

4. A New Strategy

4.1 Introduction

The evolution of rural development policies and the combat against poverty in rural areas during the last four decades shows that the countries of the region, including Paraguay, have tried innumerable hypotheses on the causes of the problems and implemented an equal number of strategies and policies in order to overcome them.

Each interpretation and solution was marked by different lines of thoughts and actions on development, and yet almost all of them shared common elements: i) the non-pragmatic vision of development, therefore had limited impacts; ii) focused on specific groups, pointing to the efficient use of resources from public funds or loans from multilateral banks; iii) solutions that did not aim to address issues of small-scale producers as a whole, and failed to respond adequately with technology options, markets, or organizational strengthening; iv) led by the centralized public sector with limited participation of beneficiaries and local governments; v) concentrated in agriculture or livestock production, ignoring non-agricultural productive activities and thereby losing the wealth of new options and potentials for growth and development; vi) weak mechanisms for coordination between value chains and family production and therefore underutilized; vii) lack of perspective of gender in public policies and programs, and little impact in overcoming inequalities between women and men in terms of the access to resources and opportunities; and viii) sought short-term solutions without paying much attention to the differences among territories and societies.

Many countries including Paraguay implemented projects to address poverty in rural areas, and yet those projects neither responded sufficiently to the issues of production and productivity, nor provided comprehensive supports effectively. The limitation of the conventional approaches has become apparent to address sufficiently the structural problems in rural areas.

A critical challenge is to strengthen complementary relationships between value chains and small-scale producers. In promoting the entry of small-scale producers into value chains, there is a need to increase their production and productivity, and develop mechanisms in which the benefits from the entry are widespread among all concerned actors.

Development should be advanced by making use of agriculture effectively and paying attention to the issues of rural development. The important role of agriculture in food production has been increasing, due partly to a recent increase in food prices caused by rising world demand, and the decline of food production due to global climate changes. On the other hand, as mentioned in

the diagnosis in the previous chapter, it is urgent to overcome the issues of the high incidence of poverty, unemployment and underemployment in rural areas.

People in rural areas face the issues of limited access to public services, the lack of infrastructures, and more recently the problems of security. Those issues hinder investment, and adversely affect the environment to improve industrial competitiveness in rural areas.

Facing this complex and multifaceted reality, this Guideline proposes the formulation of a strategy for sustainable development of rural territories, which aims to overcome those issues in rural areas. The objective of the Guideline is to address those issues through a set of policies that promote growth and development, a long-term and systemic vision, and participatory processes to guide the transformation of the rural world. To this end, it is needed to link small-scale producers with dynamic and competitive markets of food and products related to agricultural activities, and take measures for them to enter into various productive activities in rural territories other than agriculture.

4.2 Characteristics of the Strategy

The strategy to be formulated with this Guideline will have the following characteristics:

- **Logic of the proposal.** *The National Strategy for Sustainable Development of Rural Territories* (hereinafter, “the strategy for DSTR” or “the strategy” in short) should be approved at the highest level of the government, and must be conceived as a state policy consistent with national development plans. Thus the strategy should be implemented beyond a presidential term.

Indeed, this approach is most effective since the strategy is conceived as a functional component of national development plans, taking into account sectoral policies and providing the technical and financial basis for sectoral agendas.

This systemic approach will make participatory formulation and implementation of strategic plans of each territory viable, by integrating harmoniously the sectoral agendas and therefore enhancing efficiency in public sector interventions.

- **Long term.** The changes required in multiple dimensions should be understood as gradual adjustments that will take a few decades until they take roots. This process will include adjustments of the institutional and political systems, and require thorough review of the ways of thinking that are embedded in the political culture of each country and citizen.
- **Co-management of development: Partnerships among state, civil society and private sector.** Participatory management and planning policies for rural areas is an exercise in *citizenship participation* and *strengthening democracy*, leading to profound changes in the institutional and political environments. One of its byproducts is the strengthening of innovative mechanisms for dialogue and joint construction of a new type of territory and a prosperous, equitable and solidary country in the end.

The state in this approach plays a facilitating and guiding role of national development strategy, responsible for setting out policies, laws and regulations, and providing basic public services. The private sector contributes to development through management that generates profits, fulfills social responsibility, and ensures environmental sustainability. Civil society organizations engage responsively in management of territories and enhance cooperation among citizens. The combined effort of the state, the private sector and civil society organizations will generate social, economic, and policy dynamics, and drive the country into development that minimizes social, economic, and spatial imbalances.

- This new way of designing and implementing rural development will generate a virtuous circle in which both ‘social actors’ and ‘development promoters’³⁰⁵ collaborate and negotiate solutions of common interest for the development of territories.
- **Establish mechanisms to improve links between value chains and small-scale producers as a priority instrument for economic development of territories**

In the case of Paraguay, this seems to be a crucial component to the success of any rural development strategy, as the dynamics of economic growth depends significantly on the agricultural sector, when there are no other sectors dynamic enough to absorb the labor force. This is compounded by migration of unskilled labor force from rural to urban areas, which has been causing the rising unemployment and underemployment rates, the deterioration of living conditions and security in urban centers, and the vicious cycle of development as a result.

In this context it is important to analyze the lessons learned from, and expand successful cases in which producer cooperatives and private companies formed partnerships with family producers, managed to generate mutual benefits, and caused positive effects on surrounding communities.

- **The adjustment of the strategy by sub-regions and territories.** Although the National Strategy for DSTR is only one, it must be flexible enough to combine the set of policies, programs and projects that can respond to the unique situations, potentials and market conditions of each sub-region and territory.

In particular, there is a need to adopt different combinations of policies to adjust to unique situations in those territories such as: i) areas inhabited by particular ethnic groups; ii) areas covered by conservation areas; iii) areas near national borders; iv) areas with higher levels of competitiveness by using their productive potentials; and v) the areas or their vicinities in which national or bi-national mega projects are implemented. The adoption of different combination of policies will enable those unique territories to transform their economic,

³⁰⁵ A *social actor* refers to a group, organization or institution that interacts in society and makes proposals and actions with their own initiatives that have social impact, in order to defend the interests of the members and/or individuals it represents. The social actors of territory include, for instance, grassroots organizations, unions, political parties, government institutions, international agencies and multilateral organizations. A *development promoter* refers to an individual or an institution in charge of development and socio-economic revitalization of a given territory. The promoter will design and implement projects and activities of development, in order to improve the quality of life of residents in the territory.

social and environmental dynamics with multiplier effects that will create complex opportunities and challenges.

- **Implement short-term measures towards medium-term objectives.** The strategy must be designed to guide short-term measures (emergencies) toward ensuring coherence with medium- and long-term objectives and activities, enhancing their contributions to achieve the long-term vision.
- **Empower and make use of rural women and youth in the community.** A central tenet of the strategy should recognize and enhance reproductive function, the productive work of rural women, and their roles as promoters of culture and social cohesion and as major players to strengthen social fabrics and improve living conditions in rural areas.

Development practice has demonstrated the importance of the transformative role of women in the field, which reflects and reinforces the importance of internalizing the gender issue into the strategy and enhance their creative and transformative function.

Similarly, the youth should be included in the process of formulating the vision of their territories and their transformation, ensuring their active participation. Experience shows that the youth can play dual roles – first, as *direct actors* who implement actions, and second, as *promoters* and *intermediaries* of technological innovation in their families and communities. Indeed, it is essential to enhance the *natural symbiosis* that seems to exist among children and the youth and technology to use them as catalysts of knowledge, practices and methods.

For this, it is possible to recover, strengthen and promote information and communication technology (ICT) such as mobile, radio and television as tools to improve production practices, marketing, health and education, and others. Hence, one of the key components of the DSTR strategy should explicitly involve children and the youth, and rural schools in the process of training and technological innovation, whether productive or managerial.

- **Enhance participatory social management as a method of transformation:** Participatory social management of territories is a powerful way for residents to negotiate solutions to problems that affect the rural areas through formal and informal means, and to take advantage of potentials to address challenges in the rural areas.

Good governance and participation are the foundation of territorial management. Good governance builds capacity to promote transparent development process, and use tools and

resource in agreement with all social actors. Participation enables people to make decisions about the future of the territory freely with their own initiatives, in order to address the needs and interests and find solutions on economic, social, political, reproductive, infrastructure, and other issues.

- **Respect cultural heritage and identity.** This Guideline promotes and respects the diversity of culture and identity. Strengthening social and territorial networks will help consolidate and disseminate cultures of diverse groups of people in rural areas as bearers and caretakers of the country's cultural heritage, and contribute substantively to national identity.
- **Consider both agricultural and non-agricultural activities as the engines of growth and development of territories.** The keys to the success of the strategy include the enhancement of production, productivity, and quality of agriculture, livestock and other productive activities, and sustainability of those activities. It will be essential to promote innovation and spread the use of good production practices and technology.
- **Policies and regulations for land management.** There is a need to incorporate land management plans as part of the strategy. The land management plans will serve as a tool to guide the use and methods for agriculture and other activities, and establish the conditions of land use. This must conform to the objectives of national development by integrating socio-economic, demographic, cultural, environmental and other issues.
- **The role of territorial strategic plans.** Participatory development of territorial strategic plans should strengthen organizations and enhance contribution contributions of rural society to development in territories. Furthermore, it should improve substantially the quality of life of territories through the adequate public services in terms of quantity and quality, and the transparent use of public expenditure on investment in rural areas.

The DSTR Strategy will promote the formulation of a new activity plan based on the inter-institutional coordination, and could serve as a basis for coordination by the government of various activities of international cooperation agencies.

The territorial approach promotes and reinforces rural-urban linkages as a mechanism to vitalize economic activities and social relationships. The strategy should take advantage of these rural-urban linkages by introducing innovative technologies that promote productivity, participation of social actors, democracy, and cooperation and solidarity among social actors.

Historically, there has been an undeniable inter-dependence between urban and rural areas. This relationship can be utilized to generate virtuous circles of development if managed and directed with common goals shared by rural and urban areas. Therefore, the strategy should guide policies toward articulating and promoting vitalization of the economy through linkages between rural and urban areas.



The questions that guided the formulation of this Guideline are noted as follows:

- i) What should be the basic concept of the rural development strategy that can address issues in rural areas innovatively with a long-term vision?
- ii) How can the strategy use the potential of value chains, and facilitate small-scale producers to enter them?
- iii) How can the strategy take advantage of the existing sectoral policies and programs toward intersectoral coordination and harmonization of policies under the strategy?
- iv) How could the capacity of sectoral agencies be developed to strengthen and improve productive and organizational changes required by the strategy?
- v) What kind of innovation should be encouraged to improve the productivity in rural areas, and the productivity of public sector management to support improving productivity in rural areas?
- vi) What roles should rural producer organizations play in the production processes and decision-making?
- vii) How could employment and revenue opportunities and profits of enterprises be expanded?
- viii) What kind of capacity development is required for organizations in territories to manage their policies and territories?
- ix) How could the credibility on government institutions and agencies be restored among rural residents?

In addition to the above questions, there are three issues that are keys to developing a consistent strategy, although they are apparently distant from rural development. These are:

- i. Strengthening activities that incorporate the rural sector in the regional integration agenda. For instance, there should be innovative institutional mechanisms in which organizations for rural development in Paraguay could form partnerships with similar organizations in neighboring countries, exchange views and experiences, and strengthen linkages with them.
- ii. Promote mechanisms in which all participating entities in the value chains, including small-scale producers, could form “win-win” relationships.
- iii. Formulate action plans to enhance production and productivity in the areas of food production for self-consumption and income. Provide appropriate technical support and credit for production, post-harvest handling, and marketing, and enable small-scale producers to produce products with high value added and competitiveness in quality and quantity in domestic and international markets.

4.3 Vision 2030

All strategic lines in the new framework of rural development should be formulated to achieve a development goal. The following Vision 2030 is proposed as the long-term development goal of the Eastern Region with a horizon of 20 years.

Vision 2030

“The capabilities of people in rural territories are strengthened, sustainable natural resources management is realized, and the production capacities of rural territories are sufficiently utilized. Through these, a sense of belonging among people to rural territories is enhanced, people settled down in rural territories, and governance of rural territories is improved. As a consequence, the quality of life of people in rural territories is improved.”

The quality of life in this case is defined as a set of *citizen rights* and *duties* that each Paraguayan has and that are inherent to their own status.

The quality of life is the status of a person, family or community that results from the compliance of their duties and exercise of their rights, which allows them to have access to: i) public services (health, education, nutrition); ii) fair labor market that offers decent work options; iii) political exercise of citizens; iv) appropriate legal framework and law enforcement that ensures security of citizens to live in peace in their community; v) means of transportation and appropriate infrastructure for their family and their products to markets; and vi) stable access to telephone, internet and television.

There is only one national strategy for DSTP, but this needs to be differentiated to the situations of respective sub-regions and territories. The objective of the strategy is to realize *social cohesion* and *territorial cohesion* in a democratic manner, while ensuring sustainable management of environment and natural resources.

To this end, the strategy proposes to promote processes of participatory formulation of harmonized public policies in rural areas, vitalize the economy and civil society organizations in territories, and make progress through the efforts of people by themselves.

The state should therefore support the transformation of the institutional framework of rural development at both national and local levels. This institutional innovation is needed to incorporate the proposed territorial approach, and achieve the goal of effectively improving the quality of life.

4.4 Congruence between Vision 2030 and Goals of the Government

It is important to examine whether Vision 2030 is congruent with political goals of the government in order to verify the relevance of the strategy for DSTR. In this section, the highest goals of the following policy documents are compared with Vision 2030: (1) Economic and Social Strategic Plan 2008-2013 (PEES) of the National Economic Council (EEN); (2) Proposal for Public Policy for Social Development (PPDS) 2010/2020 of the Social Cabinet of the Presidency; (3) Agricultural Strategic Framework (MEA) 2009/2018 of MAG; (4) Strategic Plan of the Ministry of Environment 2010 (PESEAM); (5) Strategic Plan 2008/2013 of MSPyBS; (6) National Education Plan 2024 (PNE) of the MEC; and (7) Strategic Plan 2008/2013 of the MOPC.

Table 4.1-1 presents the results of this comparative study. This analysis revealed that Vision 2030 is coherent and consistent with the goals proposed in the above mentioned policy documents.

First, “governance” in Vision 2030 is congruent with: the “creation of a system serving to coordinate various public policies,” proposed by the EEN in PEES; “rights approach,” “citizen participation”, “enhancement of universal access and quality of public services”, among others, proposed by the Social Cabinet of the Presidency in its PPDS; “non-discrimination and overcoming social exclusion, with broad community and social participation”, proposed by MSPyBS; and “management of policies in a participatory, efficient and effective manner” as stipulated in the PNE by MEC.

“The quality of life of people in rural territories is improved” in Vision 2030. This includes issues related to health and education in accordance with the objectives set out in plans of MEC and MSPyBS.

“Sustainable natural resources management is realized, and the production capacities of rural territories are sufficiently utilized” in Vision 2030. This will contribute to: “increase the competitiveness of agricultural production and other rural non-agricultural production” proposed by the MAG in MEA; a “comprehensive economic strategy for the medium-term growth” proposed by MH in PEES; “social and economic development” proposed by the MOPC; and “sustainable development” by the SEAM in PESEAM.

