



PERU

Ministry of Agriculture  
and Irrigation

Deputy Ministry in Agrarian  
and Irrigation Infrastructure

Agro-Rural



**Project: Increase in the Productive Rural Alliance in the Peruvian Mountain Range – ALLIES**

**NON-EXCLUSIVE BUSINESS DEALS**

**Facilitating Access and Generating Opportunities to Overcome Rural Poverty in the Peruvian Mountain Range**



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**Executive Coordinator**

**Arequipa, May 2016**

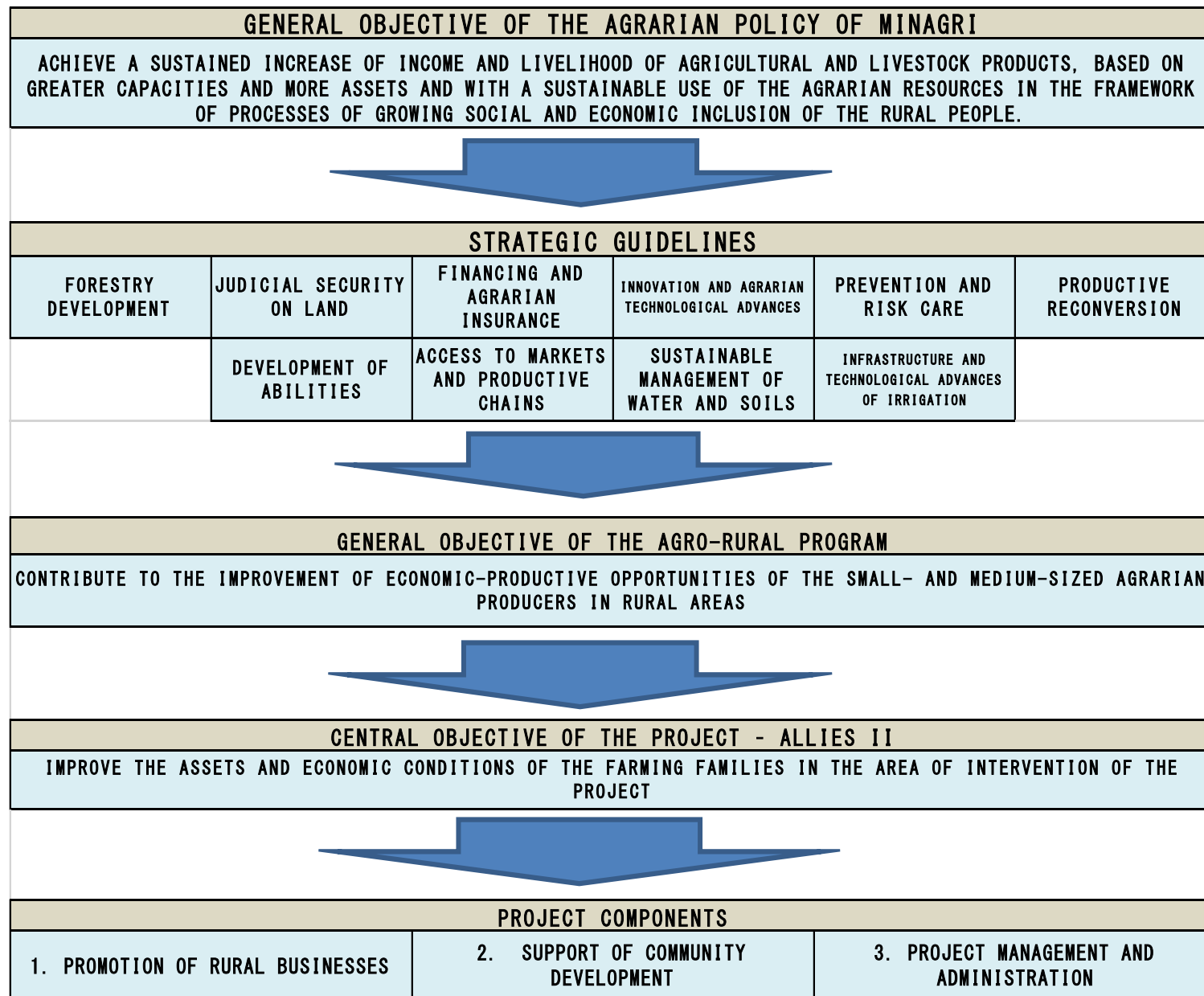
# Peru: a biodiverse territory



Changes in Total Poverty Rate, 2009-2014  
(Percentage regarding the total population)



