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ACTIVIDAD RURAL COMPETITIVA (ARCO)

**ARCO EXTERNAL COMMUNICATIONS
A STRATEGIC OVERVIEW**

October 2007

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

PREFACE

This strategy was developed on the basis of a rapid yet intense series of meetings and interviews with a broad range of ARCo's stakeholders (both national and regional), and takes into account the VDA and CONALTID communications strategies, the results of the 2005 survey "Citizen Views of Counter Narcotics in Bolivia", as well as comments from the USAID Mission in Bolivia.

I. THE BASIS OF THE STRATEGY – solid, simple, common-sense

The communications strategy presents the communications function as a central element of good project management, rather than an isolated public relations (PR) initiative, focusing on media-based campaigns, which is still typical of many approaches. It is premised upon the following beliefs:

- Communication is as much about generating healthy dialogue, promoting appropriate levels of participation, and strengthening human capital as it is about informing target audiences (which is particularly important at project inception.) This should be developed over the life-time of the Project. In complex social environments, where a variety of local institutions exist (municipalities, unions, federations, producer associations, etc.) a key challenge is to identify legitimate interlocutors, particularly where these same institutions sometimes appear to limit real participation.
- Communication does not happen in a vacuum, and in the context of a development project, the “communication environment” is largely defined by the project itself; what it is and what it proposes to do. Thus, it is critical for staff to (i) adequately understand what the project is about and how it intends to operate, and (just as importantly) (ii) believe in and commit to the approach. The latter is harder to achieve than the former. Stakeholders will be convinced as much by the passion and conviction of the communication as the content of the communication *per se*, and over time this will translate into the kind of “mystique” that separates great projects from just good ones.
- Some specialized communication activities are best handled by skilled communication professionals, but most project-level communication is the “day-to-day” variety in which most project staff is engaged. As a result, it makes more sense to graft good basic communication skills to strong technical backgrounds than vice versa. For example, it is far better to ensure that field-level professionals communicate well, than create an additional cadre of “communicators” with (normally) ill-defined roles.
- In almost all cases, sophisticated communication strategies are rarely translated into practice. This being the case, a simple strategy based on some sensible analysis, a healthy dose of common sense and a short set of guidelines that can be easily understood and acted upon by all should be the order of the day.
- Likewise, despite good intentions, communications are for the most part a chore for most people – in theory everybody appreciates its importance, but for the most part other things take higher priority. Given this, it is vital that communications activities are as efficient as possible in their use of resources (particularly the time of skilled personnel, which is probably the most limiting resource in development projects) and that

communications processes generate products that have multiple uses. For example, success stories and case studies developed in English for USAID can be translated into Spanish for use by the Government of Bolivia (GOB.)

- Effective communications should be accompanied by timely actions that are consistent with the concrete commitments made by the Project to different stakeholders; good communications alone will have little effect on behavior change. In this context, there is a clear need to refine and share the ARCo intervention strategy within the team [the clarification of selection criteria to be used by the Economic Service Centers (ESCs), is a good first step] to adequately respond to the inevitable questions of potential clients as to how can they work with ARCo and under what conditions.
- As development professionals, we need to understand that much of what is important to us about a project (objectives, organizational structure, etc.) has no relevance to an external audience; indeed more often than not it is just distracting. Thus, we are continually challenged to present information in such a way that it is both easy to assimilate (this implies avoiding overly technical language, lengthy documents, etc.) and has relevance for our audience. The ARCo profile is a first attempt to do just this.
- A communications strategy, like any other strategy, is a dynamic process and not a one-time activity. This document presents an initial approach that will provide a solid communications foundation for ARCo, but one that should be developed and adapted as the Project matures and situations change. For example, it should be enriched by more clearly defining the motivations and expectations of key stakeholders in order to better refine the dialogue at the local level.

II. THE ARCo COMMUNICATIONS CONTEXT – challenges & opportunities

Bolivia

The ARCo Project has commenced operations in a complex social and political environment. On the one hand this could be viewed as a major difficulty, while on the other it can be considered to be just “part and parcel” of doing business in Bolivia; a country in which social and political instability has been the norm for many years. Despite this level of debate the only certainties at present seem to be that: (i) the outcome of forthcoming elections is impossible to predict, (ii) whatever happens, continued social and political unrest will be the norm rather than the exception, and (iii) the current situation is a reflection of a more structural shift in social and political power which will continue to shape Bolivia’s future.

Thus, while ARCo should be sensitive to these issues, it must ensure that it does not become so preoccupied by possible negative repercussions of its activities that its basic thrust is undermined. Likewise, it should avoid the situation whereby a legitimate need for flexibility, when translated to operational levels, actually creates more confusion with local stakeholders and, ironically, weakens its ability to affect much-needed behavioral change in the medium to long-term.