Table 4.4-1 Relationship between Vision 2030 and the highest goals of major public policy documents

Political Documents	Ministries	The highest goals	Relation with Vision 2030
Economic and Social Strategic Plan (PEES) 2008-2013	National Economic Team	Create a system serving to coordinate various public policies, and implement inclusive economic growth strategy in the medium term.	<ul style="list-style-type: none"> Vision 2030 proposes to establish "governance", and Chapter 4 in this Guideline proposes the axis to build the institutional mechanism for the implementation of the Guideline. These are consistent with the "creation of a system that serves to coordinate various public policies" of PEES.
Proposal for Public Policy for Social Development (PPDS) 2010-2020	Social Cabinet of the Presidency	Promote sustainable development, improve efficiency in the management of institutions, designed to generate social cohesion and economic inclusion, improve equity, and promote the access to services and social benefits of quality, with a focus on law, citizen participation, and high degree of human development.	<ul style="list-style-type: none"> "Governance" proposed by Vision 2030 includes the objectives set out in PPDS, such as "the rights approach," "citizen participation" and "improving efficiency in the management of institutions designed to promote universal access services and social benefits of quality."
Agricultural Strategic Framework (MAG) 2009/2018	Ministry of Agriculture and Livestock	Steadily increase competitiveness of agriculture and forestry with demand-oriented, socially inclusive and equitable food systems, intended to satisfy domestic consumption and the demands of the external sector. Promote production of non-agricultural products, rural income and employment generation in territories.	<ul style="list-style-type: none"> Vision 2030 proposes to build life choices (reproduction and production). This proposal is in line with the promotion of agricultural production and other rural non-agricultural production of the MAG.
Strategic Plan of the Ministry of the Environment 2010 (PESEAM)	Ministry of Environment	Provide the framework for implementing the proposed activities in the government's National Plan, contribute to sustainable development, reorganize corporate governance, and improve the system of management and administration of the SEAM.	<ul style="list-style-type: none"> Sustainable development is central to achieving Vision 2030.

Strategic Plan 2008/2013 MSP yBS	Ministry of Public Health and Welfare	Integrate and articulate a coordinated national health system, consolidate local health agendas at regional and national levels, sustained by the Primary Health Care to address issues of access, free, non-discrimination and overcoming social exclusion, with extensive community and social participation.	<ul style="list-style-type: none"> • “The quality of life of people in rural territories is improved,” as proposed by Vision 2030, includes issues related to health. • “Governance” proposed by Vision 2030 includes several objectives in the Plan of MSPyBS, such as “non-discrimination and overcoming social exclusion, with broad community and social participation.”
Plan of National Education 2024 (PNE)	Ministry of Education and Culture	Ensure access, improve quality, efficiency and equity of the Paraguayan education as a public good; propose as strategic areas of equal opportunities in the access and guarantee conditions for the timely completion of students, the quality of education of different levels/types of schooling, and management of educational policies in a participatory, efficient, and effective manner, and coordination at the national, departmental and local levels.	<ul style="list-style-type: none"> • “The quality of life of people in rural territories is improved”, as proposed by Vision 2030 includes education as one of its axes. • “Governance” proposed by Vision 2030 includes objectives in the NEP, such as “management policies in a participatory, efficient and effective manner.”
Strategic Plan of MOPC 2008/2013	Ministry of Public Works and Communications	Promote social and economic development of Paraguay through the provision of good quality infrastructure; and implement a new management model that incorporates participation of the private sector and sub-national governments in financing investment, operation and maintenance of infrastructure.	<ul style="list-style-type: none"> • “Governance” proposed by Vision 2030 includes “management model that incorporates participation of the private sector and sub-national governments” proposed by the MOPC.

4.5 Transformation in Four Dimensions

The Guideline is based on the principles of comprehensive sustainable development, which aims to go beyond the conventional poverty reduction programs that focus on specific issues such as improving agricultural and livestock production of small producers or generating employment and income sources of rural areas. Undoubtedly, these are necessary steps to improve the welfare of population, and yet are insufficient to address problems whose roots are structural.

To promote development that is democratic, equitable, and sustainable with solidarity, there is a need to enhance productive capacity of the country, recognizing the diversity and potentials of society and environment, and incorporating land management of rural territories.³⁰⁶

Another objective of this Guideline is to take advantage of the demand for specific products in niche markets that have been emerging in the globalization process of the world economy. The creative use of the niche demand could become an impetus to vitalize society and economy of specific rural territories. For instance, those might include products unique to those territories, traditional products, or organic products.

Based on the above discussions, it is proposed to make fundamental changes to improve:

- i) The relationship and negotiation procedures between: a) the various actors in development; b) development promoters; and c) between actors and promoters;
- ii) Processes of decision making and resource allocation based on decentralization and participation; and
- iii) Imbalances between: a) different social groups; b) regions within the country; and the differences between rural and urban areas.

The systemic, transformative actions proposed by this Guideline are organized in four pillars and three axes. The four pillars are composed of sets of policies, programs and projects that relate to the four dimensions of development, namely, economy and production, society and culture, environment, and policy and institution. The three axes concern activities on persons, organizations and institutions that promote development and cut across the four pillars.

³⁰⁶ Land management plan is an important tool for the development of territories, aiming to make use of natural, social and economic resources sustainably without degrading environment in the production process, and improve the quality of life of residents in territories. The land management plan promotes the participation of various actors in territories and inter-institutional coordination among various sectors.

To sum up, the Guideline proposes the strategy that aims to: i) innovate political-institutional mechanisms to overcome the imbalances mentioned above; ii) improve and diversify the production of territories; and iii) improve decision-making methods and procedures governed by democratic participation and self-management.

The strategy to be formulated by this Guideline should bring gradual and systemic changes in the four dimensions of the territories over the period of at least two decades.

Furthermore, it is necessary to repeat that the object and subject of development are people (women, children, men and adults) and their organizations. Therefore, all social actors (representatives of civil society organizations, the public sector, the private sector, and the academic and education sector) ought to be explicitly incorporated in the formulation of the strategy. The effective participation of all social actors will be essential to ensure sustainable development of policies, programs and projects for DSTR.

It is also important to stress that the strategy should not limit rural economic activities to agriculture and livestock, but rather take advantage of diverse potentials that rural territories possess. These potentials might include, but not limited to: service industries to support agricultural and livestock production; ecotourism; cultural tourism; rural tourism; environmental services; mining; commerce; and agro-processing.

The vision of the strategy will contribute to promoting the democratization and modernization of the state, for which the following actions are important:

- i) Facilitate the coordination of sectoral action plans, and enhance their efficiency and effectiveness.
- ii) Facilitate the harmonization of sectoral policies, programs and projects in territories.
- iii) Adopt land management plans to promote productive activities consistent with sustainable environmental management.
- iv) Establish a gradual implementation process by starting with the validation stage in a few model territories.
- v) Incorporate civil society organizations in the process of decision making.
- vi) Utilize and complement existing policies, programs and projects.
- vii) Adapt to the different situations of respective sub-regions and territories.

Having explained the fundamental concepts and basic orientations of the Guideline, the main components of the Strategy are presented. It is essential to note that the strategy deals with complex situations, and therefore will require combinations of policies and programs of various

pillars and axes in order to formulate and implement territorial strategic plans, and overcome specific problems in the territories.

In practice, the strategy would serve as a mechanism for coordination and harmonization among sector institutions, policies and programs. This will have the potentials to complement and enhance their impacts in rural territories.

In other words, the scheme and activities of the strategy would make use of existing sector policies, combine them to generate synergy effect, and accelerate the changes toward DSTR in the long-term.

The strategy would play the role of coordinator and facilitator of sector policies and programs. This would enable dialogues and negotiation among government ministries and agencies, and reach out territories with harmonized sector policies and programs.

For this to happen, it is necessary to generate the fora for consensus building by all actors, namely, the representatives of the public sector, the private sector, and civil society organizations, in terms of the design and implementation of policies, development plans and programs, and projects.

In section 4.5 below, four pillars of the strategy are discussed. The four pillars are respectively a set of strategic lines and activities to transform four dimensions of development. These pillars are named for their crucial importance and the need of execution in a systemic and sustained way for a long period of time: i) rural economy; ii) diversity of society and culture; iii) utilization and respect for environment; and iv) policies and institutional frameworks for participatory development.

In section 4.6, three axes are presented under the heading of “strengthening capacities and organizations”. These are respectively a combination of strategic lines and activities (policies or programs) that enable people, organizations and institutions as follows: i) develop human resource; ii) strengthen civil society organizations; and iii) improve information and knowledge management.

4.5.1 Rural Economy

A. Introduction

This pillar proposes an economic and productive transformation supported by the following four principles of strategic lines: i) modes of production adapted to the characteristics of small-scale producers; ii) technological innovation at all phases of rural production; iii) small and micro enterprises in rural areas; and iv) cohesion and interaction among diverse social actors.

This pillar aims at achieving goals related to increasing economic efficiency (productivity) and the quantity and quality of employment opportunities and income in rural areas. To achieve this, it is important to promote small and micro enterprises in rural areas as a means to democratize economic opportunity and realize inclusive development processes.

B. Major foundations

The basic principles that guide this pillar are built on the concept of sustainable development of rural territories (DSTR). In this context there is a need to adopt and invigorate the implementation of policies and legal measures to promote: a) medium-, small- and micro-scale productive activities; b) the formation of producer cooperatives and associations; c) sustainable environmental management at all stages of production processes; d) technological innovations that could increase productivity, labor demand, and the use of renewable energy; e) productive activities related to the generation of renewable energy; and f) the formation of productive clusters.

A key to successful implementation of this pillar is to ensure consistency, and collaborate, with the ongoing sector policies and programs.

C. Objective

This pillar seeks to vitalize the rural economy of territories as a prerequisite for development by utilizing its endogenous potentials and promoting innovative forms of rural production that can generate alternative opportunities for employment and income of the population. For this purpose, some measures are proposed that focus on entrepreneurship of small producers, the mechanisms to link small producers to value chains, and the infrastructures that are essential to enhance competitiveness of people and territories.

Regarding entrepreneurship, this pillar aims to promote small-scale farming activities and the services related to agricultural, livestock, and non-agricultural production. As for the entry into value chains, this pillar aims to explore ways for small producers to enter agricultural value chains of large-scale producers such as soybean, and the export-oriented value chains of various products typical of small-scale producers such as fruits and citrus.

At the territory level, a set of strategic lines are proposed to improve services and infrastructure that lead to enhance competitiveness. For instance, those strategic lines are concerned with: secondary rural roads that connect rural territories with urban centers, other territories, and markets of products and inputs, and that enable small producers to have access to goods and services; infrastructures that support production such as electricity, telephone, internet, market information, storage and marketing; and services such as transportation, technology and credit.

To vitalize the rural economy, it is essential to expand food production of small-scale producers with assistance of the public sector, such as production technology, marketing, processing technology, and post-harvest management.

For the pillar of rural economy, there is a need to review the policies and plans of the public institutions working on rural development, such as the MAG, MIC, and SEAM.

D. Strategic Lines

Toward improving and diversifying productive activities, a set of strategic lines are proposed to achieve the following three objectives: i) utilize effectively the opportunities for development that would emerge in various sectors of territories by using various development options and strengthening social and economic networks; ii) minimize vulnerability to the risks arising from global market trends and climate change; and iii) invigorate the labor markets through promoting investment in production, diversifying options for labor, and enhancing employment and income that require specific and technical skills.

The following are the strategic lines and activities.

Strategic Line 1: Provide technical support for small- and medium-scale producers for agricultural development

This strategic line aims to strengthen technical capacity and skills of small- and medium-scale producers to increase production and productivity of traditional and new products, and support their entry into value chains. To this end, the following activities are proposed:

1. Promote sustainable production practices.
2. Introduce the pilot curriculums on integrated production systems to schools.³⁰⁷
3. Strengthen revolving fund systems to finance the construction and maintenance of basic infrastructures that support production.³⁰⁸
4. Strengthen technical assistance that focuses on production and distribution, and rural extension services.³⁰⁹ Producers and/or their organizations use those services under direct contract with service providers.
5. Use existing financing systems for small-scale producers as an incentive to strengthen systems of production, processing and marketing.
6. Establish a credit guarantee fund for small enterprises to ease their access to credit.³¹⁰
7. Disseminate new technologies and good practices to enhance competitiveness and sustainability of agriculture and livestock, and diversify production.
8. Promote sustainable production technology by re-introducing traditional production systems and the production systems of indigenous people.³¹¹

³⁰⁷ 'Integrated production system' stands for the production system that considers the protection and improvement of environment, genetic diversity, and conservation of soil and landscape in an integrated manner.

³⁰⁸ A revolving fund system is operational in La Paz district where local residents take the initiative to manage the fund that covers the costs of materials for maintenance of paved and gravel roads. Similar to this system, the Municipal Development Institute of Paraguay (IDM in Spanish) under the Ministry of the Interior provided "Municipal Revolving Fund" that channeled public funds (including funds from donor agencies) to local governments in 1971-1999. Under this system, people in community organized themselves to receive and return finance for the construction and maintenance of small-scale infrastructures to district governments.

³⁰⁹ Under the current system, around 150 producers form a group, and this group hires local technical experts who provide extension services. Although this type of extension services must be self-funded in the medium term, local governments provide financial support at the initial stage of implementation of the system. To further strengthen this system, some new measures could be taken, for instance: (i) train graduates of agricultural schools as extension experts; and (ii) utilize human resources of public institutions such as Agricultural Schools, Centres of Agricultural Development of MAG, and other public institutions, and conduct pilot projects that validate appropriate technologies at their experimental farms with participation of producers.

³¹⁰ The central concept of the credit guarantee fund is to expand the access to the credit of small producers who cannot provide collaterals by the government acting as guarantor. Since there remains the risk of default, there is a need to establish a mechanism in which the likelihood of default is estimated in advance, and a certain level of fees for guarantee are imposed on borrowers in addition to the principal and interest of the credit.

³¹¹ Establish or strengthen institutions that aim to retrieve, strengthen and disseminate excellent customs and traditional production methods, and life styles. These include the creation of a mechanism to support the initiatives of the private sector. This measure is aimed to strengthen the wealth of knowledge and practices of various cultures rooted in territories. The principles of social solidarity, environmental sustainability, and production techniques that have been nurtured in those cultures have great potentials to be utilized and disseminated for rural enterprises and social organizations.

Strategic Line 2: Promote entry and participation of small-scale producers into value chain

This strategic line aims to establish and implement a capacity building program in all stages – production, distribution and marketing – in order to facilitate the inclusion of small-scale producers into the value chains. In the case of the entry of small-scale producers into the value chains of large-scale producers, the benefits for all actors involved (win-win) will be considered. For this purpose, the following activities are proposed:

1. Establish mechanisms to study and assess the possibility for small-scale producers to enter into value chains at the territorial and sub-regional levels.
2. Strengthen the inter-institutional coordination mechanisms in rural territories, such as the inter-agency coordination committees of department.
3. Improve mechanisms to promote investment by disseminating the information about potentials of territories.
4. Support small-scale cooperatives and enterprises and NGOs in order for small-scale producers to enter value chains.
5. Promote public-private partnerships to strengthen value chains developing new technologies, products and materials based on demand.
6. Support the implementation of corporate social responsibility (CSR) schemes of corporations and agricultural cooperatives to promote the entry of small-scale producers into value chains that ensure the principles of partnership and fairness.
7. Enhance technical capacity of small-scale producers that is required to enter into value chains.
8. Provide tax or other incentives for corporations that promote entry of small-scale producers into value chains.
9. Enhance the capacity of relatively large-scale cooperatives, private enterprises and associations to serve as agents that provide services for small-scale producers, such as capacity development, technical support, financial support, and other initiatives that help improve the quality of life of small-scale producers.
10. Establish mechanisms that realize stable expansion of fruit and vegetable production and ensure stable marketing routes for small-scale producers through arrangements such as contract farming between producers and users.³¹²
11. Establish the programs to improve, expand, and promote the production of local specialty products.³¹³

³¹² An example of this activity is to link meal programs of schools, prisons and hospitals (demand) with local producers (supply). This could ensure the quality and quantity sufficient to meet a specific demand.