# Alignment with Sector Policies

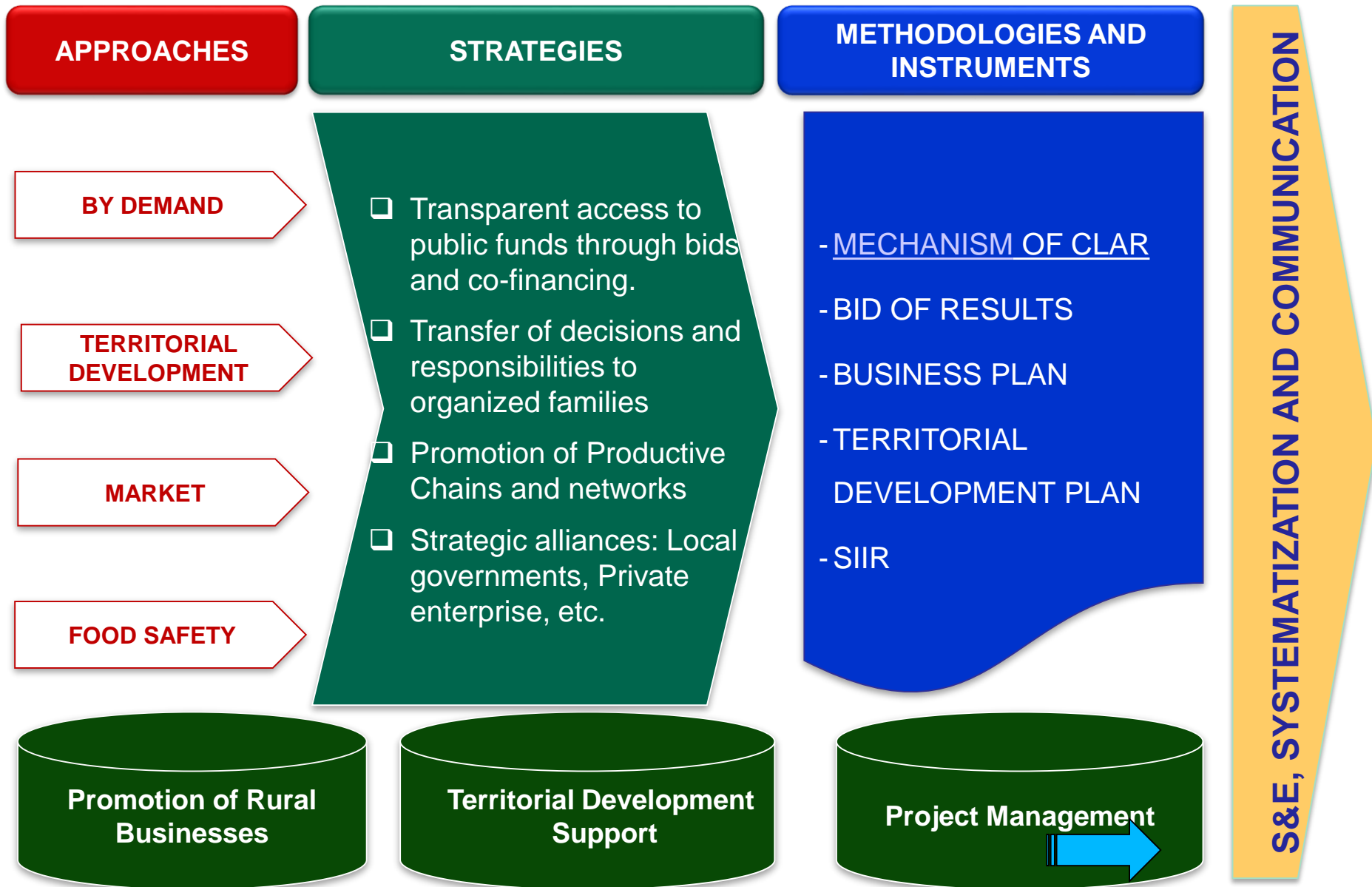


# Objective of the ALLIES Project

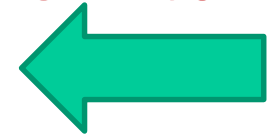
Improve the assets and economic condition of the farming **FAMILIES** in the intervention area of the Project



# Conceptual Framework



# El CLAR: Transparent Access Mechanism to Public Funds and Knowledge



- Mechanism facilitating democratic and transparent access to public funds
- Selection is made by a qualifying jury made up of representatives of the local institutional mechanisms and civilian partnership
- It takes place in public areas, promoting the involvement of the people and institutions and it vouches for the cultural identity of the rural people
- It is conducive to healthy competition with initiatives of identified undertakings and formulated by the same rural organizations
- The Qualifying Jury, not only makes the selection, but also carries out the monitoring actions
- It generates new leaders
- It strengthens social control mechanisms