As a pragmatic solution to this, it is recommended that ARCo maintains an honest and open approach with stakeholders, clearly identifying its “market niche” within a broader portfolio of complementary Integrated Alternative Development initiatives, while finessing its dialogue to the interests and motivations of its key client groups to create resonance. Thus, for example, contribution to regional economic development goals and job creation should be emphasized with municipal authorities; quality technical assistance, improved market penetration and income generation with producer groups, and risk reduction, improved access to financial services and the prompt resolution of key bottle-necks with potential buyers and investors. All the while, its central approach should be maintained.

ARCo’s “flexibility” should be reflected in its ability to objectively capture and process relevant regional intelligence, and its willingness to discuss the possible implications of this with USAID and the GOB, and take appropriate action. This is not the same as managing different versions of the “ARCo model” with different stakeholders – “*más o menos puro*” – at different points in the lifetime of the Project. Strategically this would be damaging for all parties. In this context, it is important to recognize that whatever the final decision arrived at in any particular circumstance (the current position with regard to providing continued subsidies to the UNAs, for example), it is critical that this is communicated by all staff in a way that is consistent with the ARCo approach.

First impressions of ARCo

Meetings with USAID and key GOB stakeholders confirm that ARCo has been able to project a committed and professional image from the outset. Most of

this has been achieved via open, honest and friendly “informal” communication, led by its Chief of Party (COP) and his team.

Brief conversations with the staff of the Social Capital Unit suggest that this has been replicated at the community level, where initial contacts have been low-key and have focused on building a more solid information base to design subsequent interventions, while at the same time proving a “gentle introduction” for the Project. The same approach appears to have been adopted by personnel and consultants working with the Business Unit in their analyses of the various producer associations and value chains.

Interviews with stakeholders in the field confirm this, while at the same time indicating that now is the time for the Project to develop more formal communication instruments to translate partial appreciations into a more coherent vision of ARCo.

ARCo – a key part of Bolivia’s Integrated Alternative Development strategy

Both USAID and the Vice-Ministry for Alternative Development (VDA) wish to position ARCo as a strategically important component of the “new” Integrated Alternative Development Program, under the GOB’s “Consejo Nacional de Lucha contra el Tráfico Ilícito de Drogas” (CONALTID) communications umbrella. This reflects legitimate concerns that separate project-level communications strategies in the past have hampered the development of unified messages and a coherent image. Although the details of the overarching Integrated Alternative Development communications strategy has yet to be finalized, it will place more emphasis on prevention and integrated alternative development than on eradication or interdiction. Likewise, one of its three key thrusts will focus on competitiveness, economic development and employment, which provides an obvious interface for ARCo. In practice this will translate to:

- Ensuring consistency of ARCo core messages with that of the GOB. This will support key themes such as: competitiveness, sustainability, entrepreneurship and regional economic development.
- Coordinating and communicating on a regular basis with communications staff in USAID, the Vice-Ministry for Alternative Development (VDA), the Regional Alternative Development Program (PDAR) and CONALTID.
- Providing both qualitative and quantitative information to the above institutions on a timely basis to support national and regional Integrated Alternative Development media campaigns and other related activities. This will focus particularly on communicating concrete impacts of interventions.

Effectively positioning ARCo

At the same time as locating the Project in a broader institutional context, there is a parallel need for ARCo to begin to establish its own identity, *NOT AS A CHEMONICS PROJECT*, but rather as an innovative new initiative, financed by USAID as part of the GOB’s broader Integrated Alternative Development strategy.

This is NOT TO SEEK ANY OVERT PROTOGANISM FOR ARCo *PER SE*, but is necessary for the following reasons:

- There is a basic need for ARCo to present itself to stakeholders as something: it is not a non-governmental organization (NGO), nor a business enterprise, nor a government initiative, nor USAID, nor VDA/PDAR, but a USAID-financed development activity with certain characteristics. People will naturally look to “position” ARCo and so it is best to do this as proactively, honestly and consistently as possible from the beginning.
- It is acknowledged as important by USAID, particularly to distinguish it from the DAI-CONCADE program.
- ARCo staff confirms that in many areas the field-level perception of “alternative development” is still strongly associated with coca eradication, conditionality, and paternalism; not things that either the Project, or the new Integrated Alternative Development program, want to be associated with.
- In the regions where ARCo is operating (Yungas & the Cochabamba Tropics), for good or bad, projects are still the principal vehicle of development and local stakeholders form quick-and-lasting impressions of them (for example, one social capital advisor talks of producers classifying different projects as more or less demanding - “duros” or “blandos” - and modifying their behavior accordingly.)
- Even accepting the VDA concern that individual projects have in the past diluted an overarching Program image, there is at the same time acknowledgement of the need for ARCo to be associated with new or different themes such as competitiveness, entrepreneurship, and the like, that support the new Integrated Alternative Development focus.

