

FONDO MINK'A DE CHORLAVÍ

2002 Call for Proposals “Systematization of Rural Territorial Development Experiences”

The [Fondo Mink'a de Chorlaví](#) summons public and public organizations interested in rural issues in Latin America to participate in the 2002 Call for Proposals. The subject of the bid is “Systematization of Rural Territorial Experiences.” Proposals must be action-research or research projects applied to development. The Fund will allocate an amount of approximately US\$ 200,000 among ten projects. For further information please visit our website www.FondoMinkaChorlavi.org or write to rimisp@rimisp.cl

THE FONDO MINK'A DE CHORLAVÍ

1. There is broad consensus about the need for facilitating learning processes in public and private organizations, whose action has an effect on inequity, rural poverty, management of natural resources, and sustainable rural development. Although learning has always been important for the effectiveness of these organizations, the socio-economic and institutional changes occurred in Latin America and the Caribbean (LAC) over the past two decades, imply that we must make an in-depth revision of our conventional ways of doing things. We could even state that we must relearn to work successfully in order to reach our goals of defeating poverty, modifying exclusion systems, promoting sustainable rural development, and improving the management of natural resources.
2. Fortunately, this learning process is already taking place through thousands of concrete initiatives to fight against poverty, improve the management of natural resources, and promote sustainable rural development. There are multiple economic, social, technological and institutional innovations underway in LAC, converting the region into a gigantic ‘experiment’ of local and regional responses to this new context. These initiatives may and must be a major source of new experiences, lessons and knowledge.
3. The creation of the [Fondo Mink'a de Chorlaví](#) was sponsored by the [Grupo Chorlaví](#) (Chorlaví Group) and the [International Development Research Centre](#) (IDRC, Canada), to encourage the systematization, exchange, analysis and documentation of these innovation initiatives in the management of natural resources, sustainable rural development, and the fight against poverty.
4. The general objective of the Fondo Mink'a de Chorlaví is facilitating organizational learning to enhance the interventions aimed at defeating poverty, modifying exclusion systems, promoting sustainable rural development, and improving the management of natural resources.
5. The first bid called by the Fondo Mink'a de Chorlaví was in 2001. The call for the bids, the projects submitted, and the successful projects are published in the funds website: [Fondo Mink'a de Chorlaví](#).

JUSTIFICATION OF THE 2002 CALL FOR PROPOSALS

6. Democratization, decentralization and the new role of sub-national governments.

The multiple changes that have taken place in Latin America and the Caribbean over the past two decades have provoked a crisis in the old agrarian structure. Long-standing complex demands or objectives (equity, sustainability, fight against poverty, competitiveness, participation and citizenship, among other) have gained force, emerging in a context of distributive conflicts and mobilizations of varying intensities. The reform of agrarian institutions is in the forefront of pending tasks. Decentralization processes are only a first response to this need, but if they are strictly restricted to the sphere of public bureaucracy, they will not achieve the expected goals.

In all Latin American and Caribbean countries, along with decentralization, new tasks have been assigned to the sub-national governments (states, provinces, municipalities, districts, etc.). Many of these responsibilities include functions related to driving local development. In most cases, the authorities have been elected by popular vote opening up the

opportunity for civil society participation in public management, thereby permitting the emergence of intermediation networks between the civil society, the state, and the market.

7. Effects of changes in the rules of the game of the national economies

As a result of the application of structural adjustment programs in the Latin American and Caribbean countries, the rural and agricultural sector policies have been subordinated to the macroeconomic policies and free market rules. As a result of the changes in the international environment –particularly the globalization of food systems– and in the regional economies’ internal rules, a steady increase in competitiveness has become a necessary condition for growth and for the viability of the production units. Notwithstanding the above, the asymmetries in the degree of openness of the region’s economies to agricultural trade compared to that of developed countries –where there still is protectionism or protectionism has been reestablished– must be taken into account.

In the case of policies targeted at small producers and rural families, this implies generating the incentives to strengthen their abilities so that they may improve their working and living conditions under the new context. To achieve this, some of the main structural determining factors of rural sector functioning in most of the countries in the Region must be considered when devising the rural development strategies. These factors include the heterogeneity of the productive structure and of the rural poor; the changes in the employment structure; the flaws or inexistence of credit, insurance, technology, information, work, etc., and the imperfections of public actions.

8. Dissatisfaction with traditional projects of rural development and elimination of poverty

Many of the traditional rural development projects, which have been the principal expression –if not the only one– of rural development policies, have tended to:

- identify the rural poor as equivalent to poor male farmers
- be restricted to the agricultural sector
- limit space to the small farmer’s land
- replace market imperfections with the project’s own actions
- fail to integrate the concept of citizen and producer

Therefore, many projects fail to incorporate pluralistic activities and the different dimensions that characterize the survival strategies of the rural poor; to internalize market imperfections and, therefore, many of the transaction costs incurred by the poor to solve problems that affect their living and working conditions; to integrate the links with the urban centers which means that they do not contemplate actions that may be key to overcome poverty; to incorporate agents other than the target population (businessmen, universities, supermarkets, schools, etc.) except as passive entities, whose links with the target population are defined by the latter, thereby, losing the potential to develop strategic alliances that are key for development.

