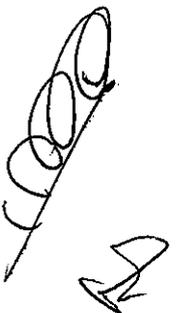
In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Interim Report 1 on June 20th, 2003 to the Centro de Reversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Ing. Carlos FERNÁNDEZ DE CÓRDOVA and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received from the Study Team twenty (20) copies of the Interim Report 1 in Spanish and five (5) copies of the Interim Report 1 in English.
2. The CREA confirmed the agreement with the contents of the Interim Report 1, except some observations that will be revised posteriorly by the JICA Study Team.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.

Handwritten signature and initials in the bottom left corner of the page. The signature appears to be 'C. C. C.' and the initials are 'A. J.'

List of Participants

1. Ecuador side

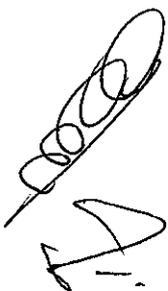
Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Ing. Carlos CÓRDOVA O.	Director de Planificación
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación

2. Japanese side

The JICA Study Team

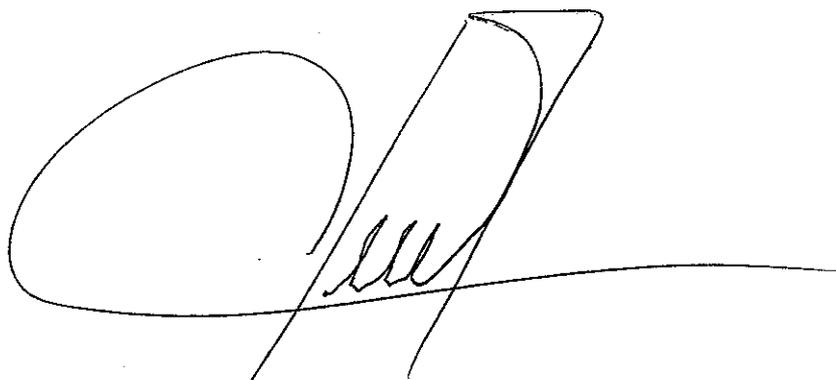
Masayuki Honjo	Team Leader / Socio Economic
Akira Nakamura	Sub-Team Leader /
	Rural Development
Leoncio Galarza	Livestock
Motohiro Yasuhisa	Coordinator
Carlos Wakabayashi	Translator



MINUTES OF MEETING
ON
THE PROGRESS REPORT II
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Cuenca, Ecuador, February 20th, 2004



Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)

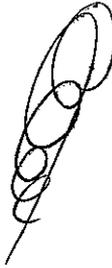
In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Progress Report II on February 20th, 2004, to the Centro de Reversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Ing. Carlos FERNÁNDEZ DE CÓRDOVA and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received the Progress Report II from the JICA Study Team.
2. The CREA confirm to revise the content of the Progress Report II, for the respective observations.
3. The JICA Study Team will be revised and incorporated the Interim Report I, in accordance with the observation of the CREA.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.



List of Participants

1. Ecuador side

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Ing Carlos CÓRDOVA O.	Director de Planificación
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación

2. Japanese side

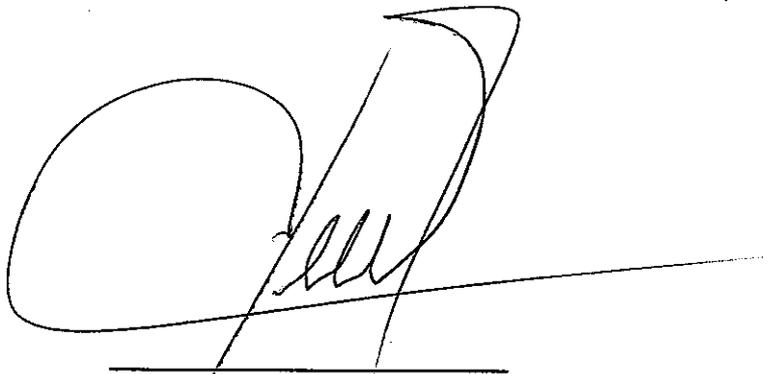
The JICA Study Team

Masayuki Honjo	Team Leader / Socio Economic
Akira Nakamura	Sub-Team Leader /
	Rural Development
Masanobu Sakurai	Agricultura/Irrigation
Leoncio Galarza	Livestock
Harunobu Inoue	Agricultural Technology/
	Extension
Motohiro Yasuhisa	Coordinator

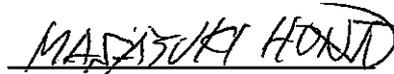
MINUTA DE REUNION
DEL
INFORME DE PROGRESO II
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
Y
AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

Cuenca, Ecuador, 20 de Febrero de 2004



Ing. Carlos FERNÁNDEZ DE CÓRDOVA
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)

De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la República del Ecuador, el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Informe de Progreso II el día 20 de Febrero de 2004, con el Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por el Ing. Carlos FERNÁNDEZ DE CÓRDOVA, Director Ejecutivo, y de los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegó a un acuerdo sobre los siguientes puntos:

1. El CREA recibió de parte del Equipo de Estudio veinte documentos que contienen el "Informe de Progreso II".
2. El CREA se compromete a revisar el contenido del Informe de Progreso II, para presentar las respectivas observaciones de ser el caso.
3. El Equipo de Estudio revisará e incorporará los ajustes de forma y contenido al Informe de Intermedio I, que fueron presentados por el CREA.

Esta Minuta de Reunión se elaborará tanto en el idioma Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión Inglesa prevalecerá.

Lista de Participantes

1. Parte Ecuatoriana

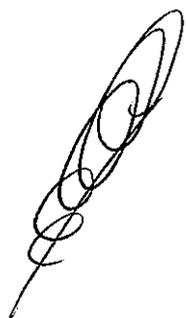
Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Carlos FERNÁNDEZ DE CÓRDOVA	Director Ejecutivo
Ing. Carlos CÓRDOVA O.	Director de Planificación
Eco. Veronica REYES	Subdirectora Ejecutiva
Dr. Vicente CRESPO	Veterinarian
Eco. Carlos QUIZHPE	Jefe Dep. de Estadísticas
Ing. Guido CRESPO V.	Jefe Dep. de Evaluación

2. Parte Japonés

Equipo del Estudio de JICA

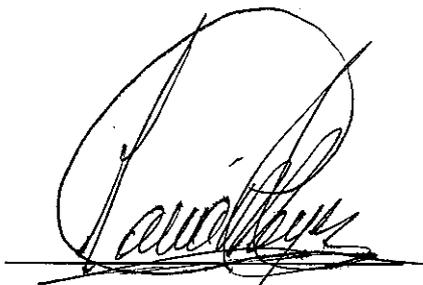
Masayuki Honjo	Jefe del Equipo de Estudio / Socio Economía
Akira Nakamura	Sub-Jefe / Desarrollo Rural
Masanobu Sakurai	Agricultura/Riego
Leoncio Galarza	Ganadería
Harunobu Inoue	Tecnología Agrícola / Difusión
Motohiro Yasuhisa	Administrador del Estudio



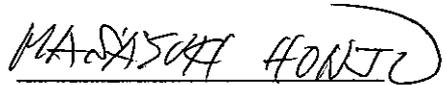
MINUTA DE REUNION
DEL
INFORME INTERMEDIO 2
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
Y
AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

Cuenca, Ecuador, 9 de Junio de 2004



Eco. Verónica REYES
Subdirectora Ejecutiva
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)

De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la Republica del Ecuador., el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Informe Intermedio 2 el día 9 de Junio de 2004 y el Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por la Eco. Verónica Reyes , Subdirectora Ejecutiva del CREA, y de los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegó a un acuerdo sobre los siguientes puntos :

1. El CREA recibió de parte del Equipo de Estudio veinte (20) copias del Informe Intermedio 2 en español y cinco (5) copias del Informe Intermedio 2 en Inglés.
2. El CREA manifestó estar de acuerdo con el contenido del Informe Intermedio 2, salvo las observaciones efectuadas que serán revisadas posteriormente por el Equipo del Estudio.