Complying with USAID branding guidelines

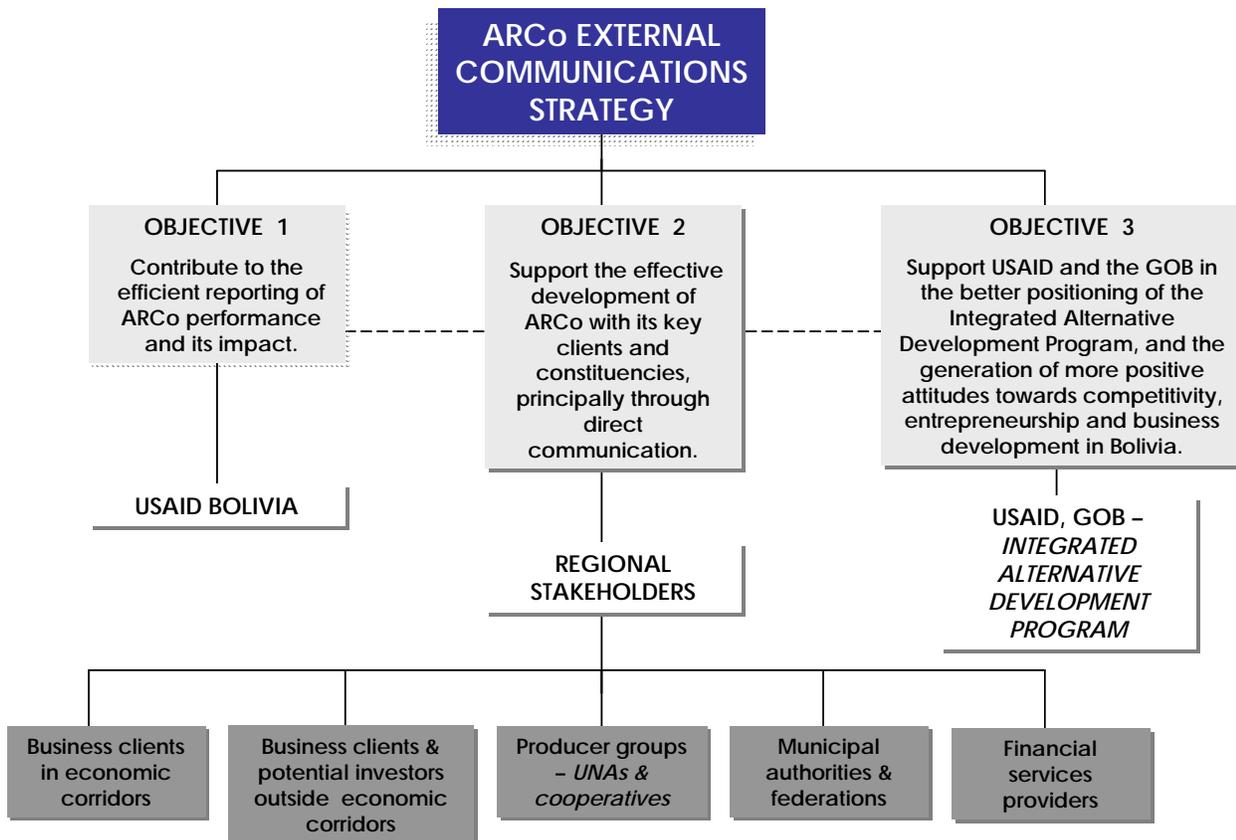
ARCo is cognizant of current USAID branding guidelines and will work closely with the USAID-Bolivia Communications Specialist to ensure compliance with the new Mission Communications Strategy as soon as it is made public. In the first instance, for example, minimal use will be made of the ARCo logo.

III. ARCo COMMUNICATIONS OBJECTIVES - focusing on the important

The ARCo communications strategy can be boiled down to three principal objectives:

1. Contribute to the efficient reporting of ARCo performance and its impact.
2. Support the effective development of ARCo with its key clients and constituencies, principally through direct communication.
3. Support USAID and the GOB in the better positioning of integrated alternative development and the generation of more positive attitudes towards competitiveness, entrepreneurship and business development in Bolivia, principally through the timely provision of quality analysis and quantitative/qualitative information.

For ease of presentation the communication objectives appear separately, although in practice they are clearly related. The figure below attempts to link each of them to a discreet set of stakeholders with which ARCo will interact. These are discussed in more length in Section IV.



IV. IMPLEMENTATION

- from tactics to practice

As ARCo approaches its sixth month of operation, there is a need to consolidate the image of a professional, respectful, demanding and results-orientated initiative (“*un proyecto duro y no blando*”), that fully supports the USAID mission in Bolivia and the GOB Integrated Alternative Development Program. This is complementary and not contradictory as it may appear at first glance.