9. Need for a new approach to rural development

The radical changes in the rules of the game that govern the operation of the national economies; dissatisfaction with the traditional approaches to rural development, and the opportunities opened up by the decentralization processes, have generated a heated debate in recent years about the need to tackle the problem of rural development with a territorial approach. This perspective should be able to consider the set of social relationships in which rural families are involved in, especially the poor, in their struggle to assure their living and working conditions.

Many of the examples used to support this approach are usually based on the experiences of countries outside the Region (Europe with LIEDER, Asia). Notwithstanding the above, proposals and projects have emerged which, under a different name, are seeking to overcome the limitations of the traditional projects by including aspects of a territorial approach, like the links between agricultural activity, industry and services; the social and public-private concurrence to drive the development of the areas or regions, or to strengthen urban – rural links; or the effect of decentralization policies on rural development or of the promotion of citizen participation on local planning and management.

We have no systematic register and comparative analysis in Latin America and the Caribbean of these new rural development experiences that follow a territorial development approach. We lack a critical mass of knowledge to make it possible to draw lessons that may help us advance in the design and implementation of policies and projects that take into

account (a) matters related to creating local opportunities for investment, growth and employment, (b) the mechanisms necessary for poor rural families in the territory to have real opportunities of participating in the development processes and benefiting from them, and (c) institutional reforms tending to facilitate the highest degree of citizen participation possible in the design, implementation and management of these processes.

CONDITIONS OF THE 2002 CALL FOR PROPOSALS

10. The subject matter chosen by the Fondo Mink'a de Chorlaví for the 2002 Call for Proposals is "*Systematization of Rural Territorial Development Experiences*".

Purposes

11. By choosing this subject matter, the Fondo Mink'a de Chorlaví seeks to contribute to the renewal of rural development approaches consistent with the changes and trends resulting from democratization and decentralization processes, structural adjustment, opening up of the economy, globalization, and the evolution of rural employment.

Definitions

12. **Rural Territorial Development:** For the purposes of this 2002 Call for Proposals, rural territorial development (RTD) will be understood as the institutional and productive transformation process of a given rural area, which generates equitable and sustainable growth in the territory, fulfilling the following conditions¹:

- (a) It is based on the territory's own characteristics or resources (natural resources, qualification of its labor force, geographic location, history, culture, preexisting investments such as a major road or a development project, etc.).
- (b) Productive transformations link the territory to dynamic markets capable of absorbing substantial growth in the provision of goods and services generated in the territory.
- (c) It connects the different sectors of the local society and economy.
- (d) It strengthens the links between the rural and urban areas.
- (e) It is catalyzed and facilitated by the innovations introduced by internal and external agents. These innovations may be technological (products or processes), social and institutional (networks and strategic alliances between the agents), management innovations or any combination of all of them.
- (f) The process is facilitated by the existence of different types of platforms for communication, negotiation and inter-sector, public-private and urban-rural concerted action.

13. **Territory:** For the purposes of this bid, the "territory" is the geographic area acknowledged as the planning and action unit by the participants of the local development process. This acknowledgement may be based on the physical and biological characteristics of the territory (a basin, for example), political-administrative reasons (a municipality or a community of municipalities), economic identity (an area with a relatively homogeneous productive orientation), cultural reasons (the area occupied by an ethnic group), infrastructure (a territory served by a highway or irrigated by the same dam), or the collective action of different agents or organizations with a determined development purpose (several municipal governments that unite to jointly administer the same water source for the consumption of their populations). Whatever the definition, it must contain some kind of formal or informal citizen representation in the territory.

The important point, from a rural territorial development perspective, is that the territory is an area acknowledged as a concerted planning and action unit by the internal and external actors².

¹ There are rural development experiences that were originally not conceived or designed with a territorial approach; however, in practice they acquired one or more of the characteristics indicated below, which for the effect of this Call for Proposals makes them experiences worth analyzing.

14. **Systematization:** The objective of the proposals presented must be systematizing rural development experiences with a territorial approach. For the purposes of the 2002 Call for Proposals, the Fund defines systematization as the process of reconstitution and critical analysis of a development experience, *carried out with the direct, active participation of the agents who developed the initiative that is being systematized*, in order to draw the lessons that may make it possible to improve the efficiency and effectiveness of that and other development processes, or revise the concepts, assumptions and strategies, which those initiatives are based on. The “lessons learned” –the outcome of systematization– may be defined as knowledge drawn from experience, that can be generalized in order to improve future actions.

Outcomes expected from the selected projects

15. The principal outcome of the projects submitted to the 2002 Call for Proposals, will be the systematization of a rural territorial development experience. Such systematization must contain the following elements:

(a) A discussion of the factors that led to considering that specific area as a “territory” (characterization of the identity of the selected territory) and the systematized experience as an experience that fulfills the conditions of a territorial approach (see the “Definitions” section in this documents).