³¹³ This activity aims to establish or strengthen organizations and networks (public, private, NGOs, universities) to design a specific strategy to restore and promote the production and consumption of local specialty products. The

12. Identify appropriate territories for, and promote, the development of aquaculture.³¹⁴
13. Facilitate the access to credit for the organizations of small-scale producers, separately from the access to credit for individual small-scale producers.
14. Establish systems for small-scale producers to manage risks, such as the establishment of agricultural insurance.

Strategic Line 3: Strengthen small-scale enterprises through easing access to necessary services

This strategic line is aimed to strengthen programs and services to support the medium and small enterprise in rural areas.³¹⁵ Those include a wide range of services, such as technological innovation of production and processing, special institutions of credit, procedures for marketing, management of marketing information, waste management, among others.

1. Create a system to identify and disseminate best practices to support the entry of small-scale producers, for example, by recognizing and broadcasting best practices.
2. Strengthen mechanisms to disseminate market information.

Strategic Line 4: Develop and maintain infrastructure to strengthen competitiveness in territory

1. Improve public infrastructure and support services in rural territories, including: road networks and other production infrastructures such as electricity, telephone, and internet, schools, health posts, housing, and tourism infrastructures.

following sub-activities could be implemented: i) identify and re-discover local specialty products; ii) validate and refine special techniques; iii) organize promotion campaign; iv) conduct market analysis; and v) conduct human resource development. The examples of local specialty products include Ñanduti and chipa that are produced in specific locations, embody part of identity of Paraguayan culture, and are already recognized widely. Other examples are products such as honey, jams, and fruit pulp. The local specialty products that are tied to specific locations are not limited to food and beverages. They may include medicinal plants, games, festivals, religious events such as fiestas or the celebration of Easter, history, and folklore stories.

³¹⁴ To implement this activity, there is a need to coordinate existing facilities, programs and projects of MAG, SEAM and the private sector. To this end, it is proposed to establish a network of institutions and organizations related to aquaculture, and conduct the following sub-activities: a) evaluate the production options that are suitable for rural areas, appropriate for the size of producers (small, medium, and large), and are suited for national and international markets; b) consider production activities that combine aquaculture by small-scale producers with agricultural production; c) build capacity for primary production, processing and preparation of product for sale; d) establish a mechanism to finance productive infrastructure (small and medium industrial scale); e) analyze and understand product characteristics required by markets, and support improving the quality and presentation of primary and processed products.

³¹⁵ The activities of medium- and small-scale producers in rural areas include such as follows: power generation; construction and maintenance of public works; wastewater collection and treatment; environmental services (carbon capture, management of natural heritage and biodiversity, water management), value chains for production and processing of primary products for local, national and international markets; recreation; traditional medicine; cultural heritages (music, painting, poetry); animal reproduction; production and social services (small businesses such as hairdressers, beauty parlors, restaurants, inns); and aquaculture.

4.5.2 Diversity of Society and Culture

A. Introduction

The social and cultural dimension of the territorial approach should be understood as the organizational system that helps a local society function properly. The organizational system is a manifestation of diverse, rich cultures that have been nurtured by ethnic groups in territories over centuries.

Transforming the social and cultural dimension is aimed to explore ways of peaceful co-existence of diverse societies and cultures, not to seek the homogenization of cultures or the disappearance of local cultures. The strategic lines and activities under this pillar is therefore to strengthen consensus-based territorial management by building mutual trust and the networks of mutual support.

B. Major foundations

The strategic lines should be formulated based on the recognition about the roles of farmer organizations, trade associations and local committees at the national, departmental and local levels.

Participatory management of rural territories is built on the quality and sustainability of civil society organizations. Therefore, the strategic lines will try to develop capacity of social actors in order to transform their attitudes and behaviors.

Civil society organizations are critical to provide public services to support productive activities and social services such as health and education systemically and in a coordinated manner. Active participation of civil society organizations in territorial management will generate social cohesion that helps address all kinds of challenges in territories.

C. Objective

The pillar of the social and cultural dimension aims to improve territorial management, keeping the civil society organizations, social inclusion, respect for cultural diversity, and gender in mind.

To this end, emphasize the strategic lines of this pillar aim to enrich and strengthen the capacity of organizations and citizens in rural territories, emphasizing the activities related to the

preparation of teaching materials, provision of training, methods and tools of negotiation, and upgrading of skills and abilities.

The strategic lines and activities of this pillar are also aimed at preparing a platform that provides an opportunity to discuss the formulation of territorial policies and strategic plans in a participatory manner.

Civil society organizations are the key players in this platform, and therefore the platform should include all types of social actors such as men, women, adults and the youth; and all sectors such as production, reproduction, recreation, education, religion, and sports. In addition, schemes to utilize the role of church are important. Finally, the establishment of this platform will require participation and support of the following: civil society organizations; the public sector; and the private sector.

D. Strategic lines

Strategic Line 1: Strengthen coordination among civil society organizations for rural development³¹⁶

The aim of this strategic line is to promote participatory territorial management that aim to achieve shared objectives among community members. The following activities are proposed.

1. Prepare an inventory of civil society organizations (particularly, voluntary social organizations) as a starting point to formulate and strengthen them.
2. Develop capacity of negotiation skills among civil society organizations to cooperate and complement their activities.
3. Establish a program to strengthen sustainably the functions of voluntary social organizations with their participations.

Strategic Line 2: Institutionalize formal and informal mechanisms that help restore and reassess diverse cultural knowledge and tradition

1. Strengthen the traditional processes of information and knowledge management.³¹⁷

³¹⁶ It is desirable to utilize "voluntary social organizations," i.e., the organizations that have been formed autonomously to achieve specific purposes of the community they represent. Those organizations should be distinguished from the transient organizations that were created to implement programs and projects with support of public institutions or international donor agencies.

³¹⁷ This activity is aimed to identify and recover useful ancestral knowledge, customs, beliefs, folklore, history, culture and religion. Sub-activities may include: i) sponsor local community events and fairs; ii) formulate and

2. Review the legal and regulatory frameworks on civil society organizations to establish new guidelines that aim to facilitate the recognition of informal civil society organizations as formal (legal) entities.

Strategic Line 3: Provide places or forums for employment and recreation that will promote settlements in rural territories

- i) Enhance education and employment in medium-size towns through measures such as investment promotion, in order to offer new options for small-scale producers and thereby reduce migration to urban areas.
- ii) Develop pilot projects that provide recreation services to generate new employment opportunities for the youth and offer places of recreation for the community.

Strategic Line 4: Equip and improve multi-purpose facilities for provision of basic services that are articulated to address local needs and characteristics

- i) Design an efficient system that can provide multiple services in one place such as health, education and recreation. For example, existing facilities in school could be used for social activities for other purposes other than education. The facilities for health and education services could be used for the sales of local healthy food and beverages. This will rationalize physical space for service delivery, and help improve the access to services for local residents.
- ii) Establish new multi-purpose facilities in new settlements to improve the efficiency of the provision of basic services.

4.5.3 Utilization and Respect for Environment

A. Introduction

The work on the environmental dimension requires a broad perspective ranging from the national to sub-regional, departmental, local, and community levels. The involvement of public institutions at the national, departmental and district levels is needed as well. Moreover, it should cover all activities of human beings, be they productive or reproductive.

The transformation of environmental management requires the change in the behaviors of

implement research programs on territorial history; and iii) develop and incorporate curriculums on ancestral culture in educational institutions and rural schools, working with MEC.

individuals and organizations regarding the relationship between human being and environment, and the promotion of environmental management. Furthermore, various changes are required in the production processes, technologies, and waste management.

The foundation of the proposal in this Guideline is sustainable development. Consequently the aspects on environment must be designed and incorporated across all pillars and strategic lines.

This pillar is closely linked with the other pillars because environmental conditions affect any human activities, and vice versa. Since the works on environmental issues fall under the responsibility of various public institutions (MAG, SEAM, MIC), private and NGOs, it is necessary to review the legislation, institutional frameworks and policies in order to create synergies among their interventions.³¹⁸

B. Major Foundations

Sustainable development and environmental management concern everyone and everywhere on the earth. Therefore, the solutions lie in the comprehensive, systemic actions of all actors in rural areas and urban centers. Likewise, it is essential to incorporate and engage the youth and children in formulating action plans for sustainable development, as were set out in *Agenda 21* adopted at the World Conference in Rio de Janeiro in 1992.

The specialized agencies on integrated management of natural resources proposed the approach in which rural people manage forest, soil and water (biodiversity) comprehensively at the individual and organizational levels. Rural communities have been, until recently, the direct custodians of natural commons, such as forest, water, soil, flora and fauna.

With regard to the interactions between the components of ecological systems, there cases in which the pollution of natural resources by human activities and its negative effects could cross national borders. It is therefore important to pay attention to the treatment of those border areas.

Paraguay is one of the richest countries in water resources (surface and groundwater) in the world. The availability of water could become an engine of development, and yet it is necessary

³¹⁸ The National Environmental Council (CONAM in Spanish) is the public institution for discussion, consultation, adoption and evaluation of National Environmental Policy. The CONAM consists of the secretariat (ten technical commissions), environmental departments of local governments, union organizations, the production sector, and environmental NGOs. The SEAM, is responsible for policy formulation, coordination, monitoring and implementation of environmental actions, plans, programs and projects of the national development plans and linked to the preservation and conservation; rebuilding and management of natural resources; environmental planning and the environment in general, providing permanent improvement of living conditions of the various sectors of Paraguayan society to ensure economic growth, social equity and ecological sustainability in the long term.

to overcome some key challenges such as inadequate management of solid and liquid waste and the excessive use of agro-chemicals.

Paraguay used to be the second largest forest in the Americas after Brazil. However, the area of the Alto Parana Atlántico Forest (Eastern Region) declined drastically from 8 million to 1.3 million hectares in just the past five decades. This rate of deforestation in Paraguay is among the highest in the world.

C. Objective

The objective of this pillar is to guide the transformation of environmental management of the territory to ensure environmental sustainability through strengthening appropriate management of natural resources (soil, water, forest, biodiversity, fauna and flora), clean management of diverse production processes and consumption (including waste) in rural territories, and the capacity to regenerate the ecological system.

D. Strategic Lines

Like the other pillars, effective participation and commitment of social actors in sustainable environmental management of territories is a critical prerequisite for successful transformation of the environmental dimension. The following strategic lines and activities are aimed to play the functions to coordinate and complement other activities related to environment.

Strategic Line 1: Combine, and plan to achieve, agriculture, climate change, forest, and rural development simultaneously in order to achieve effective sustainable development of production, environment, and society

Strategic Line 2: Strengthen the capacity of the agricultural sector to alleviate negative effects of global climate change

There are opportunities for producers of agriculture, livestock and forestry to implement carbon sequestration into soil and forest, and thereby obtain carbon certificates. To this end, the following activities are proposed.

1. Review the principles and guidelines that are applicable for Paraguay under the UNFCCC³¹⁹, in close collaboration with the Office of Climate Change in Paraguay.

³¹⁹ United Nations Framework Convention on Climate Change (UNFCCC).

2. Develop environmentally sustainable technologies and practices in order to mitigate the effects of global climate change.
3. Train professionals in the development of environmentally sustainable technologies.
4. Undertake assessments and exchange of information on the impact of global climate change.

Strategic Line 3: Raise awareness among citizens about management and conservation of environment

1. Establish and implement outreach programs in schools, colleges, districts, civil society organizations and youth organizations to raise awareness and change the behavior on the use of water (recognizing water as a limited renewable resource), forest management (as energy sources), and waste management (3R: Reduce, Reuse and Recycle).
2. Strengthen the standards of participatory water management.
3. Formulate the standards for sustainable management of watersheds and wetlands.
4. Conduct environment audit through cooperation among representatives of civil society organizations, the public sector, and experts from universities.

Strategic Lines 4: Promote the types of agriculture that are environmentally sound and help conserv environment

1. Establish programs for environmental services that could generate employment and income, and conserve environment at the same time.³²⁰
2. Create a network of clean management of environment among the SEAM, MAG, universities, and NGOs. This network is aimed to be a forum for technological innovation, generation of training materials, capacity development for environmental management, establishment of incubator experiences, and accumulation of experiences and knowledge.
3. Strengthen and disseminate organic agricultural production, support marketing in local and national urban markets, and promote contractual production with specific clients.³²¹
4. Retrieve and disseminate production of native plants for food and medicinal purposes, and promote their processing to meet the demand for specialized urban markets.

³²⁰ Concretely, a proposed sub-activity under this heading is to use tax incentives or direct transfers as a means to motivate rural organizations to adopt environmentally friendly practices that contribute to the production of water, recovery of soil, forest management, carbon sequestration, and conservation and preservation of species.

³²¹ It is worth exploring the possibility to adopt traditional agricultural production methods and practices.

5. Establish and strengthen a technical unit for clean technologies and rural innovation (UDITER in Spanish) that promote, for instance: i) system of silvopastoral agroforestry; ii) compost using organic waste; iii) no-tilling farming; iv) technology to generate renewable energy; v) appropriate water management; and vi) waste management.

Strategic line 5: Promote utilization of renewable energy

1. Promote alternative energy programs of ANDE, strengthen coordination among institutions that promote the use of renewable solar and wind energy, and make available the alternative energy sources for families in remote rural areas and the processing process of agricultural products in rural areas.

Strategic Line 6: Promote enforcement of laws and regulations to support formulation of land use plan

1. Implement laws and regulations on land use plan in participatory territorial management with public-private partnerships.

Strategic Line 7: Promote activities that match rural development with afforestation projects

1. Investigate various methods and technologies for the restruction of forest, such as integrated crop management, agro-forestry, silvopastoral system, recovery of watersheds through large-scale afforestation; and propose technologies that are appropriate for the characteristics of respective territories. Consider the use of funds from carbon sequestration programs.

4.5.4 Policies and Institutional Frameworks for Participatory Development

A. Introduction

The recognition and empowerment of civil society organizations and their networks are key elements of territorial approach.

The systematic strengthening of civil society organizations is crucial for them to participate successfully in negotiation, ensure local autonomy, and exert their leadership in the process of managing and building their territories.

In this sense, empowerment of civil society organizations is a goal in itself, but is also a tool to invigorate their networks and social fabric. For empowerment, it is also necessary to create fora in which individuals and groups discuss and negotiate toward creating responsible citizens and realizing democratic society.

This pillar is aimed at facilitating the transition from traditional institutional arrangements to the new ones in which civil society organizations and their local and national networks actively participate in territorial management.

More concretely, the strategic lines under this pillar propose the basic principles, methods and mechanisms that enable diverse groups in territories to identify priority issues for themselves, negotiate ways and means to address them, and build consensus among all parties involved.

Responding to the transformation that the territorial approach is trying to achieve, the institutions at national and local levels should be also transformed and empowered. By doing this, a transition will be sought toward a decentralized and flexible institutional platform that can adapt to the diversity of respective territories. This new platform will take advantage of modern communication technologies to increase efficiency, disclose information, and thereby retrieve trust from social actors in territories.

In sum, the aforementioned transformation seeks to strengthen the networks of civil social organizations in territories, and create and strengthen fora for negotiation at the community, department, sub-region and national levels. It also seeks to create new, diverse options to have the access to public services, promote development, and ensure security. Finally, this transformation should strengthen existing organizations that share common interests in sustainable development of rural territories. Under no circumstances, the strategic lines proposed in this pillar should be understood as ones to create alternative territorial institutions.

B. Major Foundations

In the process of sustainable development, there is a need for individuals to deepen understanding about the issues of territories, and promote transformation of communities and territories. The idea behind this argument is that the sum of small changes at the individual and group levels will eventually lead to the achievement of the vision, the ultimate goal of development.

This type of management is based on planning and negotiation between the national and local levels (top-down and bottom-up), and consensus building among concerned social

actors and development promoters.