In practical terms, the ARCo implementation strategy is premised on the following:

- In the first instance, the entire Project (often referred to as the “internal audience” by communications professionals) needs to understand and commit to what ARCo is and be able to sensitively articulate this in diverse situations.
- The ARCo implementation strategy will be deliberately low-key. At the same time ARCo understands that “low profile” should not equate to “no profile”; doing nothing or leaving a vacuum that can easily be filled by other perspectives, disinformation, etc.
- It is critical to inform USAID in a timely and efficient way of the progress and impact of ARCo with regard to (i) contractually obligated performance requirements, and (ii) additional materials that help the Bolivia Mission better understand and document the impact of its program.
- USAID has made it clear that “official” communications – ARCo understands this to mean principally national and local press, the media (TV & radio), and other major public events such as regional or international trade fairs – will be managed by the Integrated Alternative Development Program under the umbrella of the inter-ministerial communications strategy led by the VDA.
- ARCo will support this by guaranteeing (i) a constant flow of high quality information to the GOB and (ii) providing professional support in the management of this information or the implementation of the communication strategy as requested. This will have a particular emphasis on “educating” key audiences in such areas as competitiveness, entrepreneurship, market-led economic development and the like.
- The obvious exception to this is the ongoing process of communication between Project staff and stakeholders at the local/regional level – particularly involving business and social capital advisors and the ESCs. This will largely be direct communication with actors in different parts of the value chain, and will seek to:

- Develop professional and respectful relationships with key stakeholders. ARCo recognizes that this is as critically about style, tone, and presentation as content.
- Over time, place an increasing emphasis on the demonstrable impact of its interventions at the business, sectoral and regional levels rather than any extended discussion of ARCo *per se*.
- More generally promote paradigm, mindset and ultimately behavior change (from supply to demand-side approaches, from a production to a market-led focus, from subsidies to co-financing, etc.)

In the short term there is a need to develop a set of simple communication instruments that permit the Project to present a coherent and uniform image, as well as commencing an intelligent dialogue with stakeholders. This is outlined in the following tables.

1. ARCo performance monitoring and reporting

Communications objective	Contribute to the efficient reporting of Project performance and its impact.
Principal client	USAID Mission Bolivia: CTO & CO
Secondary client	GOB: VDA & PDAR
Responsibility within ARCo	<ol style="list-style-type: none"> 1. Lee Rosner (& senior staff): inter-personal communication with senior USAID & GOB officials. 2. Faustino Ccama: quantitative analysis (M&E). 3. Christian Kolar: finance and administrative information. 4. Joel Weber: coordination & qualitative analysis.
Instruments	<ul style="list-style-type: none"> ▪ Chemonics contract (key reference tool) ▪ Performance Monitoring Plan (PMP) ▪ Annual work plans (AWP's) ▪ Quarterly Reports ▪ Regular informal contact
Recommendations	<ul style="list-style-type: none"> ▪ Specific recognition is given to the critical importance of informal, inter-personal communication. ▪ If done properly, the final documents (mentioned above) should not only provide USAID with a clear idea of progress against milestones, but also represent well-managed, participatory processes within ARCo that build overall coherence and sense of identity. ▪ The PMP should reflect challenging yet achievable goals and clear indicators of achievement, which, when combined with the AWP's become working documents to guide progress. ▪ Documents will be presented in English to USAID. ▪ Documents will be translated into Spanish for GOB clients & for internal distribution among ARCo team.

2. Direct communication with key clients & constituencies

Communications objective	Support the effective development of ARCo with its key clients and constituencies, principally through direct communication.
Principal clients	<ol style="list-style-type: none"> 1. Businesses in economic corridors. 2. Businesses & potential investors outside economic corridors. 3. Producer groups – UNAs & cooperatives. 4. Financial services providers.
Secondary clients	<ol style="list-style-type: none"> 1. Municipalities (& federations). 2. Other USAID Projects operating in economic corridors. 3. PDAR regional communications staff.
Responsibility within ARCo	<ol style="list-style-type: none"> 1. Economic Service Centers (businesses in economic corridors, UNAs & cooperatives). 2. Business Advisors (businesses & potential investors outside of economic corridors, UNAs & cooperatives). 3. Social capital advisors (municipalities & federations, other USAID projects). 4. Ramiro Ortega & ESCs (financial services providers). 5. Joel Weber (coordination and institutional relationships with PDAR & other USAID projects). 6. COP & regional-based DCOPs (official representational role for ARCo).
Instruments	<ul style="list-style-type: none"> ▪ Staff orientation events to guarantee Project-wide understanding of ARCo approach. ▪ Internal training events to ensure that ARCo staff (particularly field-based personnel) has a basic grasp of key business and financial services intervention strategies. ▪ Generic PowerPoint presentations differentiated by audience. ▪ Documentation package for ESC clients to clarify operation and rules of the game. ▪ Official “introduction” of ARCo to municipal authorities & other local leaders (this must precede the official launching of ESCs and involve PDAR staff to ensure a broader institutional “umbrella”). ▪ Induction events for the ESC operators. ▪ Official opening of ESCs. ▪ Formal stakeholder meetings & workshops. ▪ Signed minutes of meetings to clarify and record agreements between ARCo and its clients. ▪ Individual discussions with clients. ▪ Business plan documents & signed contracts. ▪ Training events for local stakeholders in