# Public Investment Instruments

## BUSINESS PLAN

- Assets
- Technical Assistance and Training
- Coordination to markets

## TERRITORIAL DEVELOPMENT PLAN

- Assets
- Technical Assistance and Training
- Familiar bids

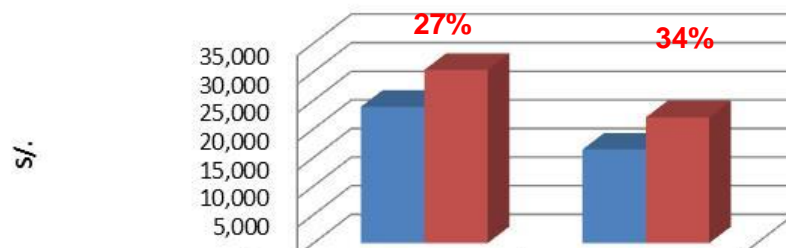
**30% in  
knowledge**

# Products and Consequences ALLIES I

- ❑ Duration: 5 years
- ❑ Total Investment: US\$ 34.9 million

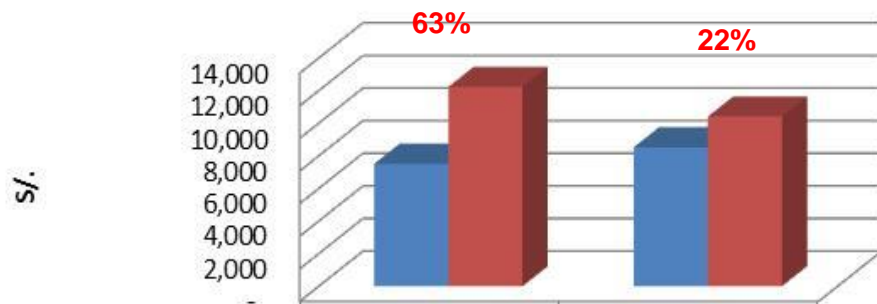
PROJECTS	CANT	BENEFICIARY FAMILIES	DISTRICTS
RURAL BUSINESSES	864	35,277	255
COMMUNITY DEVELOPMENT	876	17,303	

**Increase in Asset Value of Intermediate and Final Assessment**  
(in constant sols previous to June 2011)



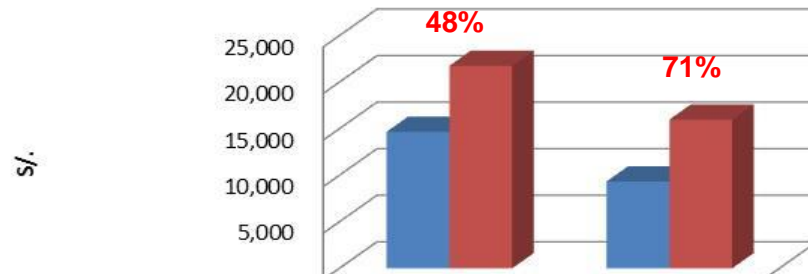
	RURAL BUSINESSES	COMMUNITY DEVELOPMENT
■ Asset Value of Intermediate Assessment	23,893	16,403
■ Asset Value of Final Assessment	30,312	22,012

**VNP Net Production Value Increase**  
(in current sols)



	RURAL BUSINESSES	COMMUNITY DEVELOPMENT
■ VNP WITHOUT PROJECT	7,521	8,522
■ VNP WITH PROJECT	12,233	10,405

**Increase in Annual Income of Intermediate and Final Assessment**  
(in constant sols previous to June 2011)



	RURAL BUSINESSES	COMMUNITY DEVELOPMENT
■ Annual Income of Intermediate Assessment S/	14,667	9,335
■ Annual Income of Final Assessment S/	21,759	15,981





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# ALLIES II

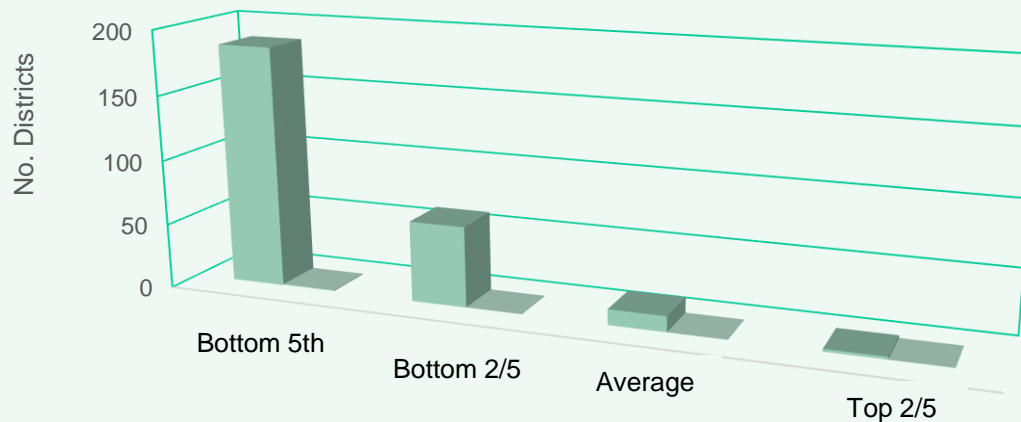
- ❑ Duration: 2 years
- ❑ Total investment: US\$ 32.5 million