The territorial approach requires special efforts to transform policies and institutions, based on collaborative works among public institutions and agencies, inter-disciplinary collaborative works, public-private partnerships, partnerships between the national and local levels, decentralization, and transparency in decision-making processes.

If public institutions are able to adopt more open, responsive and participatory methods, they would be able to overcome current tendencies of paternalism and patronage. On the other hand, the participation of rural people in decision-making processes would enable them to exercise full citizen rights.

Those are prerequisites for the formulation of the strategic lines and activities proposed in the following.

C. Objective

As a preparation to develop appropriate policy and territorial management, this pillar aims to strengthen organizations and networks of actors in territories, strengthen the development process through institutional reforms of the public sector, and develop methods and tools for conflict resolution.

D. Strategic Lines

Strategic Line 1: Set out and implement laws that promote the strategy for DSTR³²² and its various activities in the long-term

1. Establish an inter-institutional coordination mechanism to coordinate and manage the strategy for DSTR. To do so, the existing coordination mechanisms should be utilized. This mechanism must be given the functions to lead the coordination and harmonization of activities of sector ministries and agencies.
2. Strengthen public institutions and private organizations, such as the SIGEST and the Organization for the Promotion of National Competitiveness Strategy (ONPEC in Spanish), and harmonize their approaches with the works of DSTR.

³²² Desarrollo Sostenible de los Territorios Rurales.

3. Promote production activities of small-scale producers by strengthening and consolidating sector policies (e.g., agriculture, taxation, environment, commerce, agroprocessing, aquaculture, and fisheries) and technical assistance for small-scale producers.

Strategic Line 2: Establish, strengthen and consolidate mechanisms to negotiate, arbitrate and settle conflicts among rural producers and enterprises

1. Establish the system of conflict resolution between small-scale producers and corporations and build trust in the system, by reviewing the rules, regulations and procedures of existing community mediation centers in urban areas that have been functioning well, and adapting this functioning system to the socioeconomic conditions of rural territories.

Strategic Line 3: Strengthen legislation concerned with property rights of land, and accelerate the process to enforce them

The proposed activities below aim at strengthening and complementing the activities of the INDERT, MAG and CEPRA, focusing on three priority issues: the access to land, land titling, and settlement. The following activities are proposed.

1. Consolidate, modernize and upgrade the rural cadastre and property registration system.
2. Reassess land use plans to promote the effective and efficient use of settlement lands.
3. Promote sustainable and efficient land management after land titling is normalized (i.e., the official land registration process has been completed).³²³

Strategic Line 4: Legislate and enforce policies and laws to regulate land purchase and sales of land

1. Curb the concentration of land.
2. Protect property rights on public lands of small ethnic communities, and strengthen land management.
3. Improve the access of women to land.
4. Provide opportunities for landless farmers to purchase land.

³²³ The following sub-activities could complement this activity: i) refine methods and processes of tax collection; and ii) establish the information system that compile information about residents, their capabilities and properties in order to implement technical support programs to enhance productivity and quality of production. It is also proposed to conduct a survey of infrastructural services that area available in the settlement areas, such as road networks, production-related infrastructures, schools and health posts.

Strategic Line 5: Strengthen institutions and organizations of district mayor offices to facilitate land distribution and other supplementary activities of INDERT

1. Create a mechanism at district governments to conduct property registration, and maintain registers of land registration.
2. District governments conduct analyses on demand for and supply of land based on the registers of land registration, and support land distribution works of the INDERT.

Strategic Line 6: Establish mechanisms and methods that facilitate cooperation among civil society organizations and other social actors in the decision making process in rural territories

1. Establish and strengthen existing fora for dialogues on territorial development. Facilitate participation in those fora of a broad range of social actors, such as civil society organizations, local cooperatives, and socially vulnerable groups.
2. Promote mechanisms for participatory development and decentralized decision-making on allocation and implementation of public investment (i.e., financing local development plans).

4.6. Strengthening Capacity and Organizations

A. Introduction

The strategy for DSTR sees people as holistic beings. In the implementation process of the strategy, it aims to tackle various issues on living conditions, and improve them in a participatory manner. The proposed strategic lines in the sections below seek to generate new employment and income options, and improve social and spiritual conditions and civil rights of people.

In addition, it seeks to provide opportunities for rural people to grow by themselves and transform their territories to achieve better quality of life.

The extent of development of a territory depends on the readiness of its people, political maturity of their organizations, and the strength of public and private institutions responsible for promoting the welfare of its people. The interactions among and changes of these three forces will realize the transformation process of local governance and stable, safe and sustainable development.

The people in rural areas, their organizations and networks are key components of DSTR, considering that they are responsible for implementing the strategy and, in turn, are also the beneficiaries of the results achieved.

It is therefore vital to establish strategic lines and activities that are focused on improving the following aspects: i) undertake participatory territorial management by shared leadership between local people and the public sector; ii) strengthen productive functions fo rural territories; iii) develop the access to market innovatively; iv) improve capacity for negotiation; and v) ensure transparency through civic participation in public affairs.

Moreover, in the process of implementing those activities, there is a need to disseminate knowledge and information widely and swiftly to diverse social actors in rural territories (children, youth, women, men), and have them take roots n rural areas.

Methodologically, all these activities should use such methods as learning by doing (on-the-job training: OJT), interactive learning and education. The opportunities of learning and growth will be given for rural people through dialogues at every steps of development in the future.

While the strengthening and consolidation of rural actors and civil society organizations deserve

special attention, it is also necessary to take specific measures to strengthen local governments. This practice will facilitate dialogues between them about territorial development, and promote active participation. Knowledge sharing and equal partnership between social actors and the public sector will improve conventional hierarchical structure and one-way learning.

Citizen empowerment will be achieved more quickly and steadily if rural people learn proactively the policies and administration at each step of territorial management.

Participatory planning requires that citizens and civil society organizations are prepared to manage the conflicts that often emerge in the process of reaching consensus. There will be a lasting need of opportunities for citizens to learn methods for conflict resolution.

All the above requires the need of capacity development of individual citizens and civil society organizations on participatory territorial management, and the consensus building on measures to address urgent or short-term issues in territories. Those urgent or short-term issues might include, for instance: i) preventive health campaigns; ii) public works to construct small-scale public facilities; iii) design and implementation of reforestation programs; iv) promotion of religious festivals and local fairs; or (v) actions to prevent natural disasters.

B. Roles of Axes

Against the above background, the axes must be designed and arranged so as to fulfill several roles such as follows: a) guide the contents and methods of various strategic lines; b) serve as instruments to give coherence to the pillars; c) serve for other ongoing programs by complementing and harmonizing them; and d) coordinate with various concerned institutions on important issues, such as education, human resource development, dissemination, applied research, organizational management, public safety, among others.

Keeping in mind the roles of the axes above mentioned, the following three axes are proposed: i) develop human resource; ii) strengthen civil society organizations; and iii) improve information and knowledge management. Each axis consists of a set of strategic lines that ensure the orientation of thematic contents, participatory methods, and transparent and collaborative processes that cut across the implementation of all four pillars.

4.6.1 Develop Human Resource

This axis aims to enhance the talents, capacities and abilities of social actors to perform their functions in social and productive organizations.

A. Major foundations

The strategic lines proposed here aim to strengthen effective participation of civil society organizations in territorial management, establish constructive partnership between civil society organizations and public institutions, negotiate issues on territorial management on equal footing, and thereby contribute to the formation of active, creative and innovative civil society.

Besides, the changes in the labor market, particularly in labor demand, will require new capacity and skills other than those for traditional occupations such as agriculture and livestock. Foreseeing the expected changes in labor demand, there will be a need to acquire new capacity and skills for professional works that have not been needed in rural areas.

B. Strategic Lines

The strategic lines and activities under this axis are proposed in the following.

Strategic Line 1: Develop education programs on DSTR through cooperation of Ministry of Education and Culture with the other ministries and agencies in charge of DSTR

1. Formulate and implement pilot projects on the topics such as: i) improve the curriculum related to DSTR; ii) implement a project on school farms; iii) strengthen programs that promote multi-culturalism, including bilingualism; and iv) establish support units for student entrepreneurs to incubate and nurture small- and micro-enterprises in rural territories. As a starting point, make use of existing infrastructure and technical capacity in schools, colleges, technical colleges and universities.

Strategic Line 2: Strengthen human resource development programs on participatory territorial management and DSTR for civil society organizations, public sector institutions, and private sector organizations and associations

1. Conduct a study to identify ongoing human resource development (HRD) activities on DSTR, and work in partnership with them to articulate the concepts and methods of

DSTR toward the same direction. Evaluate the possibility of concentrating these activities in the hands of universities, cooperatives, or NGOs.

2. Align and upgrade the methods and contents of HRD programs on DSTR at education institutions in territories, by establishing networks among education institutions in territories and sharing experiences each other.

Strategic Line 3: Develop training programs on business management for small-scale producers and firms

1. Design practical learning programs on business management, including OJT, taking advantage of management experiences of small- and micro-enterprises in rural areas.

Strategic Line 4: Formulate action plans to improve capacity and skills of labor force under informal employment

Strategic Line 5: Design and implement pilot projects on innovation and learning about DSTR

1. Establish a network consisting of micro- and small-enterprises, NGOs, universities, schools, and MAG, and conduct pilot projects on issues such as: i) applied research; ii) training; iii) dissemination of information and technology; and iv) dissemination of clean technologies that can be applied for production, households and community.

Strategic Line 6: Design and implement re-training programs for workers in order to adjust and respond to changing productive activities and required capacity and skills for them

1. Conduct participatory diagnosis, and assess the current situations, on the labor market of territories in partnership with universities, district governments, and the private sector. Based on this diagnosis, identify new profiles of human resources required by the changes in labor supply and demand which have been caused by the changes in productive activities and forms, and other factors.
2. Based on the diagnosis, develop and implement the training programs for professionals in the areas identified;
3. Establish an information network system on employment at district governments in order to grasp the situations of labor demand and supply, with the participation of public institutions, the private sector, and universities.

4.6.2 Strengthen Civil Society Organizations

The formation of active networks of civil society organizations will prepare the ground for true democracy, and citizens will fulfil their duties and fight for their rights in order to advance sustainable development.

The well-balanced relationships between the state and civil society will contribute to the realization of good and autonomous governance, and enable the state to regulate markets to protect the interests of civil society as a whole.

This axis aims to promote citizen participation so as to strengthen constructive partnerships between the public sector and civil society organizations. Moreover, it aims to ensure democratic development processes through transparent dialogues between various state institutions and civil society organizations.

A. Major Foundations

The guiding principle of this axis is to respect the autonomy and diversity of civil society organizations that do not advocate or practice discrimination or paternalism. The definition of civil society organizations should therefore be as broad as permitted by regulations by the state.

B. Strategic Lines

The following strategic lines and activities are proposed.

Strategic Line 1: Strengthen civil society organizations

1. Establish training and dissemination programs for men and women on the topics such as: labor rights; choice of employment; and services (health, education and justice).
2. Strengthen gender and youth programs with involvement and participation of civil society organizations and other concerned institutions.

Strategic Line 2: Establish financing mechanisms for civil society organizations

1. Establish funding mechanisms that are mandated exclusively to strengthen civil society organizations in rural areas at the national and district levels.
2. Establish institutional mechanisms at the national and district level to finance small- and micro-enterprises managed by civil society organizations.

Strategic Line 3: Strengthen public institutions in charge of providing support to strengthen civil society organizations

1. Establish and strengthen programs of district governments that are aimed to strengthen the management process of civil society organizations of women, youth and children (e.g., production, health, nutrition), as part of new mechanisms for DSTR.
2. Establish and strengthen programs that are aimed to strengthen and modernize public sector institutions by internalizing the concepts, methods and skills to strengthen the management process of civil society organizations.

Strategic Line 4: Adjust and expand policies and institutions to strengthen civic participation in DSTR

1. Review and strengthen policies that are concerned with civic participation, with a view to enabling citizens to participate in the decision-making process.
2. Review the structure, methods and procedures of laws such as Municipalities Act³²⁴ to broaden and deepen civic participation in territorial management.

4.6.3 Improve Information and Knowledge Management

From the perspective of fairness, promoting equal access to information is one of the critical prerequisites to improve the living conditions of rural people. The use of information and communication technology (ICT), which has been developing rapidly, will help improve the access to information of rural people. Indeed, the use of digital media will open up new opportunities for communication, information sharing and exchange, and participation. This alone would not eliminate the isolated conditions of people in remote rural areas, and yet will at least help share information in a timely manner.

This axis in the DSTR strategy is aimed to promote the equal access to, and open exchange of, the information and knowledge on issues such as health, recreation, childbirth and religion, aiming to improve the quality of life of rural people.

³²⁴ Ley de Municipalidad.

A. Major foundations

To achieve the DSTR, there is a need to motivate people to share information, generate new knowledge and know-how collaboratively, and promote interactive learning. This is to promote the situations in which everybody can learn and teach at the same. This approach has been generated by both theory and practice of numerous people, and therefore can be seen as a method to build the future through collaborative work.

B. Strategic Lines

The strategic lines proposed in the following are aimed to achieve the objectives of this axis and complement and reinforce each other.

Strategic Line 1: Improve management to receive and send information about various programs for communities implemented by the public sector, and situations (issues and ways to address them) of communities

1. Establish websites in district governments, schools, colleges or other public entities, and enable rural people to receive, send, and share information, experiences and knowledge.
2. Use websites to monitor the implementation of programs and projects under the strategy for DSTR, and facilitate social audit.

Strategic Line 2: Enable a large number of residents to have the access to information using various tools for communication

1. Utilize educational facilities, such as schools, colleges, agricultural colleges and universities to provide information to the civil society.³²⁵
2. Disseminate information through the communication media available in territories, such as mobile phone, internet, and radio.³²⁶

Strategic Line 3: Utilize effectively the information and know-how that research and education sectors have

³²⁵ The information to be provided may include, for example: i) support to strengthen civil society organizations; ii) production-related information; iii) nutrition and basic health; iv) preventive medicine for mothers and children; v) small- and micro-enterprise management; (vi) solid waste management; (vii) disaster prevention related to global climate change.

³²⁶ The MAG implemented a program to disseminate information about market prices of agricultural products via mobile phone. This program should provide useful lessons and insights for further articulation of this strategic line. In the case of radio communication, a sub-activity could be to strengthen rural radio networks as a tool to disseminate bilingual information to rural communities.

1. Establish a virtual school that connects among local universities and between rural and urban schools, and strengthen the exchange of information and experiences, and the access to new knowledge and know-how.
2. Strengthen applied research and education programs that link educators, students, communities, communities, the private sector and the public sector.³²⁷
3. Promote the creation of networks for development among universities.
4. Establish information networks among research institutions, cooperatives, civil society organizations and churches to strengthen information and knowledge management.