	<p>entrepreneurship and business management.</p> <ul style="list-style-type: none"> ▪ ARCo bulletin (PRA style) for potential investors/financial services providers to promote investment/credit in economic corridors.
<p>Recommendations</p>	<ul style="list-style-type: none"> ▪ The emphasis is on direct communication – either individually or in groups. ▪ ARCo should recognize and incorporate social and cultural differences between the Yungas and the Cochabamba Tropics. ▪ The implementation of a coherent strategy will clearly involve good coordination within the ARCo team, particularly at the local, operational level. The opportunity for confusion is significant. ▪ It is important that ARCo field staff develop the habit of generating short minutes of key meetings with stakeholders, both to promote a culture of formality and to provide a written documentation of any agreements reached. ▪ Given that many local stakeholders will not become direct clients of ARCo, a parallel process of local training to improve skills and support mindset change in favor of entrepreneurship and business development, would generate a positive local image for ARCo. A practical “learning-by-doing” educational philosophy could be employed, utilizing ARCo’s business clients to provide the context in which training would be organized. ▪ The ESCs will quickly become the “public face” of ARCo for many local stakeholders; it is critical that they receive a solid induction. ▪ The overall approach will be low-key, yet consistent with the focus as outlined in the ARCo profile document (English & Spanish versions annexed). ▪ The profile provides key messages, but more so the overall logic of ARCo. Remember that key messages do nothing if divorced from the context and the underlying sense of the Project. ▪ ARCo professionals should have (or develop) the ability to finesse messages, responding (where possible and agreed upon) to identified motivations of stakeholders, for example: <ul style="list-style-type: none"> (i) <u>local authorities</u>: emphasis on contribution to local economic development, productive services, and particularly job creation. (ii) <u>producer groups</u>: emphasis on financial sustainability, quality technical assistance, financial services, and producing for the market. (iii) <u>buyers & potential investors</u>: emphasis on

	<p>business opportunities in corridors, creative role of ARCo in reducing investment risks, access to finance, and previous Chemonics experience in doing this in other countries (emphasis on quantitative info.)</p> <p>(iv) <u>Financial services providers</u>: similar to (iii) above, with inclusion on use of “smart subsidies” (see Ramiro Ortega’s explanation.)</p> <ul style="list-style-type: none">▪ Given the natural suspicion of the private sector of development projects and the need to secure interest from a wider group (e.g. Board of Directors, etc.) it is suggested that an ARCo quarterly bulletin (PRA style), showcasing success stories and outlining opportunities and mechanisms for involvement, is developed. To avoid the emphasis on ARCo it would make more sense to develop this material under the banner “investing in the Cochabamba Tropics/ Yungas.)
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3. Supporting the Integrated Alternative Development Program

Communications objective	Support USAID and the GOB in the better positioning of Integrated Alternative Development and the generation of more positive attitudes towards competitiveness, entrepreneurship and business development in Bolivia, principally the timely provision of quality analysis and quantitative/qualitative information.
Principal client	Integrated Alternative Development Program: USAID Mission Bolivia, VDA & PDAR.
Responsibility within ARCo	<ol style="list-style-type: none"> 1. ESCs, Business Advisors, Social Capital Advisors: capture of field-level experiences that demonstrate impact at various levels. 2. Faustino Ccama: quantitative analysis (M&E). 3. Policy Unit: analysis & presentation of key themes. 4. Joel Weber: coordination & qualitative analysis. 5. Lee Rosner: participation in the Technical Coordinating Committee (CTI).
Instruments	<ul style="list-style-type: none"> ▪ Monthly electronic “highlights” report ▪ Quarterly reports ▪ “Success stories” & case studies (USAID format) ▪ Specific studies (sector, commodity, etc.) ▪ Ad-hoc meetings, fora, round-tables, etc. ▪ Support to trade fairs ▪ Support to public information campaigns, with a particular focus on competitiveness, entrepreneurship and business development ▪ CTI meetings & other periodic “feedback sessions” as deemed appropriate. ▪ Visits for GOB officials to ARCo clients to enhance exposure of key decision-makers to field-level realities.
Recommendations	<ul style="list-style-type: none"> ▪ ARCo should ensure alignment of its communications strategy with those of CONALTID, VDA/PDAR and USAID. ▪ For reasons of both efficiency and identity, ARCo should focus on its complementary role in the overall IAD program, with a particular emphasis on its core competencies. ▪ Over time, ARCo should be characterized as a source of reliable and timely information and relevant and high-quality analysis. ▪ Monthly electronic bulletins, success stories and case studies will be presented in English to USAID and translated into Spanish for GOB clients. ▪ Close coordination with GOB counterparts will permit the negotiation of appropriate levels of participation in national events (fairs, campaigns)

ANNEXES

ARCo profile
Sinopsis de ARCo



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FROM THE AMERICAN PEOPLE

A SHORT OVERVIEW OF ARCo

The development challenge

The USAID financed Rural Competitiveness Activity – known as ARCo – is a key part of the Bolivian Government’s new integrated alternative development strategy. This new effort will contribute to targeted regional growth while overcoming an unsustainable dependence on subsidies and external assistance. ARCo will complement a range of other initiatives by focusing its effort and resources on fostering ENTREPRENEURSHIP and stimulating the GROWTH OF BUSINESSES to generate INCOME, provide JOBS, and SUSTAIN LIVELIHOODS.