Esta Minuta de Reunión está elaborada tanto en Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión Inglesa prevalecerá.



Lista de Participantes

1. Parte Ecuatoriana

Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Eco. Verónica REYES
Ing. Emma Cáceres V.
Dr. Vicente CRESPO
Eco. Carlos QUIZHPE
Ing. Guido CRESPO V.

Subdirectora Ejecutiva
Directora de Planificación
Veterinarian
Jefe Dep. de Estadísticas
Jefe Dep. de Evaluación

2. Parte Japonés

Equipo del Estudio de JICA

Masayuki Honjo

Masanobu Sakurai
Harunobu Inoue
Motohiro Yasuhisa
Carlos Wakabayashi

Jefe del Equipo de Estudio /
Socio Economía
Agricultura/Riego
Tecnología Agrícola / Difusión
Administrador del Estudio
Traductor



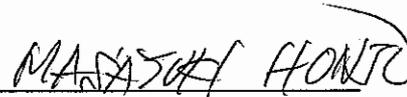
MINUTES OF MEETING
ON
THE INTERIM REPORT 2
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Cuenca, Ecuador, June 9th, 2004



Eco. Verónica Reyes
Subdirectora Ejecutiva
Centro de Reconversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)

In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Interim Report 2 on June 9th, 2004 to the Centro de Reconversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Eco. Verónica REYES and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received from the Study Team twenty (20) copies of the Interim Report 2 in Spanish and five (5) copies of the Interim Report 2 in English.
2. The CREA confirmed the agreement with the contents of the Interim Report 2, except some observations that will be revised posteriorly by the JICA Study Team.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.



List of Participants

1. Ecuador side

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Eco. Verónica REYES
Ing. Emma Cáceres V.
Dr. Vicente CRESPO
Eco. Carlos QUIZHPE
Ing. Guido CRESPO V.

Subdirectora Ejecutiva
Directora de Planificación
Veterinarian
Jefe Dep. de Estadísticas
Jefe Dep. de Evaluación

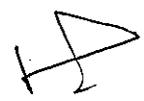
2. Japanese side

The JICA Study Team

Masayuki Honjo
Masanobu Sakurai
Harunobu Inoue

Motohiro Yasuhisa
Carlos Wakabayashi

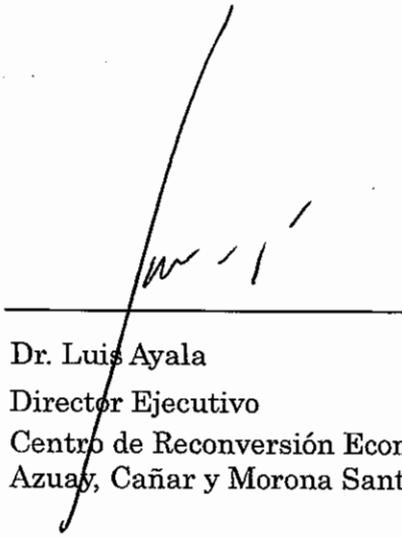
Team Leader / Socio Economic
Agriculture / Irrigation
Agricultural Technology /
Extensión
Coordinator
Translator



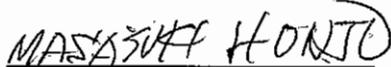
MINUTA DE REUNION
DEL
INFORME DE PROGRESO III
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
Y
LA AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

Cuenca, Ecuador, 10 de Febrero de 2005



Dr. Luis Ayala
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)