Table 4.5-1 Four pillars and their strategic lines

Rural economy
<ol style="list-style-type: none"> 1. Provide technical support for small- and médium-scale producers for agricultural development 2. Promote entry and participation of small-scale producers into value chain 3. Strengthen small-scale enterprises through easing access to necessary services 4. Develop and maintain infrastructure to strengthen competitiveness in territory
Diversity of society and culture
<ol style="list-style-type: none"> 1. Strengthen cooperation among civil society organizations for rural development 2. Institutionalize formal and informal mechanisms that help restore and reassess diverse cultural knowledge and tradition 3. Provide places or forums for employment and recreation that will promote settlements in rural territories 4. Equip and improve multi-purpose facilities for provision of basic services that are articulated to address local needs and characteristics.
Utilization and respect for environment
<ol style="list-style-type: none"> 1. Combine, and plan to achieve, agriculture, global climate change, forest, and rural development simultaneously, in order to achieve effective sustainable development in production, environment and society. 2. Strengthen capacity of the agricultural sector to alleviate negative effects of global climate change. 3. Raise awareness among citizens about management and conservation of environment. 4. Promote the types of agriculture that are environmentally sound and help conserve environment. 5. Promote utilization of renewable energy. 6. Promote enforcement of laws and regulations to support formulation of land use plans. 7. Promote activities that match rural development with afforestation projects.
Policies and institutional frameworks for participatory development
<ol style="list-style-type: none"> 1. Set out and implement laws that promote the strategy for DSTR and its various activities in the long-term. 2. Establish, strengthen and consolidate mechanisms to negotiate, arbitrate and settle conflicts among rural producers and enterprises. 3. Strengthen legislation concerned with property rights of land, and accelerate the processes to enforce them. 4. Legislate and enforce policies and laws to regulate land purchase and sales of land. 5. Strengthen institutions and organizations of district mayor offices to facilitate land distribution and other supplementary activities of INDERT. 6. Establish mechanisms and methods that facilitate cooperation among civil society organizations and other social actors in the decision making process in rural territories.

³²⁷ This program will enhance the creativity of teachers and students, facilitate collection of information and know-how, and disseminate and receive information and knowledge to and from their communities.

Table 4.5-2 Three axes and their strategic lines

Develop human resource
<ol style="list-style-type: none">1. Develop education programs on DSTR through cooperation of Ministry of Education and Culture with the other ministries and agencies in charge of DSTR.2. Strengthen human resource development programs on participatory territorial management and DSTR for civil society organizations, public sector institutions, and private sector organizations and associations.3. Develop training programs on business management for small-scale producers and firms.4. Formulate action plans to improve capacity and skills of labor force under informal employment.5. Design and implement pilot projects on innovation and learning about DSTR.6. Design and implement re-training programs for workers in order to adjust and respond to changing productive activities and required capacity and skills for them.
Strengthen civil society organizations
<ol style="list-style-type: none">1. Strengthen civil society organizations.2. Establish financing mechanisms for civil society organizations3. Strengthen public institutions in charge of providing support to strengthen civil society organizations4. Adjust and expand policies and institutions to strengthen civic participation in DSTR.
Improve knowledge and information management
<ol style="list-style-type: none">1. Improve management to receive and send information about various programs for communities implemented by the public sector, and situations (issues and ways to address them) of communities.2. Enable a larger number of residents to have access to information, using various tools for communication.3. Utilize effectively the information and know-how that research and education sectors have.

5. Differentiating Strategy by Sub-Region

5.1 Methodology Adopted

The strategy for each sub-region was developed for the four dimensions based on the strategies described in Chapter 4 “*Approaching a New Strategy*,” and mainly considering the weaknesses identified in the workshops held in each territory. However, it should be noted that for every five weaknesses identified and prioritized for each dimension, an analysis was carried out and resulted in the regrouping, merger or separation of them to facilitate understanding and avoid duplication.

Strategic lines and specific activities were not defined in a plenary session. However, the JICA Study Team for EDRIPP came up with some alternatives in consideration of the realities of the territory, the recommendations in other studies and the interviews. The study team always did its best to respect the views expressed during the workshops and the interests of the local actors.

This work methodology has been used for the four sub-regions and the four territories, and the different dimensions analyzed.

It is noteworthy that, prior to the formulation of the ideas of strategic lines and specific activities, the values that inspire and direct the behavior of the inhabitants of the areas studied were identified, and a sense of vision was developed from the elements presented by the local actors for achieving the goals.

A vision has been developed in consideration of the following aspects.

- ⇒ **Administrative decentralization and democratic governance:** efficient and transparent authorities that give timely and effective responses to the citizens and an organized civil society that enjoys freedom and rights
- ⇒ **Quality of life:** improved income, health, education, employment and public safety for all men and women regardless of social class, national origin, ethnicity, or religion
- ⇒ **Comprehensive sustainable development with fairness:** economic growth and social and cultural development, with equality and inclusion of all citizens in the social, economic, political and cultural areas, and the sustainable use of natural resources in an environmentally friendly manner
- ⇒ **Clean, competitive and supportive production:** zoned and planned production according to the market in order to strengthen the integration of family farming into production chains, create synergy and cooperation between the different parties and add values to production

through industrialization. In this context, the appropriate recycling of waste products and waste management is essential.

5.2 Sub-Region 1

The sub-region 1 consists of three departments in the Eastern Region: Concepción, Amambay and Ñeembucú.³²⁸

The sub-region 1 is less developed than the other ones identified. It includes the departments with the smallest population and the lowest population density in the Eastern Region. It also has a high percentage of rural population, deficiencies in infrastructure and a low level of financial activity. These characteristics are associated with extensive production activities, especially cattle raising, which is the main economic activity in this sub-region. It also has the lowest Human Development Index (HDI) of the sub-regions identified. Compared with the other sub-regions, the sub-region 1 has the smallest area of agricultural land, the lowest land tax value and the lowest indicators in terms of infrastructure (paved roads, electricity and water).

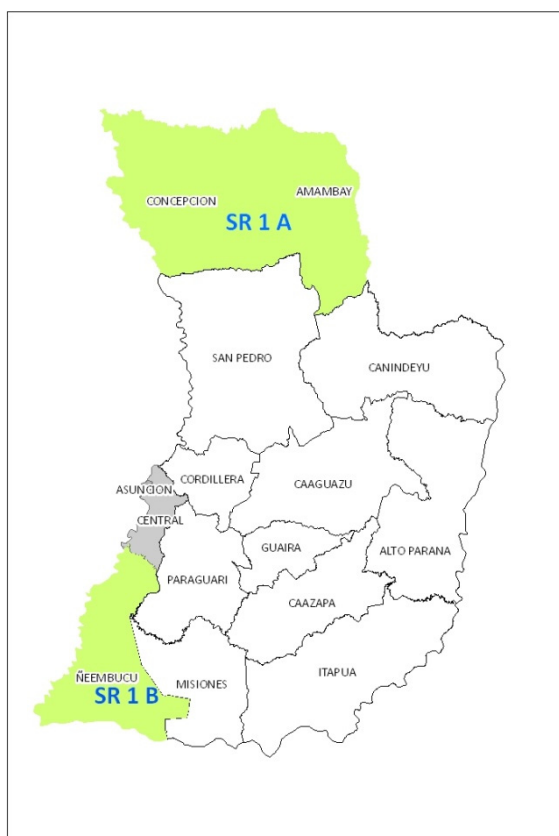


Figure 5.2-1 Sub-Region 1

Overcoming the major problems that limit the development of the sub-region, which are mentioned below, is a central challenge for its inhabitants. The strategic lines defined in this chapter are intended to guide the actions for this purpose.

³²⁸ To carry out the participatory workshops of the sub-region, the sub-region 1A has been considered, which includes Concepción and Amambay; and Sub-region 1B, Ñeembucú.

Table 5.2-1 Major Weaknesses for Each Dimension of Sub-Region 1

Economic-Productive Dimension	Socio-Cultural Dimension
<ul style="list-style-type: none"> • Limited access to credit for family farming • Low coverage and quality of agricultural extension • Lack of suitable production technologies for the region and reduced fertility of agricultural soil • Rural roads in poor condition • Low profitability and competitiveness of the productive units of family farming 	<ul style="list-style-type: none"> • High migration of young people, uprooting, and aging rural population • Low participation and empowerment of the members of organizations • Insecurity in rural and urban areas • Low quality of education and a curriculum that do not suit the characteristics of the territory • Very distant schools
Environmental Dimension	Political-Institutional Dimension
<ul style="list-style-type: none"> • Weak institutions for implementing environmental regulations • Pollution of water resources by the indiscriminate use of agrochemicals • Low awareness for managing and recovering natural resources • Difficult or no access to development loans for sustainable production, conservation and recovery of natural resources • Destruction of wildlife habitats • Poor promotion of activities related to eco-tourism • Fragile wetland ecosystems 	<ul style="list-style-type: none"> • Low coverage of basic services • Lack of effective administrative decentralization • Weakness of local institutions: corruption, politicization of institutional programs, bureaucracy • Departmental and municipal institutions that do not promote a dialogue with civil society • Rural land registry and tax value of rural properties not upgraded

Source: Workshop on formulation of strategies for the sub-region 1. EDRIPP. March, 2011.

5.2.1 Values and Vision

The values that inspire and direct the behavior of the inhabitants of this sub-region stress the importance of responsibility, respect, honesty, love of country and territory.

In line with Vision 2030 in the Eastern Region, the vision proposes:



Vision 2030 - Sub-region 1

A Sub-region with democratic governance in which all the citizens with different social, cultural or ethnic origin, improve their quality of life by joining forces to achieve a sustainable development through competitive and clean agricultural, livestock and industrial production, to be developed keeping the balance between nature- technology-man, and protecting and enhancing their natural resources and their ecological reserves.

5.2.2 Strategic Lines

The following are the strategic lines in the four dimensions.

A. Economic-Productive Dimension

Promote the creation and implementation of appropriate credit lines for family farming.

The credit lines will have rates, terms, purpose and other conditions to promote competitive production. The creation of a loan guarantee fund for small family farmers to access more suitable credits will be promoted. It will be important to take into consideration the successful experiences of other countries.

Create new rural extension mechanisms aimed at the stages of primary and secondary production and marketing with a differentiated attention for family farming. The leadership of cooperatives and producer associations will be promoted in the organization and financing of the extension system, strengthening rural extension programs in agricultural schools, and taking advantage of the availability of agricultural schools in the territory to implement extension programs.

Promote technologies adapted to the region and promoting productive activities taking into consideration local potentials. Identify and validate technologies adapted and appropriate for the region; and extend and disseminate sustainable techniques of soil improvement and recovery. Adapt the curriculum of the School of Agricultural Sciences and incorporating technologies adapted to the region.

Promote inter-agency coordination for road maintenance.

The MOPC, and department and district governments will work in close coordination to maintain the road infrastructure, with the participation of civil society organizations. Likewise, they will work in order to achieve the strengthening of the role of local governments in the maintenance of rural roads; promote participatory management of the Commissions/Neighborhood Councils and Municipalities; create a revolving fund for small infrastructure rehabilitation works.

Encourage inclusion of family farming into value chains and strengthen its competitiveness.

Table 5.2-2 Strategic Lines of the Economic-Productive Dimension for Sub-Region 1

N°	Weakness	Strategic Lines	Specific Activities
1	Limited access to credit for family farming	Promote the creation and implementation of appropriate credit lines for family farming	Create a credit guarantee fund for family farmers
2	Low coverage and quality of agricultural extension	Create new rural extension mechanisms aimed at the stages of primary and secondary production and marketing with a differentiated attention to family farming	Promote the leadership of cooperatives and producer associations in organizing and financing the system
			Strengthen rural extension programs in agricultural schools
			Take advantage of the availability of agricultural schools to implement extension programs
3	Lack of suitable production technologies for the region and reduced fertility of agricultural soils	Promote technologies adapted to the region and encouraging productive activities considering the local potential	Identify and validate adapted technologies suitable for the region
			Extend and disseminate sustainable techniques of soil improvement and recovery
			Adapt the curriculum of the School of Agricultural Sciences to the reality of the area
4	Rural roads in poor condition	Promote inter-agency coordination for road maintenance	Strengthen the role of local governments in the maintenance of rural roads
			Encourage the establishment of strategic alliances between the MOPC, the municipalities and civil society representatives
			Strengthen participatory management of the committees/Neighborhood Associations and Municipalities
5	Low profitability and competitiveness of the productive units of family farming	Encourage inclusion of family farming into value chains and strengthen its competitiveness	Promote production planning in relation to market demand
			Technical assistance, training and education as a means of accessing technology
			Organize small producers to give them power of representation, proposal and management association

B. Socio-Cultural Dimension

Re-assess agriculture and rural life. Promote awareness campaigns for institutions and mass media on the importance of rural farming sector and rural agriculture. Educators' awareness will be particularly important in considering their leading role in educating children and youth.

Consider rural youth as strategic actors for development of family farming. Programs will be promoted to encourage rural youth to be proactive and entrepreneurial with a positive image of agriculture and the rural world.

Strengthen social capital through motivating and training the members of organizations.

The aim is to promote associations by emphasizing the importance of aspects related to effective and efficient empowerment, handling information, inclusion and participation, reporting and the operation of the organization itself; promote community participation and the recovery of socio-cultural practices that strengthen community work.

Promote local public safety commissions. These commissions will be responsible for identifying problems related to insecurity in rural and urban areas, and related to crime increase; deliver complaints to the proper authorities and reach agreements with them; take timely actions, always working in close coordination with municipalities, the public prosecutor’s office and the civil society. Also, major manufacturers will be committed to supporting family farmers by means of knowledge transfer, using their influence and implementing educational and civic organization programs.

Develop proposals and promote initiatives to integrate and coordinate the provision of secondary education, with special emphasis on technical and vocational education.

Implement new mechanisms to facilitate the access of children to schools. Facilitate the access of children to school by implementing school transportation system for residents in remote communities, and increase the construction and operation of institutions with adequate allocation of human resources, infrastructure and equipment for teaching.

Table 5.2-3 Strategic Lines of Socio-Cultural Dimension for Sub-Region 1

N°	Weakness	Strategic Lines	Specific Activities
1	High migration of young people, uprooting, and aging of rural population	<i>Reassess agriculture and rural life</i>	Promote awareness campaigns for institutions and mass media on the importance of rural farming sector and rural agriculture.
		<i>Consider rural youth as strategic actors for the development of family farming</i>	Promote capability and skill building programs for rural youth Create conditions and undertakings for employment and rural work for the youth and for women
2	Low participation and empowerment of members of organizations	<i>Strengthen social capital through motivation and training of members of organizations</i>	Develop training programs to achieve organization empowerment and leader training
			Support initiatives that promote community participation and the recovery of socio-cultural practices

N°	Weakness	Strategic Lines	Specific Activities
3	Insecurity in rural and urban areas	Promote local public safety commissions	Design social accountability and public safety mechanisms among producers of business agriculture and family farming
			Organize coordination meetings at a territory level with the municipalities, the public prosecutor's office and the civil society
			Implement Programs for Education and Civic Organization, share experiences with other towns in relation to specific crimes, complaints and others
4	Low quality of education and curriculum is not oriented to the characteristics of the territory	Develop proposals and promote initiatives to integrate and coordinate the provision of secondary education, with special emphasis on technical and vocational education	Promote the creation of a inter municipal network with educational instances and private sector support
			Implement professional training programs, technical programs and/or middle management careers, take diversity and multiculturalism into account
			Implement corporate social responsibility initiatives for internships and first job programs
5	Very distant schools	Implement new mechanisms to facilitate the access of children to schools	Implement school transportation systems for residents in remote communities

C. Environmental Dimension

Strengthen the capacity of public institutions and civil society organizations for adequate implementation of environmental regulations. Under the guidelines of the *National Environmental Policy*, include all the actors involved in environmental issues and encourage the creation and/or strengthening of inter-agency coordination bodies as a specific measure in the approach to rural development; focus on environmental sustainability, and citizen surveillance to ensure compliance with environmental regulations.

Promote the implementation of a policy of integrated management of water resources. Ensure fair and sustainable use in the territory. Carry out awareness campaigns in mass media about the effects of indiscriminate use of agrochemicals.

Promote environmental awareness of citizens in general. Promote the design and implementation of awareness programs, training and proper management of natural resources (water, soil, forests) for a healthy environment, intended for neighborhood leaders, indigenous groups, farmers and social organizations; raise concerns about environmental issues in the formal education in elementary and high schools and other educational institutions, in line with the education reform.