# Territorial Coverage met

REGIONS	SCOPE OF CARE ACCORDING TO PIP			DISTRICTS CARED FOR	%
	ALLIED DISTRICTS I	NEW DISTRICTS	ALL ALLIED DISTRICTS II		
APURIMAC	52	13	65	54	83
AYACUCHO	77	11	88	52	59
HUANCAVELICA	47	19	66	47	71
HUANUCO	32	37	69	52	75
JUNIN	39	48	87	45	52
PASCO	8	12	20	12	60
<b>TOTAL</b>	<b>255</b>	<b>140</b>	<b>395</b>	<b>262</b>	<b>66</b>



No. OF DISTRICTS ACCORDING TO THE FIFTHS IN POVERTY



	Bottom 5th	Bottom 2/5	Average	Top 2/5
■ N° Dist	186	62	12	2
■ %	71%	24%	5%	1%

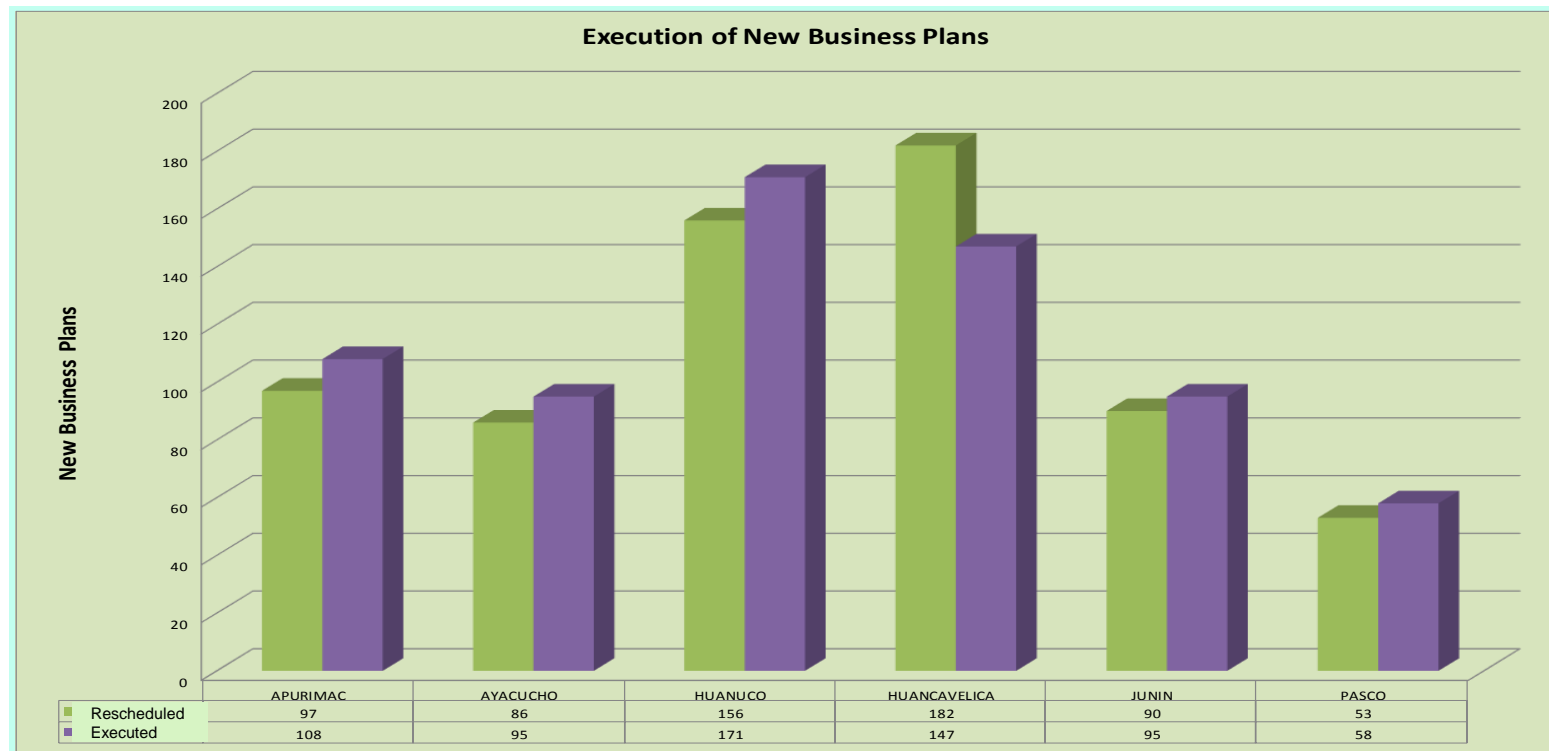