De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la República del Ecuador, el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Informe de Progreso III el día 10 de Febrero de 2005, con el Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por el Dr. Luis Ayala, Director Ejecutivo, y de los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegó a un acuerdo sobre los siguientes puntos:

1. El CREA recibió de parte del Equipo de Estudio veinte documentos que contienen el "Informe de Progreso III".
2. El CREA se compromete a revisar el contenido del Informe de Progreso III, para presentar las respectivas observaciones, de ser el caso.
3. El CREA recibió de parte del Equipo de Estudio los Manuales Técnicos, los cual han sido elaborados por el CREA, INIAP y el Equipo de Estudio para la implementación de los proyectos

Esta Minuta de Reunión se elaborará tanto en el idioma Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión en ingles prevalecerá.

Lista de Participantes

1. Parte Ecuatoriana

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Dr. Luis Ayala	Director Ejecutivo
Arq. Freddy Chimbo	Director de Planificación
Ing. Emma Cáceres	Profesional 4
Dr. Vicente CRESPO	Veterinario
Eco. Carlos QUIZHPE	Profesional 4

2. Parte Japonés

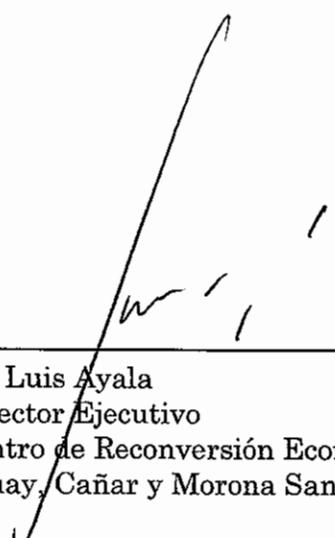
Equipo del Estudio de JICA

Masayuki Honjo	Jefe del Equipo de Estudio / Socio Economía
Atsushi Kishi	Sub-Jefe / Desarrollo Rural
Masanobu Sakurai	Agricultura/Riego
Leoncio Galarza	Ganadería
Harunobu Inoue	Tecnología Agrícola / Difusión
Motohiro Yasuhisa	Reforestación / Administrador

MINUTES OF MEETING
ON
THE PROGRESS REPORT III
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Cuenca, Ecuador, February 10th, 2004



Dr. Luis Ayala
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)

In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Progress Report III on February 10th, 2004, to the Centro de Reconversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Dr. Luis Ayala and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received the Progress Report III from the JICA Study Team.
2. The CREA confirm to revise the content of the Progress Report III, for the respective observations.
3. The CREA received the Technical Manual from the JICA Study Team, which have elaborated by the CREA, the INIAP and the JICA Study Team for the implementation of the project.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.



List of Participants

1. Ecuador side

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Dr. Luis Ayala
Arq. Freddy Chimbo
Ing. Enma Cáceres
Dr. Vicente CRESPO
Eco. Carlos QUIZHPE

Director Ejecutivo
Director de Planificación
Profesional 4
Veterinario
Profesional 4

2. Japanese side

The JICA Study Team

Masayuki Honjo
Atsushi Kishi

Masanobu Sakurai
Leoncio Galarza
Harunobu Inoue

Motohiro Yasuhisa

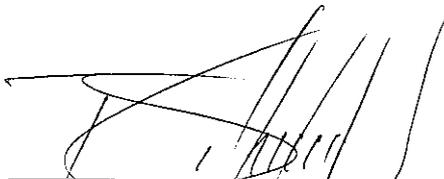
Team Leader / Socio Economic
Sub-Team Leader /
Rural Development
Agricultura/Irrigation
Livestock
Agricultural Technology/
Extension
Reforestation / Coordinator