Promote the creation and implementation of credit lines for the conservation and recovery of natural resources, and integrate it to sustainable production plans. Seek to include the identification and strengthening of the management capacity of the financial institutions that provide funding for programs of recovery and conservation of natural resources.

Promote the conservation of biodiversity. Promote the design and implementation of territorial land use plans in the areas of high ecological values and vulnerability; promote awareness campaigns for the protection of wildlife through the media, and create effective mechanisms for reporting destructive acts.

Promote eco-tourism activities at territory level. Improve public infrastructure services of the territory in potential places of interest, and design guidelines and tour maps that include attractions and services.

Develop a territorial land use plan in Ñeembucú for wetland conservation.

Table 5.2-4 Strategic Lines of the Environmental Dimension for Sub-Region 1

N°	Weakness	Strategic Lines	Specific Activities
1	Institutional weakness for the implementation of environmental regulations	<i>Strengthen the capacity of public institutions and civil society organizations for the adjustment and implementation of environmental regulations</i>	Create and/or strengthen inter-agency coordination bodies in the approach to rural development with a focus on environmental sustainability
			Promote the participation and citizen surveillance to ensure compliance with environmental regulations
2	Pollution of water resources by the indiscriminate use of agrochemicals	<i>Promote the implementation of a policy of integrated management of water resources in the sub-region to ensure fair and sustainable use</i>	Promote hydrologic basin management as geographical units to expand environmental management
			Promote the control, use and management of defense policies for the conservation of natural resources, with emphasis on water resources
3	Low awareness for the recovery and management of natural resources	<i>Promote environmental awareness of citizens in general</i>	Promote the design and implementation of awareness programs, training and proper management of natural resources, directed to neighborhood leaders, indigenous groups, farmers, communities and social organizations
			Reinforce the concern for environmental issues in formal education
			Promote the coordination and partnerships with institutions responsible for law enforcement, to comply with environmental regulations, create and enhance synergies

N°	Weakness	Strategic Lines	Specific Activities
4	Difficult or no access to development loans for sustainable production, conservation and recovery of natural resources	Promote the creation and implementation of credit lines for the conservation and recovery of natural resources, and integrate it to sustainable production plans	Identify and strengthen the management capacity of financial institutions that provide funding for programs of recovery and conservation of natural resources
5	Destruction of wildlife habitats	Promote the conservation of biodiversity	Design and implement territorial planning in areas of high ecological value and vulnerability
			Promote awareness campaigns on the protection of wildlife through the media
			Create effective report mechanisms of destructive acts that affect biodiversity ³²⁹
6	Poor promotion of eco-tourism related activities	Promote eco-tourism activities at territory level	Improve public infrastructure services of the territory in potential places of interest
			Design guides and tour maps that include attractions and services (available on website)
7	Fragile wetland ecosystems	Promote the development of a territorial land use plan of Ñeembucú for wetland conservation	Promote the identification of hydrologic basins, of the buffer zones, of the reserve and of the use of the region
			Design and implement wetland conservation and recovery actions

D. Political-Institutional Dimension

Expand the coverage of basic services in the territory effectively, thus promote the involvement of municipalities. Design and implement gradual mechanisms of administrative decentralization.

Raise awareness of the importance of effective decentralization of the territories.

Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario.

This is meant to promote the following: the professionalization of the local public service; the creation of fair and efficient mechanisms for the selection of public servants, and mechanisms for transparency, accountability and social control.

Exploit the potentials of the existing organizations and institutions in the territory.

Establish clear definitions of autonomy, competence, complementarities and means of coordination between levels of governments, and develop and implement mechanisms for inter-institutional coordination and cooperation through covenants, letters, agreements, and others.

³²⁹ One possible measure will be enabling a direct free number to file a report.

Strengthen citizen participation. Aim at creating spaces and mechanisms for debate and agreement, so that the representatives of civil society organizations may present their problems and consider possible solutions; promote the access of the civil society to government entities in order to create governing agencies; adopt participatory methodologies for program and project management, and create social control mechanisms to monitor and evaluate public programs.

Improve public access to information about public programs and services. Design and implement communication strategies aimed at the general population; disseminate the objectives of public programs and projects, their procedures and the conditions for access to beneficiaries.

Create a municipal mechanism of property registry that is agile, legal and accepted nationwide.

For its design, the Ministry of Finance, INDERT and the district governments will work in a coordinated manner. The modernization and development of administrative and organizational capacities of district governments will be promoted.

Table 5.2-5 Strategic Lines of the Political-Institutional Dimension for Sub-Region 1

N°	Weakness	Strategic Lines	Specific Activities
1	Low coverage of basic services	<i>Expand the coverage of basic services in the territory effectively by promoting the involvement of municipalities</i>	Design and implement gradual mechanisms of administrative decentralization
			Design participatory policies and instruments on the reality and necessity of the territory
2	Lack of effective administrative decentralization	<i>Raise awareness of the importance of effective decentralization of the territories</i>	Conduct awareness campaigns at all levels about the importance of effective decentralization of the territories
			Design and implement gradual mechanisms of administrative decentralization
3	Weakness of local institutions	<i>Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario</i>	Professionalize the civil service, and selection mechanisms of civil servants
			Create mechanisms for transparency, accountability, social auditing, code of ethics for civil servants
			Institutionalize civil society's access to government entities in order to create governing agencies
		<i>Exploit the potentials of the existing organizations and institutions in the territory</i>	Establish clear definitions of autonomy, competence, complementarities and means of coordination between levels of government
Develop and implement mechanisms for inter-institutional coordination and cooperation using covenants, letters, agreements and others			

N°	Weakness	Strategic Lines	Specific Activities
4	The departmental and municipal institutions do not create a favorable atmosphere for dialogue with civil society	<p><i>Strengthen citizen participation</i></p> <p><i>Improve public access to information about public programs and services</i></p>	<p>Create spaces and mechanisms for dialogue and cooperation between public institutions and citizens, inter-and intra-institutional, that capture, process and operationalize the needs through coordination boards, public hearings, and debate forums</p> <p>Institutionalize civil society access to government entities to create governing agencies</p> <p>Promote legitimate and committed leadership</p> <p>Adopt participatory approaches for program and project management</p> <p>Design communication strategies aimed at the general population, disseminate the objectives of public programs and projects, their procedures and the conditions for access for beneficiaries</p>
5	Rural land registry and tax value of rural properties not upgraded	<p><i>Create a municipal mechanism of property registry that is agile, legal and accepted nationwide</i></p>	<p>Establish a window for receiving applications for registration of properties in the municipalities in coordination with INDERT</p> <p>Computerize rural land registry with the required allocation of specialized human resources and financial resources</p>

5.3 Sub-Region 2

The sub-region 2 is formed by the departments of the Eastern Region: Cordillera, Guaira, Misiones and Paraguari.

The population of the departments in this sub-region is formed by traditional farmers, combining the production of commodities for self-consumption and income generation. It has districts with a majority of small holdings and overexploited land since the early historic settlements in the Eastern Region, which coexist with other districts where land exploitation is already mechanized. The departments are relatively close to the capital Asunción, with relatively better access to government services and infrastructure. This sub-region is characterized by a higher socio-economic development, the highest HDI, the lowest Gini coefficient and poverty levels below the average in the Eastern Region. This sub-region has greater development of agribusiness, especially in Guaira, where the sugar cane complex is located.

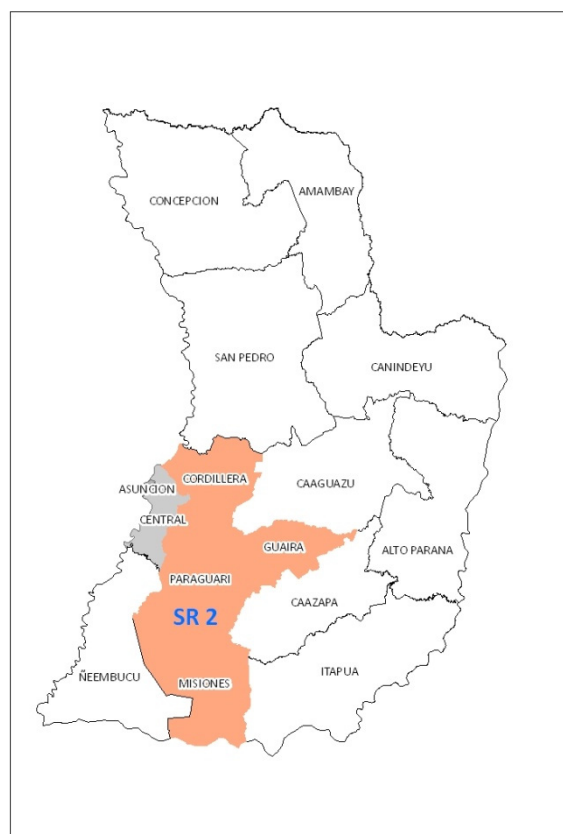


Figure 5.3-1 Sub-Region 2

The major problems that prevent the development of this sub-region are presented below. The strategic lines proposed are intended to guide the actions to be taken for this purpose.

Table 5.3-1 Major Weaknesses for Each Dimension of Sub-Region 2

Economic-Productive Dimension	Socio-Cultural Dimension
<ul style="list-style-type: none"> Limited access to credit for family farming Low coverage and quality of agricultural extension Lack of regional food markets Low adoption of technologies in family farming Little development of marketing and trading power 	<ul style="list-style-type: none"> The educational curriculum is not adjusted to the reality of the territory and lack of technical careers Low management capacity of the organizations and little empowerment of its members High migration of rural youth, uprooting and family disintegration Insecurity in rural and urban areas
Environmental Dimension	Political-Institutional Dimension
<ul style="list-style-type: none"> Institutional weakness to implement public policies for enforcing environmental regulations Advancement of forest destruction due to the change in land use Degradation of water resources Lack of awareness of the public on environmental regulations 	<ul style="list-style-type: none"> Weak local institutions: corruption, impunity and low capacity of public officials Lack of effective decentralization Insufficient attention to gender, age and ethnicity differences

Source: Workshop on formulation of strategies for Sub-region 2. EDRIIP. March, 2011.

5.3.1 Values and Vision

The values that inspire and direct the behavior of the inhabitants of this sub-region include: honesty, responsibility, respect, solidarity, and discipline. In line with Vision 2030 of the Eastern Region, the following vision is proposed:



Vision 2030 - Sub-region 2

A Sub-region with an honest and solidary society, with more efficient, transparent and participatory decentralized local governments and institutions, with a population with equal opportunities for men and women, that has reached well-being thus overcoming poverty and reducing rural migration, through the development of sustainable, competitive and inclusive production, and in harmony with the environment.

5.3.2 Strategic Lines

A. Economic-Productive Dimension

Promote the creation and implementation of appropriate credit lines for family farming.

The credit lines will have rates, terms, purpose and other conditions to promote competitive production. The creation of a loan guarantee fund for small family farmers will be promoted, so that they can access more suitable credits. Design financial instruments for family farming in order to allow decreasing risks and dealing with weather changes³³⁰ and market variations.

Create new rural extension mechanisms focusing on the stages of primary and secondary production and marketing with a differentiated attention on family farming. Promote the leadership of cooperatives and producer associations to organize and finance an extension system; strengthen rural extension programs in agricultural schools, and take advantage of the availability of agricultural schools in the territory to implement extension programs.

Promote the marketing of the production in the local market. Create a supply market in line with the productive characteristics of the territories of the sub-region, and strengthen local markets.

Share techniques for improving sustainable and low-cost productivity. Include the creation of funds at municipal and public entities to promote the recovery of soils.

Strengthen the power of family farmers for marketing and trading. Improve family farmers' access to market information in a timely and permanent manner. This will strengthen the producer's negotiating skills with the industry, and will create opportunities for business management advice.

Table 5.3-2 Strategic Lines of the Economic-Productive Dimension for Sub-Region 2

N°	Weakness	Strategic Lines	Specific Activities
1	Limited access to credit for family farming	<i>Promote the creation and implementation of appropriate credit lines for family farming</i>	Create a credit guarantee fund for Family Farmers
			Design tools to reduce weather change risk, such as crop insurance
2	Low coverage and quality of agricultural extension	<i>Create new rural extension mechanisms for the stages of primary and secondary production and marketing with a differentiated attention for Family Farming</i>	Promote the leadership of cooperatives and producer associations to organize and finance the system
			Strengthen rural extension programs in agricultural schools
			Take advantage of the availability of agricultural schools for the implementation of extension programs

³³⁰ Addressing climate change and its effects on agriculture, instruments such as crop insurance will be designed.

N°	Weakness	Strategic Lines	Specific Activities
3	Lack of Regional Supply Markets	Promote marketing of the production in the local market	Install a supply market in line with the productive characteristics of the territories of the sub-region
			Promote the strengthening of local markets
			Promote Voisin Rational Grazing (VRG) instead of conventional grazing
			Promote the creation of funds at municipal and public entities to promote the recovery of soils
5	Little development of marketing and trading power	Strengthen family farmers trade power and market access	Promote the development of marketing and trading training programs
			Create opportunities for advice on business management, as an initiative of the department governments or the central government
			Develop a system of market information in a timely and ongoing manner

B. Socio-Cultural Dimension

Re-value agriculture and rural life. Raise awareness among teachers of their leading role in the education of children and youth; and promote the effective participation of the school community (principal, teachers, children, parents) in efforts to revalue the importance of rural farmers and agriculture.

Develop proposals and promote initiatives to integrate and coordinate the provision of secondary education, with special emphasis on technical and vocational education. Strengthen teacher training and update skills permanently, and adjust the curriculum to the characteristics and needs of each territory and its population.

Strengthen social capital through motivating and training the members of the organizations. Promote the importance of aspects related to effective and efficient empowerment, handling of information, inclusion and participation, accountability and the operation of organizations themselves; promote community participation and the recovery of socio-cultural practices that strengthen community work, such as the *minga* culture.

Consider rural youth as strategic actors for the development of family farming. Promote programs to encourage rural youth and women to be proactive and entrepreneurial with a positive image of agriculture and the rural world; generate adequate conditions for investment and creating employment.

Promote local public safety commissions. These commissions will be responsible for identifying problems related to insecurity in rural and urban areas and the increase in crime, reporting to the appropriate authorities and agreeing with them, taking appropriate actions, always working in close coordination with district governments, the public prosecutor's office and the civil society. Also, major manufacturers will make a commitment to family farmers to transfer their knowledge, use their influence and implement educational and civic organization programs.

Table 5.3-3 Strategic Lines of the Socio-Cultural Dimension for Sub-Region 2

N°	Weakness	Strategic Lines	Specific Activities
1	The educational curriculum is not adapted to the reality of the territory and it lacks technical careers	<i>Re-value agriculture and rural life</i>	Promote effective participation of the school community (principal, teachers, children, parents) in efforts to revalue the importance of rural farming and agriculture
			Train and update teachers in education for change
		<i>Develop proposals and promote initiatives to integrate and coordinate the provision of secondary education, with special emphasis on technical and vocational education</i>	Promote the preparation of an inter-municipal network focused on education and with private sector support
			Implement professional training programs, technical programs and/or careers, taking diversity and multiculturalism into account
		Implement corporate social responsibility initiatives for internships and first job programs	
2	Low participation and empowerment of members of organizations	<i>Strengthen social capital through motivating and training the members of the organizations</i>	Develop training programs aimed at achieving the empowerment of organizations and leadership training
			Support initiatives that promote community participation and the recovery of socio - cultural practices
3	High migration of young people, uprooting, and family disintegration	<i>Consider rural youth as strategic actors for the development of family farming</i>	Promote awareness campaigns in institutions and mass media about the importance of the rural sector and agriculture
			Raise awareness on gender and equal opportunities, the importance of family structure, communication and social cohesion among its members
			Promote capability and skill building programs for rural youth
			Create conditions and undertakings for employment and rural work for youngsters and women

N°	Weakness	Strategic Lines	Specific Activities
4	Insecurity in rural and urban areas	Promote local public safety commissions	<p>Design social accountability and public safety mechanisms among producers of business agriculture and family farming</p> <p>Organize coordination tables at a territory level with the municipalities, the public prosecutor's office and the civil society</p> <p>Implement education and civil society organizations programs and share experiences with other towns about specific crimes, reports and others</p>

C. Environmental Dimension

Strengthen public institutional and civil society capacity for the adequacy and implementation of environmental regulations, according to the guidelines of the National Environmental Policy. Include all actors involved in environmental issues and promote participation and citizen surveillance as a line of action to ensure compliance with environmental regulations.