# Co-financing of initiatives

PLANS	CANT	TOTAL US\$ INVESTMENT	PROM/PLAN INVEST US\$	No. PARTNERS FAM/PLAN	INV. PROM / PARTNER PLAN US\$
Business Plan	674	13,745,597	20,394	25	816
Business Plans to Consolidate	123	1,830,730	14,884	25	595
Territorial Development Plans	563	8,174,407	14,519	27	538
<b>TOTAL</b>	<b>1360</b>	<b>23,836,458</b>			



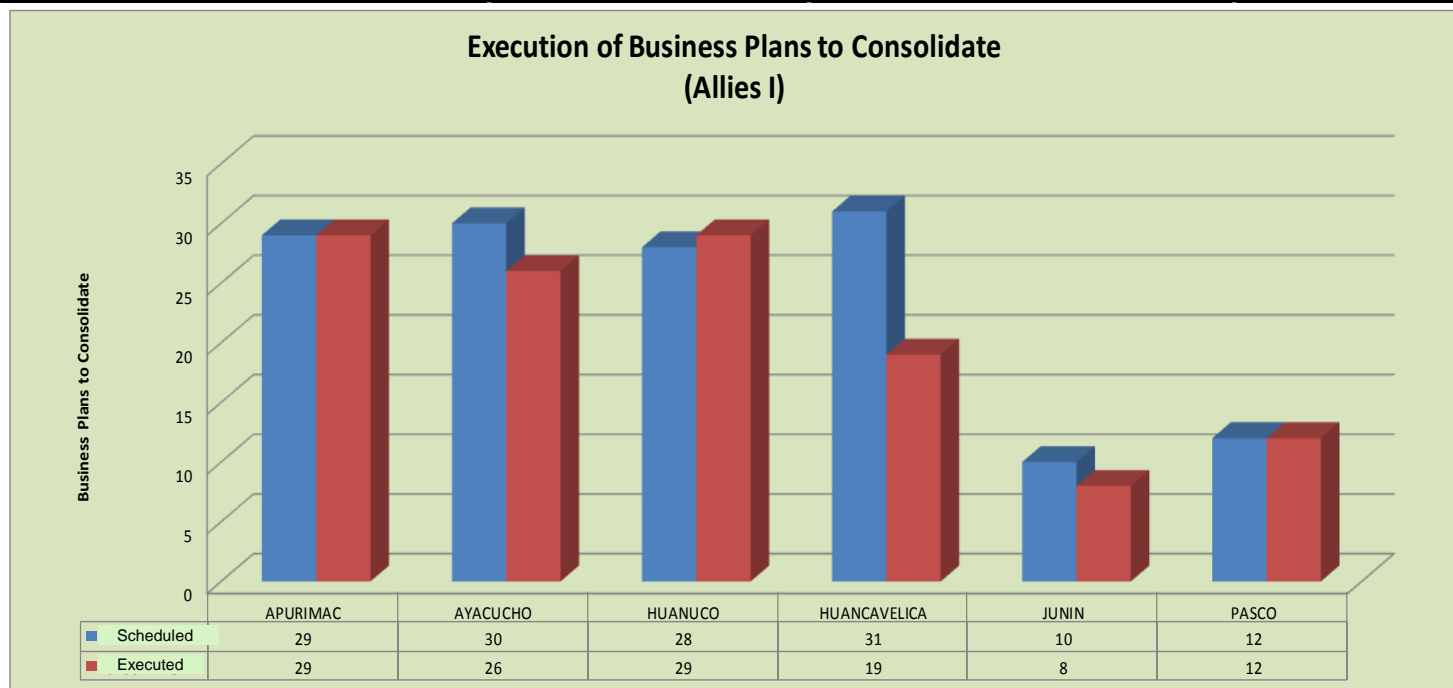
# Execution of New Business Plans

REGIONS	BUSINESS PLANS RESCHEDULED GOAL	EXECUTION IN MARCH 2016	%
APURIMAC	97	108	111%
AYACUCHO	86	95	110%
HUANUCO	156	171	110%
HUANCAVELICA	182	147	81%
JUNIN	90	95	106%
PASCO	53	58	109%
<b>TOTAL</b>	<b>664</b>	<b>674</b>	<b>102%</b>