The ARCo mission and approach

Some basic economics

At its most fundamental level, SUSTAINABLE ECONOMIC DEVELOPMENT hinges on the existence of REAL DEMAND for products or services on the one hand, and a group of businesses capable of SUPPLYING this demand, on the other. In the absence of distortions (subsidies, quotas, etc.), the conditions under which this occurs – for example, price and quality expectations, and volume – are determined by THE MARKET. This group of business activities that link initial production to final sales, and which include the provision of a wide variety of services, is commonly known as the VALUE CHAIN. The ability of each of these BUSINESSES (or the chain as a whole) to respond to final demand in a way that distinguishes them from others – via such things as lower price, better quality, niche characteristics, superior marketing, etc. – and at the same time generates profits and investment capital, is defined as COMPETITIVENESS. A business is considered competitive if it has the capacity to withstand external shocks or changes in market conditions, adapt to them, and continue to operate profitably. ARCo will help Bolivian businesses to do just that.

ARCo’s central mission is a simple yet challenging one:

To strengthen the competitiveness of Bolivian businesses and their ability to identify and respond to market demand in order to promote the sustainable economic development of the Yungas de La Paz and the Cochabamba Tropics.

The ARCo approach

The ARCo approach begins with identifying, or ensuring the existence of REAL DEMAND (in layman’s terms this translates to putting names to actual buyers!) and a rigorous ANALYSIS OF THE BUSINESS ENVIRONMENT to guarantee that KEY CONSTRAINTS – for example, limited market access, high costs of production and processing, a shortage of capital, or burdensome regulatory frameworks –

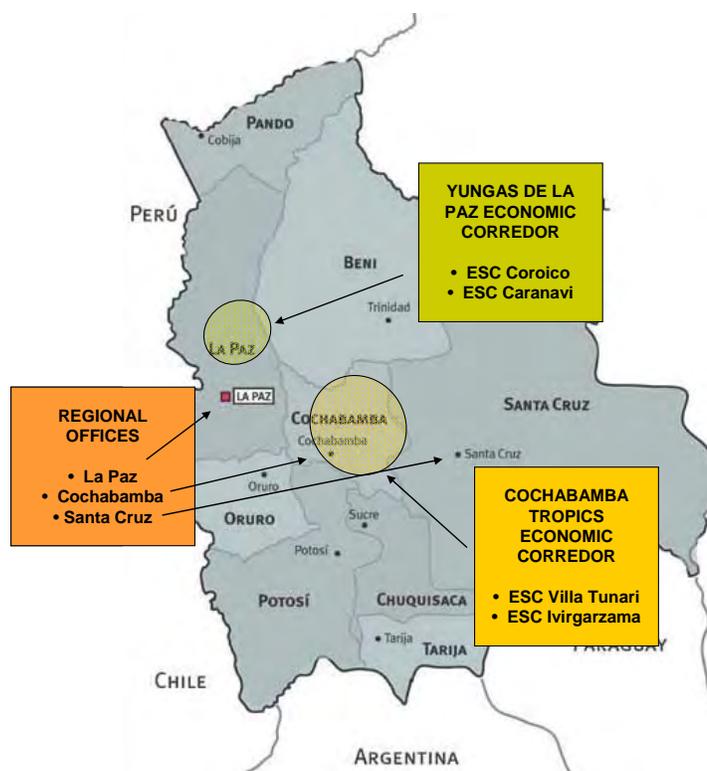
are quickly identified and PRACTICAL SOLUTIONS, where they exist, are put in place. To guarantee tangible results, ARCo works with SPECIFIC BUSINESSES to improve performance, frequently generating multiplier effects throughout the entire market chain. When considered to be issues of broader significance they are translated into PRAGMATIC POLICY RECOMMENDATIONS for implementation at the sector or national level, thus adding value.

ARCo believes strongly in ACCOUNTABILITY and its success is measured by CONCRETE TRANSACTIONS between buyers and sellers that result in increased INVESTMENT and SALES, higher INCOME and more JOBS. To achieve this, ARCo functions as a PROFESSIONAL and TRANSPARENT provider of skilled business acumen and services - for example, providing access to new financing mechanisms, co-investment funds, targeted infrastructure, and the like - to support, BUT NEVER REPLACE, the business clients that it serves.

How ARCo operates

Geographic focus

ARCo's geographic focus, in accord with the integrated alternative development priorities of the Bolivian Government, is the regional ECONOMIC CORRIDORS of YUNGAS and the COCHABAMBA TROPICS. To ensure that the Project has an intimate awareness of the business environments in these two regions and that its response is both agile and appropriate, two ECONOMIC SERVICE CENTERS (ESC) will be established in each economic corridor; in Coroico & Caranavi in Yungas, and Villa Tunari & Ivirgarzama in the Cochabamba Tropics.