Promote ecological-economic zoning. Based on the supply of forest resources of the territory and the demands of the population, consider a comprehensive and complementary approach of afforestation/reforestation with other income-generating activities for farming land. It should promote the classification and management of forest lands.

Promote the implementation of a policy of integrated management of water resources. Ensure their equitable and sustainable use in the territory. Promote hydrological basins management to expand environmental management as geographical planning units.

Promote environmental awareness. To the citizens in general, promote the creation and dissemination of an information system on the current status and risks of natural resources, and share the existing environmental regulations.

Table 5.3-4 Strategic Lines of the Environmental Dimension for Sub-Region 2

N°	Weakness	Strategic Lines	Specific Activities
1	Weak institutions for implementing public policies to enforce regulations and penalize environmental offenses	Strengthen the capacity of public institutions and civil society organizations for the adequacy and implementation of environmental regulations	Create and/or strengthen inter-agency coordination bodies in the approach to rural development with a focus on environmental sustainability

N°	Weakness	Strategic Lines	Specific Activities
2	Progression of forest destruction due to the change in land use	Promote ecological-economic zoning	Identify and promote initiatives for afforestation, reforestation and agro-forestry
			Promote classification and management of forest lands
			Promote awareness and training of human resources of financial institutions on the conservation and recovery of natural resources
3	Degradation of water resources	Promote the implementation of a policy of integrated management of water resources to ensure equitable and sustainable use	Promote the use of hydrological basins as planning geographical unit
4	Low awareness of the public on environmental regulations	Promote environmental awareness of the citizens in general	Design and implement awareness, training and proper management of natural resources programs
			Promote the implementation of mass environmental awareness campaigns and spreading the laws

D. Political-Institutional Dimension

Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario. This strategic line is meant to promote the following: the professionalization of the local public service, the creation of fair and efficient mechanisms for the selection of public servants, and mechanisms for transparency, accountability and social auditing.

Raise awareness of the importance of effective decentralization of the territories. Undertake awareness campaigns at all levels, about the importance of an effective territorial decentralization and the need to design and implement gradual decentralization mechanisms.

Strengthen citizen participation. Create spaces and mechanisms for discussion and consultation, so that the representatives of civil society may present their problems and consider possible solutions; promote civil society's access of government entities to create government agencies; adopt participatory methodologies for program and project management; and create social control mechanisms for monitoring and evaluating public programs.

Improve public access to information about public programs and services. Design and implement communication strategies for the general population; spread the objectives of public programs and projects, procedures and conditions for the beneficiaries to have access.

Strengthen departmental and municipal policies focused on vulnerable groups. Ensure the participation of the most vulnerable groups in the different areas of discussion and political decision; spread the enforcement of laws that guarantee the participation and inclusion of disadvantaged groups.

Table 5.3-5 Strategic Lines of the Political-Institutional Dimension for Sub-Region 2

N°	Weakness	Strategic Lines	Specific Activities
1	Weakness of local institutions	Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario	Professionalize civil service and selection mechanisms of public servants
			Create mechanisms for transparency, accountability, social auditing, code of ethics in local governance
			Institutionalize civil society's access to government entities to create government agencies
		Strengthen citizen participation	Create spaces and mechanisms for dialogue and cooperation between public institutions and citizens, inter-and intra-institutional, that capture, process and operationalize the needs through coordination boards, public hearings, discussion forums
			Institutionalize civil society access to government entities to create government agencies
			Promote legitimate and committed leadership
			Adopt participatory approaches for program and project management
Improve public access to information about public programs and services	Design communication strategies for the general population, in order to communicate the objectives of public programs and projects, procedures and conditions for the beneficiaries to have access		
2	Lack of effective administrative decentralization	Raise Awareness of the importance of effective decentralization of the territories	Undertake awareness campaigns at all levels about the importance of effective decentralization of the territories
			Design and implement gradual mechanisms of administrative decentralization
3	Insufficient attention to gender differences, age and ethnicity	Strengthen departmental and municipal policies focusing on vulnerable groups	Ensure participation of vulnerable groups in the different areas of discussion and political decision
			Communicate and enforce laws that guarantee the participation and inclusion of disadvantaged groups

5.4 Sub-Region 3

The sub-region 3 is formed by four departments in the Eastern Region: Caazapá, Caaguazú, San Pedro and Canindeyú.

This sub-region has a combination of different levels of economic and social development, because there is a mixture of the characteristics of traditional farming and agro-export production within the departments that form this sub-region. It is the sub-region with the highest proportion of rural population and the highest population density in the country.

This area in transition is going through a development process that creates social and economic conflicts. It represents the sub-region with the highest levels of poverty and a Gini coefficient of .551 (the second highest among the identified sub-regions that exceeds the average of 0.515 for the Eastern Region). It has the highest agricultural product per capita, the lowest industrial output per capita, and the lowest indicators of State presence.

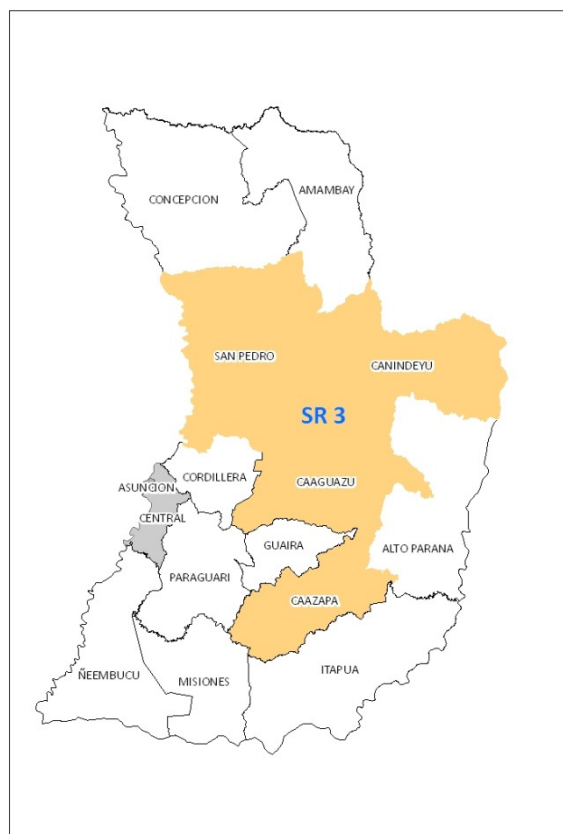


Figure 5.4-1 Sub-Region 3

Overcoming the major problems that prevent the development of the sub-region, which are presented below, is a central challenge for its inhabitants. The strategic lines defined in this chapter are intended to guide the actions to be taken for this purpose.

Table 5.4-1 Major Weaknesses for Each Dimension of Sub-Region 3

Economic-Productive Dimension	Socio-Cultural Dimension
<ul style="list-style-type: none"> Limited access to credit for family farming Low coverage and quality of agricultural extension Rural roads in poor condition Reduced fertility of agricultural soils Little added value of primary production 	<ul style="list-style-type: none"> Insecurity in rural and urban areas The educational curriculum is not adapted to the reality of the territory Low self-esteem of small producers and lack of interest in family farming Unbalance diet and malnutrition Low coverage and quality of health services
Environmental Dimension	Political-Institutional Dimension
<ul style="list-style-type: none"> Institutional weakness to implement public policies for environmental regulation enforcement and prosecution of environmental offenses Progression of forest destruction due to change in land use Low awareness for recovery and management of natural resources 	<ul style="list-style-type: none"> Infrastructure of schools in poor condition Weak local public institutions and insufficient budget Lack of departmental development plans and community plans, or poor knowledge of them

Source: Workshop on formulation of strategies for the sub-region 3. EDRIIP. March, 2011.

5.4.1 Values and Vision

The following are the values that inspire and direct the behavior of the inhabitants of the sub-region: patriotism, transparency, participation, appreciation of rural life and respect for nature. In line with Vision 2030 in the Eastern Region, the vision of the future is the following:



Vision 2030 - Sub-region 3

A Sub-region with administrative decentralization and democratic governance in which all citizens improve their quality of life by joining forces to achieve comprehensive, sustainable and fair development, through clean, competitive and solidary production.

5.4.2 Strategic Lines

A. Economic-Productive Dimension

Promote the creation and implementation of appropriate credit lines for family farming.

The credit lines will have rates, terms, purpose and other conditions to promote competitive production. The creation of a loan guarantee fund will be promoted for small family farmers to access more suitable credits. It will be important to consider the successful experiences of other countries.

Create new rural extension mechanisms aimed at the stages of primary and secondary production and marketing with a differentiated attention on family farming. Promote the leadership of cooperatives and producer associations in the organization and financing of the extension system; strengthen rural extension programs in agricultural schools, and take advantage of the availability of agricultural schools in the territory to implement extension programs.

Promote inter-agency coordination for road maintenance. The MOPC, the central government and local governments will work in close coordination to maintain the road infrastructure, with the participation of organized civil society. Likewise, it is intended to strengthen the role of local governments in the maintenance of rural roads; promote participatory management of the Commissions/Neighborhood Councils and Municipalities, and create a revolving fund for small infrastructure restoration works.

Increase soil fertility by applying sustainable techniques of improvement and recovery.

The specific activities include: spread technologies for managing, conserving and recovering soil; incorporate the model of sustainable development into the curriculum of the School of Agricultural Sciences; develop organic/agro-ecological production; and promote the construction of conservationist model farms.

Encourage the creation of value added and product diversification.

Table 5.4-2 Strategic Lines of the Economic-Productive Dimension for Sub-Region 3

N°	Weakness	Strategic Lines	Specific Activities
1	Limited access to credit for family farming	Promote the creation and implementation of credit lines suitable for family farming	Create a credit guarantee fund for Family Farmers
2	Low coverage and quality of agricultural extension	Create new rural extension mechanisms focused on the stages of primary and secondary production and marketing with a differentiated attention on Family Farming	Promote the leadership of cooperatives and producer associations in organizing and financing the system
			Strengthen rural extension programs in agricultural schools
			Take advantage from the availability of schools to implement agricultural extension programs
			Promote the use of machinery and equipment to facilitate the work of family farmers
3	Rural roads in poor conditions	Promote inter-agency coordination for road maintenance	Strengthen the role of local governments in the maintenance of rural roads
			Encourage the establishment of strategic alliances between the MOPC, the municipalities and civil society representatives
			Strengthen participatory management of committees/Neighborhood Councils and Municipalities
4	Reduced fertility of agricultural soils	Increase soil fertility by applying sustainable techniques of improvement and recovery	Extend and widely disseminate sustainable technologies, use of organic matter, green manure, crop rotation and other conservationist practices
			Incorporate friendly and sustainable technologies and direct seeding in the curriculum of the School of Agricultural Sciences
			Develop organic/agro-ecological production in the territories
			Promote the construction of model farms with conservationist and profitable technologies
5	Little added value of primary production	Encourage the creation of added value and product diversification	Increase financing for rural agro-industry
			Design and implement training programs for handmade transformation of products

B. Socio-Cultural Dimension

Promote local public safety commissions and implementing interagency coordination commissions. These commissions will be responsible for identifying problems related to insecurity in rural and urban areas, and the increase in crime, and filing reports before the appropriate authorities. In the mentioned coordination commissions, the municipalities, the public prosecutor's office and the civil society will participate in order to find strategies and take timely actions. Civil education programs and organizations will be implemented.

Re-value agriculture and rural life. Raise awareness among teachers about their leading role in the education of children and youth; and promote the effective participation of the school community (principal, teachers, children, parents) in an effort to revalue the importance of rural farmers and agriculture.

Develop proposals and promote initiatives to integrate and coordinate the provision of secondary education, with special emphasis on technical and vocational education.

Promote nutrition and education programs and production programs for self-sufficiency. These will be implemented and coordinated by different sectors including agriculture, education and health, trying to get children, youth and adults involved.

Strengthen local health councils and form inter-agency coordination committees. This will promote the development of participatory plans for the improvement and expansion of the services provided; training programs for community organizations on health service maintenance, and the implementation of participatory monitoring and evaluation systems.

Table 5.4-3 Strategic Lines of the Socio-Cultural Dimension for Sub-Region 3

N°	Weakness	Strategic Lines	Specific Activities
1	Insecurity in rural and urban areas	Promote local public safety commissions and implementing inter-institutional coordination committees	Design social accountability and public safety mechanisms among producers of business agriculture and family farming
			Organize committees at territory level in coordination with municipalities, the public prosecutor's office and the civil society
			Implement programs for education and civic organization and share experiences with other communities on specific crimes, reporting and others
2	The educational curriculum is not suitable to the territory and low self-esteem of young producers and disinterest in family farming	Re-value agriculture and rural life Develop proposals and promote initiatives to integrate and coordinate the provision of secondary education, with special emphasis on technical and vocational education	Promote an effective participation of the school community (principal, teachers, children, parents) in an effort to revalue the importance of the rural sector and farmer agriculture
			Promote the articulation of a inter municipal network with educational emphasis and private sector support
			Implement middle management training programs, technical programs and/or careers, taking diversity and multiculturalism into account
			Implement corporate social responsibility initiatives for internships and first job programs

N°	Weakness	Strategic Lines	Specific Activities
3	Unbalanced diet and malnutrition	Promote nutrition and education programs and self-sufficiency production	Train teachers of BSE on food production through DEAg technicians and agricultural schools
			Implement production, preservation and marketing of food programs
			Diagnose the health of the population through family health units, and providing services aimed at addressing the most urgent needs
4	Low coverage and quality of health services	Strengthen local health councils and forming inter-agency coordination committees	Develop participatory plans for the improvement and expansion of the services provided
			Conduct training programs for community organizations
			Implement monitoring and evaluation participatory systems

C. Environmental Dimension

Strengthen the capacity of public institutions and civil society organizations for adjusting and implementing environmental regulations. According to the guidelines of the National Environmental Policy, include all actors involved in environmental issues, and promote the creation and/or strengthening of inter-agency coordination bodies as a specific line of action in the approach to rural development with a focus on environmental sustainability

Promote ecological-economic zoning. Based on the supply of forest resources of the territory and the demands of the population, consider a comprehensive and complementary approach of afforestation/reforestation with other income-generating activities for farming lands.

Promote environmental awareness of citizens in general. Promote the design and implementation of awareness programs, training and proper management of natural resources (water, soil, forests) for a healthy environment, addressed to neighborhood leaders, indigenous, farmer and social organizations.

Table 5.4-4 Strategic Lines of the Environmental Dimension for Sub-Region 3

N°	Weakness	Strategic Lines	Specific Activities
1	Institutional weakness for the implementation of public policies of regulation enforcement and penalization of environmental offenses	Strengthen the capacity of public institutions and civil society organizations for adjusting and implementing environmental regulations	Create and/or strengthening inter-agency coordination bodies in the approach to rural development with a focus on environmental sustainability
			Strengthen the role of local governments, state and municipal government in implementing the National Environmental Policy through the readjustment of the regulations

N°	Weakness	Strategic Lines	Specific Activities
2	Advancement of forest destruction due to the change of land use	Promote ecological-economic zoning	Identify and promote initiatives for afforestation, reforestation and agro-forestry
			Promote the classification and management of forest lands
3	Low awareness of recovery and management of natural resources	Promote environmental awareness of citizens in general	Design and implement awareness programs, training and proper management of natural resources
			Strengthen formal education concerns for environmental issues
			Conduct environmental awareness campaigns and dissemination of laws

D. Political-Institutional Dimension

Build and improve schools at low cost and provide infrastructure for multiple uses.