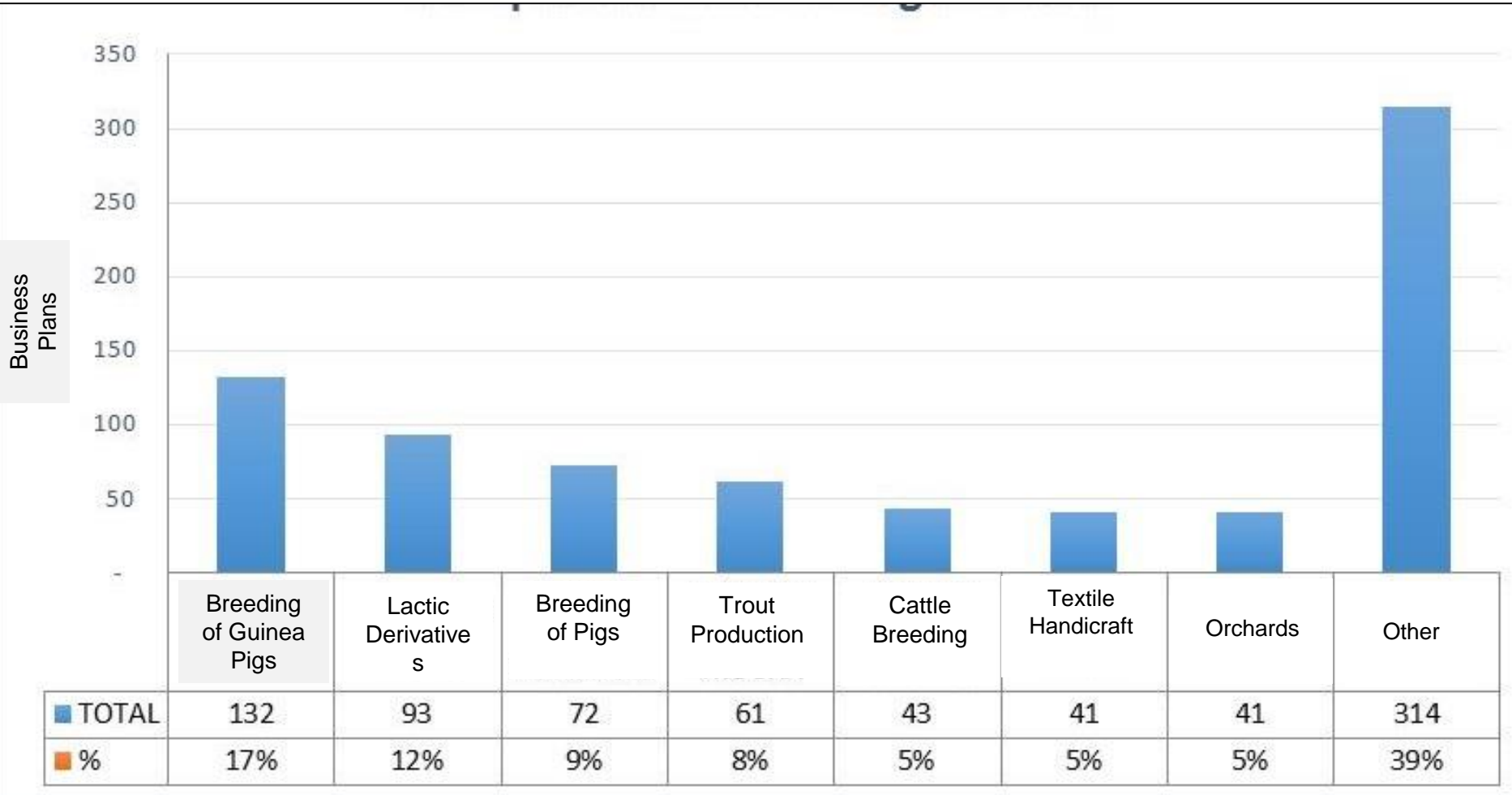


# Execution to Consolidate Business Plans

REGIONS	BUSINESS PLANS ACCORDING TO PIP	EXECUTION IN MARCH 2016	%
APURIMAC	29	29	100%
AYACUCHO	30	26	87%
HUANUCO	28	29	104%
HUANCAVELICA	31	19	61%
JUNIN	10	8	80%
PASCO	12	12	100%
<b>TOTAL</b>	<b>140</b>	<b>123</b>	<b>88%</b>