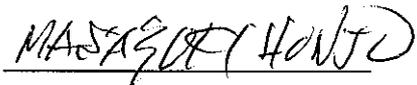
MINUTES OF MEETING
ON
THE DRAFT FINAL REPORT
FOR
THE STUDY ON DEVELOPMENT
FOR REACTIVATION OF PRODUCTIVITY
AND POVERTY REDUCTION
IN THE CENTRAL-SOUTHERN REGION (AZUAY AND CAÑAR)
OF THE REPUBLIC OF ECUADOR

AGREED UPON BETWEEN
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
AND
JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

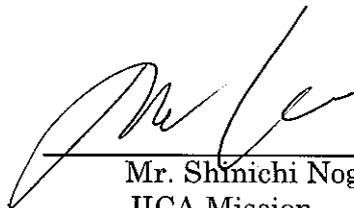
Cuenca, Ecuador, June 6th, 2005



Ing. Fernando Valencia
Executive Director
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Leader of Study Team
Japan International
Cooperation Agency (JICA)



Mr. Shinichi Noguchi
JICA Mission
Japan International
Cooperation Agency (JICA)

In accordance with the Agreement on Technical Cooperation between the Government of Japan and Government of Ecuador signed on June 25th 1992, and the Scope of Work for the Study on Development for Reactivation of Productivity and Poverty Reduction in the Central-Southern Region of the Republic of Ecuador, the Government of Japan, on November 5th, 2002, dispatched the JICA Study Team.

The JICA Study Team headed by Mr. Masayuki Honjo submitted and explained the Draft Final Report on June 6th, 2005 to the Centro de Reconversión Económica de Azuay, Cañar y Morona Santiago (hereinafter referred to as CREA) headed by Ing. Fernando Valencia and to the Ecuador officials members participated to the present Study, at the same time exchange of opinions was made between the Ecuador side and the Study Team.

As the result of the said explanation and an exchange of opinions, the Ecuador side and the Study Team have agreed the following:

1. The CREA received from the Study Team twenty (20) copies of the Draft Final Report in Spanish, five (5) copies of the Draft Final Report in English and eight (8) copies of the Technical Manual in Spanish.
2. The CREA confirmed the agreement with the contents of the Draft Final Report and the Technical Manual.
3. The CREA will let know necessary modification that shall be made to the Draft Final Report and the Technical Manual within one month and it shall be communicate to the Study Team.

This Minutes of Meeting is prepared in English and Spanish. In case that any discrepancy may arise between these two versions, the English version shall prevail.

Handwritten initials and signatures in the bottom right corner of the page. There are three distinct marks: a large 'M' on the left, a stylized 'D' or 'O' on the top right, and a signature-like mark on the bottom right.

List of Participants

1. Ecuador side

Centro de Reversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Fernández Valencia	Executive Direct
Ing. Guido CRESPO V.	Counterpart Team
Ing. Emma Cáceres V.	Counterpart Team
Dr. Vicente CRESPO	Counterpart Team
Eco. Carlos QUIZHPE	Counterpart Team

2. Japanese side

1) Japan International Cooperation Agency (JICA)

Shinichi Noguchi	JICA Mission
------------------	--------------

2) The JICA Study Team

Masayuki Honjo	Team Leader / Socio Economic
Masanobu Sakurai	Agriculture / Irrigation
Harunobu Inoue	Agricultural Technology / Extensión
Leoncio Galarza	Livestock Expert
Motohiro Yasuhisa	Coordinator
Ruben Kanashiro	Translator



MINUTA DE REUNION
DEL
BORRADOR DEL INFORME FINAL
PARA
EL ESTUDIO DE DESARROLLO
PARA
LA REACTIVACIÓN PRODUCTIVA Y MITIGACIÓN DE POBREZA
EN
LA REGIÓN CENTRO-SUR (AZUAY Y CAÑAR)
DE LA REPUBLICA DEL ECUADOR

ACORDADO ENTRE
EL CENTRO DE RECONVERSIÓN ECONÓMICA
DEL AZUAY, CAÑAR Y MORONA SANTIAGO (CREA)
Y
AGENCIA DE COOPERACION INTERNACIONAL DEL JAPON