The role of the Economic Service Centers

The role of the ESC is to IDENTIFY ECONOMIC OPPORTUNITIES, NURTURE BUSINESS RELATIONSHIPS, and ultimately FACILITATE TRANSACTIONS BETWEEN BUYERS AND SELLERS. The development of BUSINESS PLANS will be the key instrument around which technical assistance and service provision is organized to guarantee the most efficient use of resources. In all cases, COUNTERPART CONTRIBUTIONS will be insisted upon and FORMAL CONTRACTS, clarifying expectations and responsibilities, will be signed. In line with the COMPETITIVE PHILOSOPHY of ARCo, the ESCs will be managed by Bolivian partners who will be held accountable for meeting concrete SALES AND EMPLOYMENT TARGETS.

Drawing on other ARCo resources

While ARCo will maintain a solid presence in Yungas and the Cochabamba Tropics, business realities dictate that many potential transactions will involve actors outside of these regions. These could be regional or international opportunities, but in the first instance will most likely be found in the cities of LA PAZ, COCHABAMBA and SANTA CRUZ. For this reason, ARCo maintains a decentralized organizational structure with offices in each of these three cities. These are staffed with BUSINESS ADVISORS, tasked with providing support to the ESCs, as well as identifying new markets, potential buyers and facilitating business relationships with suppliers within the economic corridors. The business advisors are supported by other skilled professionals, working in parallel to build critical SOCIAL CAPITAL, identify and facilitate new sources of FINANCE, structure CO-INVESTMENT, develop STRATEGIC INFRASTRUCTURE AND PRODUCTIVE SERVICES, and explore broader POLICY OPTIONS.

ARCo offers a COMPREHENSIVE SERVICE PACKAGE, tailored to the demands of specific clients.

The ARCo client base and its selection methodology

The ARCo demand-pull strategy provides an open door for a WIDE RANGE OF POTENTIAL CLIENTS from anywhere within the value chain, as well as within or outside the economic corridors. Rather than target specific groups or develop prescriptive client profiles in advance, the Project believes that THE MARKET can do a better job of IDENTIFYING INTEREST AND POTENTIAL. The process of converting a large group of potential clients to a smaller, targeted group of actual clients is evaluated on a case-by-case basis, focusing on SPECIFIC BUSINESS OPPORTUNITIES with the GREATEST POTENTIAL FOR INCOME GENERATION AND JOB CREATION. Given the regions in question, it is anticipated that many initiatives will involve the traditional supply base of small agricultural producers and collective enterprises (associations, cooperatives, etc.) While the focus is on the private sector, ARCo will work with public-sector stakeholders - particularly MUNICIPAL GOVERNMENTS - to identify concrete ways in which they can establish an EFFECTIVE INSTITUTIONAL PLATFORM for local economic development.

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SINOPSIS DE ARCo

El reto

El Proyecto Actividad Rural Competitiva (ARCo), financiado por USAID, es un componente clave de la nueva estrategia de desarrollo alternativo integral del gobierno de Bolivia. Este nuevo esfuerzo contribuirá al crecimiento regional intentando superar la dependencia no sostenible de los subsidios y la asistencia externa. ARCo complementará el trabajo que realizan otros proyectos orientando sus esfuerzos y recursos para promocionar el ESPÍRITU EMPRENDEDOR y estimular el CRECIMIENTO DE LOS NEGOCIOS con el fin de generar INGRESOS y EMPLEO, y sostener MEDIOS DE VIDA.

La misión y el enfoque de ARCo

El argumento económico

En su nivel más básico, el DESARROLLO ECONÓMICO SOSTENIBLE depende, por un lado, de la existencia de una DEMANDA REAL de productos o servicios y, por otro, de negocios con capacidad de SATISFACERLA. Cuando no hay distorsiones (subsidios, cuotas, etc.), las condiciones bajo las cuales esto ocurre – por ejemplo, expectativas de precio y calidad, volúmenes, etc. – las determina el MERCADO. Estas actividades comerciales, que vinculan la producción con la venta final y que incluyen una amplia gama de servicios, se conocen como la CADENA DE VALOR. La capacidad de cada uno de estos negocios (o de la cadena entera) de responder a la demanda final de tal forma que se diferencie de otros – a través de mejores precios, mayor calidad, características de nicho, mejor comercialización, etc. – y, a la vez, generar utilidades y capital de inversión, se define como COMPETITIVIDAD. Un negocio se considera competitivo si tiene la capacidad de sobrellevar incidentes externos o cambios en las condiciones del mercado, adaptarse a ellos, y continuar operando en forma rentable. ARCo apoyará los negocios bolivianos para lograr esto.