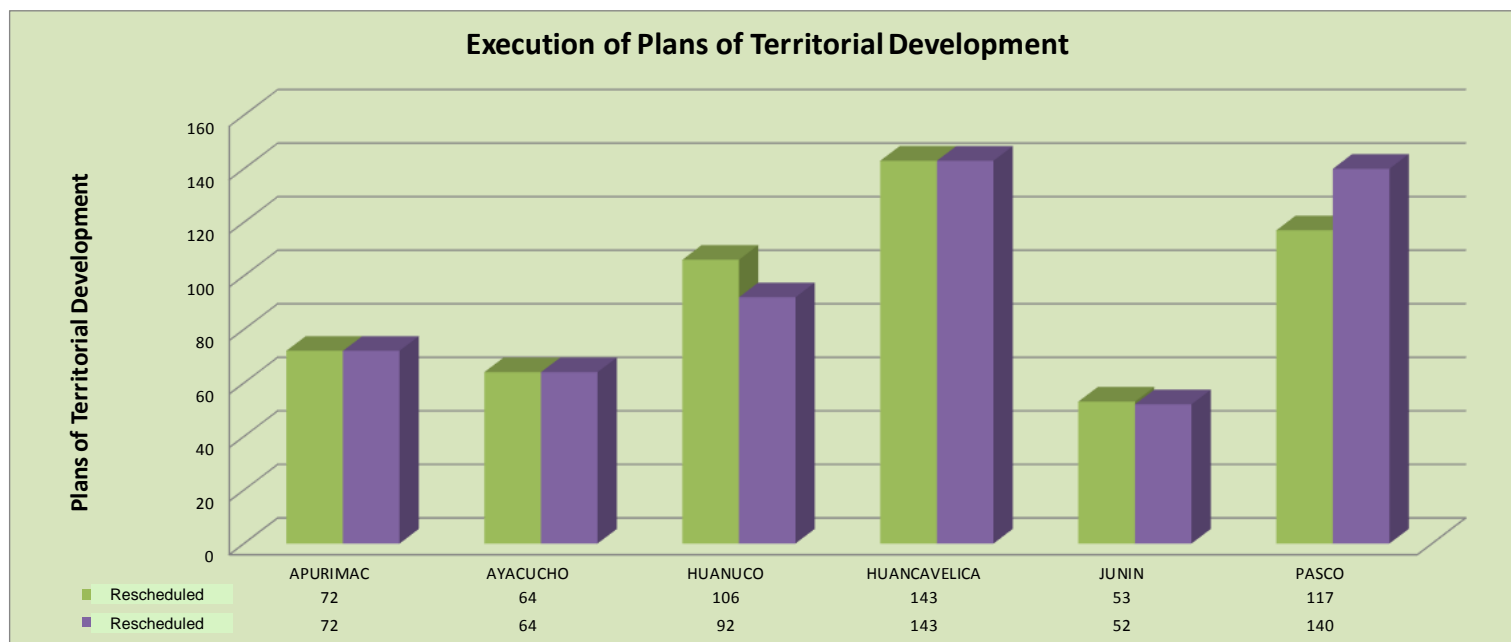


# Makeup of Business Plans according to main lines of activity

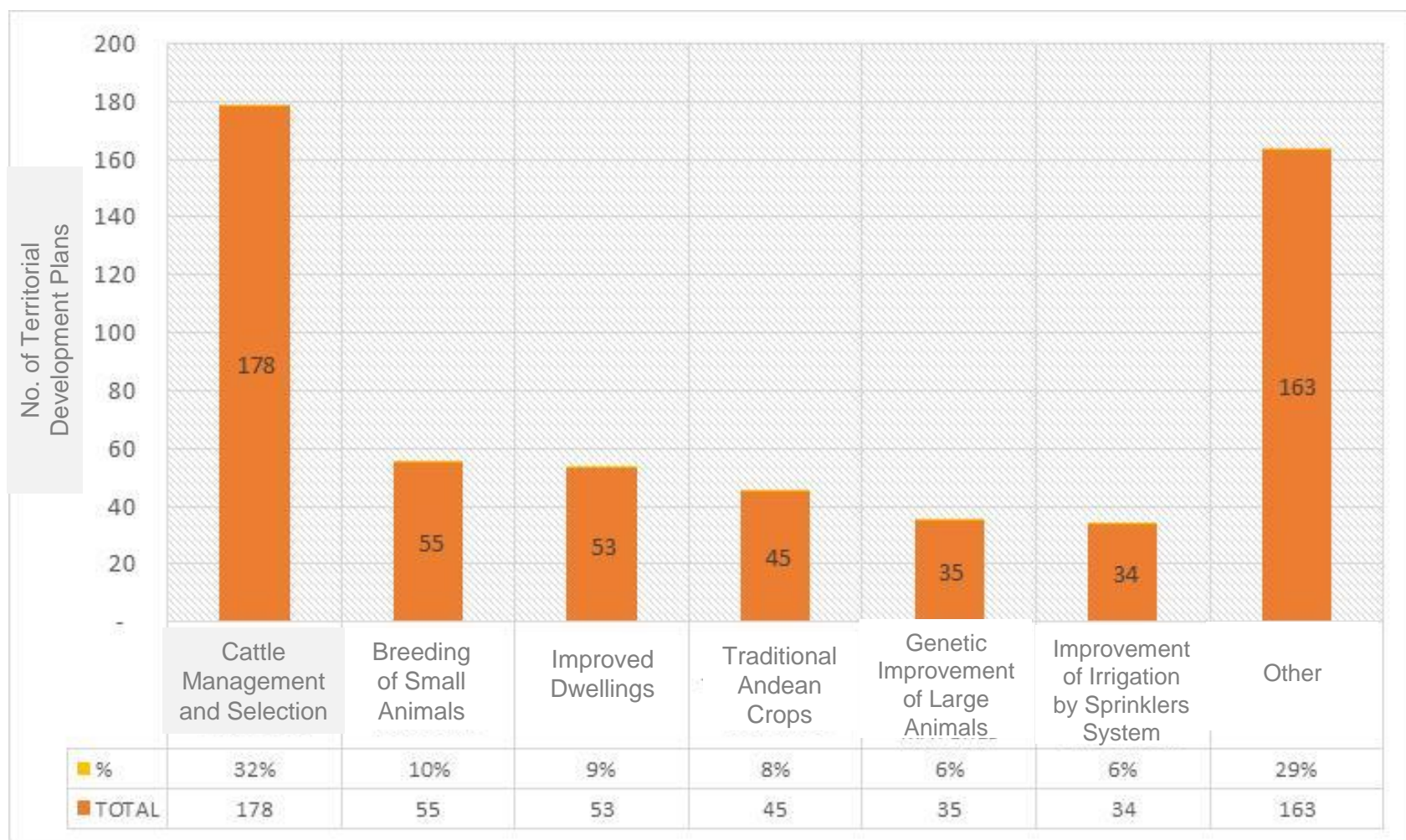


# Execution Plans of Territorial Development

REGIONS	BUSINESS PLANS RESCHEDULED GOAL	EXECUTION IN MARCH 2016	%
APURIMAC	72	72	100%
AYACUCHO	64	64	100%
HUANUCO	106	92	87%
HUANCAVELICA	143	143	100%
JUNIN	53	52	98%
PASCO	117	140	120%
<b>TOTAL</b>	<b>555</b>	<b>563</b>	<b>101%</b>



# Makeup of Territorial Development Plans according to the main lines of activity





# CASE: SANTA CRUZ ASSOCIATION OF TAPO POTATO AND PEA PRODUCERS

**PDN: IMPROVING THE PRODUCTION AND MARKETING OF CERTIFIED SEEDS OF COMMERCIAL POTATOES AT THE SMALL-TUBER, PRE-BASIC AND BASIC LEVELS**

REGION	PROVINCE	DISTRICT	TOWN
JUNIN	TARMA	TAPO	TAPO



PARTICIPANTS				
MEN		WOMEN		TOTAL
17		6		23
INVESTMENT				
ASSETS		TECHNICAL AID AND TRAINING		TOTAL
S/	35,100	6,000		41,100
US\$	10,324	1,765		12,088



## PROBLEMS TO OVERCOME

- ❑ Low yield levels in the production of commercial potatoes
- ❑ Scarce supply of pre basic and basic potatoes: in Peru only 2% of the seeds used are genetically high quality
- ❑ Low income levels of the settlers in the rural areas

COLLABORATIVE ALLIANCE WITH THE NATIONAL AGRARIAN RESEARCH INSTITUTE – INIA - MINAGRI



PROCESS	EACH S/	TOTAL VALUE S/	PROFITABILITY S/ (40%)	PROFITABILITY US\$ (40%)
Purchase of 5,860 seedlings of INIA	0.8	4,544	65,632	19,304
Each seedling produces between 8 and 10 small tubers (pre-basic) (5,680 x 8 = 46,880) and each one costs S/ 0,8	0.8	37,504		
Each small tuber produces 1 kg of basic potato and costs S/. 3.5/kg.	3.5	164,080		



Thank you