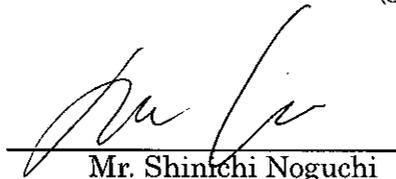
Cuenca, Ecuador, 6 de Junio de 2005



Ing. Fernando Valencia
Director Ejecutivo
Centro de Reversión Económica del
Azuay, Cañar y Morona Santiago (CREA)



Mr. Masayuki Honjo
Jefe del Equipo de Estudio
La Agencia de Cooperación
Internacional del Japón
(JICA)



Mr. Shinichi Noguchi
Misión de JICA
La Agencia de Cooperación
Internacional del Japón(JICA)

De conformidad con el "Acuerdo de Cooperación Técnica" firmado entre los gobiernos del Japón y del Ecuador, el 25 de Junio de 1992 y del Alcance de Trabajo para el Estudio de Desarrollo para la Reactivación Productiva y Mitigación de la Pobreza en la Región Centro-Sur (Azuay y Cañar) de la Republica del Ecuador., el Gobierno del Japón, el día 5 de Noviembre de 2002, envió el Equipo de Estudio de JICA.

El Equipo de Estudio de JICA encabezado por el Sr. Masayuki Honjo entregó y explicó el Borrador del Informe Final el día 6 de Junio de 2005 al Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (en adelante denominado "CREA"), representado por el Ing. Fernando Valencia , Director Ejecutivo del CREA, y a los miembros oficiales ecuatorianos participantes en el presente Estudio. Al mismo tiempo se intercambiaron opiniones entre la parte ecuatoriana y el Equipo de Estudio.

Como resultado de dicha explicación y del intercambio de opiniones entre la parte ecuatoriana y el Equipo de Estudio se llegó a un acuerdo sobre los siguientes puntos :

1. El CREA recibió de parte del Equipo de Estudio veinte (20) copias del Borrador del Informe Final en español, cinco (5) copias del Borrador del Informe Final en Inglés y ocho (8) copias del Manual técnico.
2. El CREA manifestó estar de acuerdo con el contenido del Borrador del Informe Final y el Manual Técnico.
3. El CREA hará conocer las modificaciones necesarias del Borrador de Informe Final y el Manual Técnico en el Transcurso de un mes y comunicará al Equipo de Estudio los cambios que deban realizarse.

Esta Minuta de Reunión ha sido elaborada tanto en Inglés como en Español, No obstante, en caso de que exista alguna discrepancia entre las dos versiones, la versión Inglesa prevalecerá.

Two handwritten signatures in black ink are located in the bottom right corner of the page. The top signature is a cursive-style name, and the bottom signature is a more stylized, looped signature.

Lista de Participantes

1. Parte Ecuatoriana

Centro de Reconversión Económica del Azuay, Cañar y Morona Santiago (CREA)

Ing. Fernández Valencia	Director Ejecutivo
Ing. Guido CRESPO V.	Equipo de Contraparte
Ing. Emma Cáceres V.	Equipo de Contraparte
Dr. Vicente CRESPO	Equipo de Contraparte
Eco. Carlos QUIZHPE	Equipo de Contraparte

2. Parte Japonesa

1) Agencia de Cooperación Internacional Japón (JICA)

Shinichi Noguchi	Misión de JICA
------------------	----------------

2) Equipo del Estudio de JICA

Masayuki Honjo	Jefe del Equipo de Estudio / Socio Economía
Masanobu Sakurai	Agricultura/Riego
Harunobu Inoue	Tecnología Agrícola / Difusión
Leoncio Galarza	Proyectos Pecuarios
Motohiro Yasuhisa	Administrador del Estudio
Rubén Kanashiro	Traductor