Formulate a coordinated plan between the different public agencies in charge.

Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario. Promote the professionalization of the local public service; create fair and efficient mechanisms for public servant selection and mechanisms for transparency, accountability and social control.

Exploit the potentials of existing organizations and institutions in the territory. Prepare and implement inter-institutional coordination and cooperation mechanisms using covenants, letters, agreements and others.

Develop and implement comprehensive plans and participatory budgets. Prepare these plans based on local consultation processes: local governments, public sector, private sector and civil society.

Table 5.4-5: Strategic Lines of the Political-Institutional Dimension for Sub-Region 3

N°	Weakness	Strategic Lines	Specific Activities
1	School infrastructure in poor conditions	Build and improve schools at low cost and provide infrastructure for multiple uses	
2	Weakness of local public institutions	Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario	Professionalize civil service and public servant selection mechanisms
			Create mechanisms for transparency, accountability, social auditing, code of ethics in local governance
			Institutionalize civil society's access to government entities to create government agencies

N°	Weakness	Strategic Lines	Specific Activities
		<i>Exploit the potentials of existing organizations and institutions in the territory</i>	<p>Develop and implement mechanisms for inter-institutional coordination and cooperation using covenants, letters, agreements and others</p> <p>Enhance SIGEST by its role as organizer and coordinator of development initiatives</p>
3	Lack of departmental development plans and community plans or little knowledge of them	<i>Develop and implement comprehensive plans and participatory and fixed budgeting</i>	<p>Develop local and regional capacities in the field of planning, formulating and implementing participatory policies</p> <p>Create spaces for participation and encouraging a committed leadership</p>

5.5 Sub-Region 4

The sub-region 4 is formed by two departments of the Eastern Region: Itapúa and Alto Parana.

It comprises the most populated departments (after Central). It is the sub-region with the lowest poverty rates and the smallest population with NBI, although affected by the highest level of inequality (as measured by the Gini quotient). It is the sub-region with the highest tax value land. It has the largest presence in the financial sector, and the best coverage indicators in infrastructure (paved roads and electricity), but it is the most deficient in water. Although its agricultural or industrial products per capita are not the highest, it is the sub-region with the highest volume of production of soybean and corn in the country.

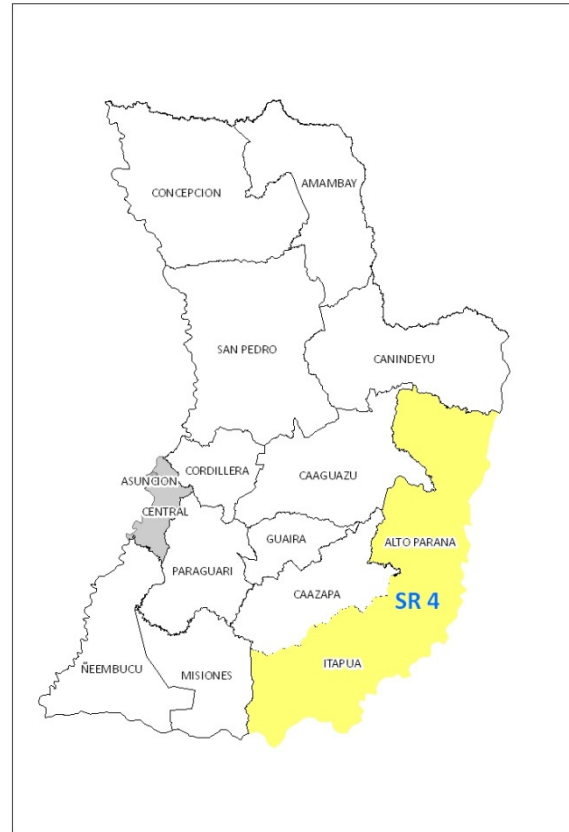


Figure 5.5-1 Sub-Region 4

Overcoming the major problems that prevent the development of the sub-region, which are presented below, is the central challenge for its inhabitants. The strategic lines defined in this chapter are intended to guide the actions to be taken for this end.

Table 5.5-1 Major weaknesses for each Dimension of Sub-Region 4

Economic-Productive Dimension	Socio-Cultural Dimension
<ul style="list-style-type: none"> Limited access to credit for family farming Low coverage and quality of agricultural extension Weak and incomplete local production chains Scarce and/or inadequate support of local authorities to productive sectors 	<ul style="list-style-type: none"> The system of civic education is insufficient and has a low level Low coverage and quality of health services Low self-esteem of small producers and lack of interest in family farming
Environmental Dimension	Political-Institutional Dimension
<ul style="list-style-type: none"> Weak institutions to implement public policies to enforce environmental regulations Progression of forest destruction due to the change in land use Pollution of water resources by indiscriminate use of agrochemicals Indiscriminate use of drinking water 	<ul style="list-style-type: none"> Lack of effective administrative decentralization Lack of sustainability of programs and projects implemented Lack of monitoring of activities and projects implemented Weakness of local institutions Deficiencies in the implementation of the agrarian reform

Source: Workshop on formulation of strategies for the sub-region 4. EDRIPP. March, 2011

5.5.1 Values and Vision

The workshop participants identified the following values that inspire and direct the behavior of the inhabitants of the sub-region: will to work, family farming, multi-culturalism, the search for the common good, effective and supportive participation.

In line with the Eastern Region Vision 2030, the vision for the future of the representative area of the sub-region 4 states the following:



Vision 2030 - Sub-region 4

A Sub-region with a decentralized, enhanced and integrated territory, with transparent and efficient institutions, with honest men and women, who also are competent and committed, regardless of social class or political factions, with access to a better quality of life, common good and a healthy environment through cooperative work and sustainable, technological and competitive production.

5.5.2 Strategic Lines

A. Economic-Productive Dimension

Promote the creation and implementation of appropriate credit lines for family farming.

The credit lines will have rates, terms, purposes and other conditions to promote a competitive production. The creation of a loan guarantee fund will be promoted for small family farmers to access more suitable credits. It will be important to take into account successful experiences from other countries.

Create new rural extension mechanisms aimed at the stages of primary and secondary production and marketing with a differentiated attention on Family Farming. Promote the leadership of cooperatives and producer associations for the organization and financing of the extension system; strengthen rural extension programs in agricultural schools, and take advantage of the availability of agricultural schools in the territory to implement extension programs.

Stimulate and integrate production chains and strengthen their competitiveness. Develop and promote inclusive business models. The goal is to promote the training of producers to achieve a planned production according to market demands; provide the parties involved with room for negotiation; support producers in their market organization; encourage partnerships between the private sector and rural producers. Likewise, it will aim at reducing dependence on middlemen, and promoting agricultural and livestock product industrialization.

Strengthen citizen participation to promote local and departmental support programs for agricultural, livestock and industrial production. The effect of civil society on the authorities and technicians will be important for motivating local programs, rather than merely proposing them.

Table 5.5-2 Strategic Lines of the Economic-Productive Dimension for Sub-Region 4

N°	Weakness	Strategic Lines	Specific Activities
1	Limited access to credit for family farming	<i>Promote the creation and implementation of credit lines suitable for family farming</i>	Create credit guarantee fund for family farmers

N°	Weakness	Strategic Lines	Specific Activities
2	Low coverage and quality of agricultural extension	<i>Create new rural extension mechanisms aimed at the stages of primary and secondary production and marketing with a differentiated attention on family farming</i>	Promote the leadership of cooperatives and producer associations in organizing and financing the system
			Strengthen rural extension programs in agricultural schools
			Take advantage of the availability of agricultural schools to implement extension programs
3	Weak and incomplete local production chains	<i>Stimulate and integrate production chains and strengthen their competitiveness</i>	Promote training of producers to achieve a production planned based on market demands
			Promote partnerships between the private sector and rural producers
			Reduce dependence on middlemen and promote industrialization of agricultural and livestock products
			Promote zoning of production based on the social, environmental and productive characteristics, according to market trends
4	Scarce and/or inadequate support of local authorities to productive sectors	<i>Strengthen citizen participation to maximize the effect before the authorities and technicians in order to promote local and departmental production programs</i>	Develop and implement a community production economic action plan

B. Socio-Cultural Dimension

Promote attitudes of collaboration and participation through civic activities, social relations and room for social life. Conduct training of youth and adults. Public-private partnerships can be used to better incorporate learning opportunities.

Strengthen local health councils and form inter-agency coordination committees. This will promote the development of participatory plans for the improvement and expansion of the services provided, training programs for community organizations on health services maintenance, and the implementation of participatory monitoring and evaluation systems.

Re-value agriculture and rural life. Promote awareness campaigns for institutions and mass media on the importance of farming in the rural sector and rural agriculture. Awareness will be particularly important for teachers considering their leading role in the education of children and youth.

Table 5.5-3 Strategic Lines of the Socio-Cultural Dimension for Sub-Region 4

N°	Weakness	Strategic Lines	Specific Activities
1	The civic education system is inadequate and poor	<i>Promote collaboration and participation attitudes through civic activities</i>	Promote comprehensive programs of civic education
2	Low coverage and quality of health services	<i>Strengthen local health councils and form inter-agency coordination committees</i>	Develop participatory plans for the improvement and expansion of the services provided Conduct training programs for community organizations Implement monitoring and evaluation participatory systems
3	Low self-esteem of small producers and lack of interest on family farming	<i>Re-value agriculture and rural life</i>	Promote campaigns to create awareness in institutions and mass media on the importance of the rural farming sector and the agriculture Disseminate successful experiences of producers who can be used as models to other areas by developing technical tours and farm visits

C. Environmental Dimension

Strengthen the capacity of public institutions and civil society organizations for adjusting and enforcing environmental regulations. Under the guidelines of the National Environmental Policy, include all the parties involved in environmental issues, and as a specific measure, promote the creation and/or strengthening of inter-agency coordination bodies in the approach to rural development, with a focus on environmental sustainability.

Promote ecological-economic zoning. Based on the supply of forest resources of the territory and the demands of the population, consider a comprehensive and complementary approach of afforestation/reforestation with other income-generating activities for farming lands.

Promote the implementation of a policy of integrated management of water resources. To ensure equitable and sustainable use in the territory, carry out awareness campaigns in mass media about the effects of indiscriminate use of agrochemicals.

Encourage the rational use of drinking water.

Table 5.5-4 Strategic Lines of the Environmental Dimension for Sub-Region 4

N°	Weakness	Strategic Lines	Specific Activities
1	Weak institutions for implementing public policies for enforcing environmental regulations	Strengthen the capacity of public institutions and civil society organizations for adjusting and implementing environmental regulations	Create and/or strengthen inter-agency coordination bodies in the approach to rural development with a focus on environmental sustainability
2	Advancement of forest destruction due to a change in land use	Promote ecological-economic zoning	Identify and promote initiatives for afforestation, reforestation and agro-forestry
			Promote classification and management of forest lands
			Create mechanisms to encourage conservation of native forests and natural forests
3	Pollution of water resources by indiscriminate use of agrochemicals	Promote the implementation of a policy of integrated management of water resources to ensure fair and sustainable use	Encourage the preparation of agreements and/or strategic alliances for coordinated work between municipal and state governments, and private companies for the rational use of agrochemicals
			Promote the design and implementation of joint and coordinated specific research to measure/assess the impact of agrochemicals on water resources
4	Indiscriminate use of drinking water	Encourage the rational use of drinking water	Promote awareness campaigns on the importance of drinking water and its proper use
			Strengthen the comptroller/supervisor/enforcer role of the sanitation boards or similar existing entities in the territories, in line with the national ruling institution (SENASA)

D. Political-Institutional Dimension

Raise awareness on the importance of effective decentralization of the territories. Strengthen the “municipality network” to demand decentralization; design and implement gradual mechanisms of administrative decentralization; promote the enactment of the Decentralization Act.

Disseminate lessons learned and successful programs.

Involve civil society organizations in the monitoring and evaluation stages of the programs and projects. Work in a participatory manner with local, regional and national governments.

Improve the monitoring and evaluation systems of public institutions at national and local levels. Guide management according to the results, and promote a culture of transparency and accountability, the common good and a concern for ethics; implement strategic and operational

planning, monitoring and evaluation.

Strengthen citizen participation. Create spaces and mechanisms for discussion and consultation, so that the representatives of the civil society may present their problems and consider possible solutions; promote civil society’s access to government entities to create government agencies; adopt participatory methodologies for program and project management, and create social control mechanisms for monitoring and evaluation public programs.

Improve public access to information about public programs and services. Design and implement communication strategies aimed at the general population to disseminate the objectives of public programs and projects, procedures and conditions for the beneficiaries to have access.

Increase investment in infrastructure and services for small-scale agriculture.

Table 5.5-5 Strategic Lines of the Political-Institutional Dimension for Sub-Region 4

N°	Weakness	Strategic Lines	Specific Activities
1	Lack of effective administrative decentralization	<i>Raise awareness of the importance of effective decentralization of the territories</i>	Strengthen the “network of municipalities”
			Design and implement gradual mechanisms of administrative decentralization
			Promote the enactment of the Decentralization Act
2	Lack of sustainability of programs and projects implemented	<i>Disseminate lessons learned and successful programs</i>	Rescue the lessons learned from successful programs and institutionalizing them
			Create and strengthen inter-agency and interdisciplinary agencies to provide sustainability to local development management processes
			Promote respect for the institutions
3	Lack of monitoring of the activities and projects implemented	<i>Involve civil society organizations in monitoring and evaluation stages of programs and projects</i>	Involve citizens in the evaluation processes through audits/social comptrollers
			Conduct case studies of the best practices, mechanisms and incentives for participation and accountability at local level
		<i>Improve monitoring and evaluation systems of public institutions at national and local levels</i>	Guide management by results, and promote a culture of transparency and accountability, the common good and a concern for ethics
			Set up and implement processes for strategic and operational planning, monitoring and evaluation

N°	Weakness	Strategic Lines	Specific Activities
4	Weakness of local institutions	<p><i>Strengthen public institutions at local and regional levels in a decentralization and citizen participation scenario</i></p>	<p>Professionalize civil service and public servant selection mechanisms</p> <p>Create mechanisms for transparency, accountability, social auditing, code of ethics in local governance</p> <p>Institutionalize civil society access to government entities to create government agencies</p> <p>Simplify the procedures and improve customer service</p>
		<p><i>Strengthen citizen participation</i></p>	<p>Create spaces and mechanisms for dialogue and cooperation between public institutions and citizens, inter-and intra-institutional bodies, to capture, process and operationalize the needs with coordination boards, public hearings, discussion forums</p> <p>Adopt participatory approaches to program and project management</p> <p>Promote legitimate and committed leadership to develop the capacity and quality of performance of decision-making representatives</p>
		<p><i>Promote public access to information about public programs and services</i></p>	<p>Design communication strategies aimed at the general population, to disseminate the objectives of public programs and projects, procedures and conditions for the beneficiaries to have access</p>
5	Deficiencies in the implementation of the Agrarian Reform	<p><i>Increase investment in infrastructure and services for small-scale agriculture</i></p>	<p>Develop plans for land use in settlements</p> <p>Update the rural land registry in coordinated work between the Treasury-INDERT-Municipality</p> <p>Promote the leasing of underused grazing land</p> <p>Build and improve schools and water systems at low cost</p>

Source: Workshop on formulation of strategies for the sub-region 4. EDRIPP. March, 2011