(b) A precise characterization of the territory’s conditions before starting the RTD process in terms of:

- i. The institutions and organizations related to rural development, including those related to social participation and public-private, rural-urban and inter-sector (agriculture-industry-services) relationships.
- ii. The territory’s economy with emphasis on the sources of employment and income of the rural population, types of companies and production units, principal products (goods and services) and markets.
- iii. The main policies and public and private programs that have a direct influence on rural development in the territory.
- iv. Income levels and income distribution among the different segments of the territory’s population.
- v. The characteristics of the territory’s rural poor, gender and ethnic aspects involved, including a general description of their survival strategies.

(c) A description of the rural territorial development process including at least the following aspects:

- i. The factors that originated the development initiatives.
- ii. The institutions, organizations and methods used for the concurrence of different stakeholders and for the socialization of the change process; the forms and degree of involvement of the internal and external agents; the networks and alliances that were created during the process.
- iii. The characteristics of the changes introduced (processes, products, markets, management, participation, etc.) including investments and cost involved.
- iv. Internal and external obstacles faced and the ways to overcome them.

(d) The changes experimented as the direct result of the RTD process:

- i. In the institutions and organizations related to rural development, including those referring to social participation and public-private, rural-urban, and inter-sector (agriculture-industry-services) relationships.
- ii. In the territory’s economy, with emphasis on the sources of employment and income of the rural population, the type of companies and production units, the principal products (goods and services) and markets.
- iii. In the main policies and public and private programs that have a direct influence on rural development in the territory.
- iv. In the income levels and income distribution among the different segments of the territory’s population.
- v. In the characteristics of the territory’s rural poor, gender and ethnic aspects involved, including a general description of their survival strategies.
- vi. In the population’s dynamic, in other words, in the capacity of retaining or attracting people.

² This is an idealized view, but it must not be assumed that all participants fully share the same conception of territory. There may be overlapping and contradictory perspectives or perhaps we may have that a more influential actor may impose a conception around which the others may have to organize their actions.

In addition to the pre and post-project analysis, preference will be given to proposals that include the characterization and analysis of an area, region or population that has not experimented a similar development process, which therefore may be a point of comparison.

- (e) The lessons learned drawn from the experience analyzed, which go beyond the local particularities and idiosyncrasies:
- i. The reasons that permit assuming that the lessons learned from this experience may be replicated in other areas of the country or in other countries.
 - ii. The elements of the case that were key to achieve the outcome.
 - iii. The innovations that may not be missing and those that if missing will not seriously affect the results.
 - iv. The factors that assure that the outcome will be sustainable in time.
 - v. The factors that constitute the principal or critical obstacles to develop experiences like the one analyzed.

16. Entities participating in the 2002 Call for Proposals, whose projects are selected, must participate in the complete learning cycle contemplated by the Fondo Mink'a de Chorlavi. This cycle consists of three main stages:

- (a) Execution of the selected systematization projects, including a coordination workshop with the participation of all the representatives of each selected project.
- (b) Comparative analysis of project results with the purpose of drawing more general conclusions, lessons, and recommendations. In principle, the comparative analysis will be made through an electronic conference, where project reports will be presented and discussed.
- (c) A strategic communication process of the results of the overall cycle in order to ensure that results are disseminated to individuals and entities having a direct interest in the Bid's subject matter.

DEADLINES

17. The deadlines for the different stages of the 2002 Call for Proposals are:

August 23, 2002	End of acceptance of questions about the Call for Proposals, Regulations or any other aspect that may of the bidders' interest.
September 15, 2002	Submittal of project proposals including the complete documentation requested
November 30, 2002	Publication of successful bidders
December 31, 2002	Signing of contracts
February 24-26, 2003	Workshop for coordinators of selected projects
July 15, 2003	Presentation of progress reports
December 31, 2003	Presentation of final reports

REGULATIONS OF THE FONDO MINK'A DE CHORLAVÍ

18. This Call for Proposals is regulated by the Fund's regulations ([Reglamento del Fondo Mink'a de Chorlavi](#)). It is ***essential*** for all those interested in bidding to carefully read and analyze these Regulations. This document contains information about:

- (a) Characteristics of the organizations that are allowed to bid
- (b) Time limits for submitting bids and other stages of the bid
- (c) Project eligibility, merit and selection criteria
- (d) Maximum amounts to be provided by the Fund, budget items that may be financed, and co-funding requirements
- (e) Bid acceptance, evaluation, and selection process
- (f) Format to be used to submit the project proposals
- (g) Contracts to be signed with successful organizations and the procedure to transfer co-funding resources contributed by the Fund
- (h) Time limits for executing the selected projects
- (i) Submission of progress and final reports (technical and financial)

- (j) Decision-making rights of the Committee of the Fondo Mink'a de Chorlaví in relation to this Call for Proposals
- (k) Other general aspects of the Call for Proposals

FOR FURTHER INFORMATION

19. The Regulations and other information of interest may be found in our website (www.FondoMinkaChorlavi.org) or may be requested to:

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20. All official information about the 2002 Call for Proposals will be published in our website www.FondoMinkaChorlavi.org. All those interested in competing are recommended to visit our website regularly to be informed about anything that may be related to the Call for Proposals or the proposals themselves.