La misión central de ARCo es sencilla y, a la vez, retadora:

Fortalecer la competitividad de los negocios bolivianos y su capacidad para identificar y responder a la demanda del mercado, para promover el desarrollo económico sostenible de los Yungas de La Paz y el Trópico de Cochabamba

El enfoque de ARCo

El enfoque de ARCo comienza identificando, o asegurando la existencia, de la DEMANDA REAL (en términos más sencillos, poniéndoles nombre y apellido a los compradores), y haciendo un análisis riguroso del contexto de los negocios para garantizar que los cuellos de botella – el acceso limitado al mercado, los altos costos de producción y procesamiento, la falta de capital, o los reglamentos onerosos, por ejemplo – estén identificados y que las SOLUCIONES PRÁCTICAS,

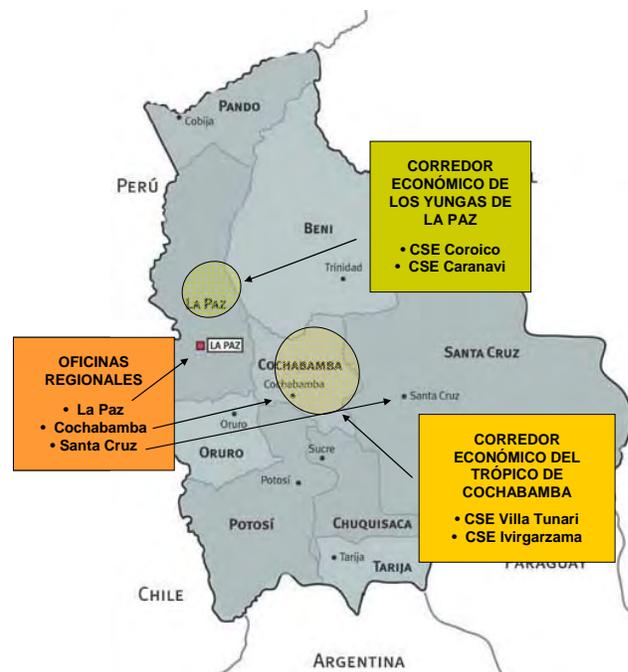
cuando sea factible, se apliquen. Para garantizar resultados tangibles, ARCo trabaja con NEGOCIOS ESPECÍFICOS para mejorar su desempeño, generando, con frecuencia, efectos multiplicadores en la cadena de valor. Cuando estos asuntos tengan una relevancia más amplia, se traducirán en RECOMENDACIONES DE POLÍTICAS PRAGMÁTICAS para implementarlas en el nivel nacional o sectorial generando, por lo tanto, valor agregado.

ARCo cree firmemente en la RESPONSABILIDAD y el COMPROMISO, y su éxito se mide por su capacidad de promover TRANSACCIONES CONCRETAS entre vendedores y compradores que incrementen las INVERSIONES y las VENTAS, y generen mayores INGRESOS y EMPLEO. Con este fin, ARCo funciona como un proveedor PROFESIONAL y TRANSPARENTE de servicios y conocimiento empresarial - por ejemplo, ofreciendo acceso a nuevos mecanismos de financiación, fondos de co-inversión e infraestructura específica, entre otros - para apoyar, PERO NUNCA REEMPLAZAR, a los clientes que sirve.

Cómo opera ARCo

Enfoque geográfico

De acuerdo con las prioridades del desarrollo alternativo integral del gobierno de Bolivia, el enfoque geográfico de ARCo son los CORREDORES ECONÓMICOS de los YUNGAS y el TRÓPICO DE COCHABAMBA. Para asegurar que el Proyecto tenga un conocimiento profundo del contexto de los negocios en estas dos regiones, y que su respuesta sea ágil y apropiada, se establecerán dos CENTROS DE SERVICIOS ECONÓMICOS (CSE) en cada corredor económico; en Coroico y Caranavi en los Yungas, y Villa Tunari e Ivirgarzama en el Trópico de Cochabamba.



El rol de los Centros de Servicios Económicos

El papel de los CSE es IDENTIFICAR OPORTUNIDADES ECONÓMICAS, FOMENTAR RELACIONES COMERCIALES y, finalmente, FACILITAR TRANSACCIONES CONCRETAS ENTRE VENDEDORES Y COMPRADORES. El desarrollo de PLANES DE NEGOCIO será el instrumento clave alrededor del cual se organizarán la asistencia técnica y la provisión de servicios para garantizar un uso más eficiente de los recursos disponibles. En todos los casos, será indispensable el aporte de CONTRAPARTIDAS y la firma de CONTRATOS FORMALES para clarificar expectativas y asignar responsabilidades. De acuerdo con la FILOSOFÍA COMPETITIVA de ARCo, los CSE serán administrados por socios bolivianos, quienes asumirán la responsabilidad de alcanzar METAS CONCRETAS de GENERACIÓN DE VENTAS Y CREACIÓN DE EMPLEO.

Capitalizando los recursos de ARCo

Aunque ARCo mantendrá una presencia sólida en los Yungas y el Trópico de Cochabamba, las realidades comerciales muestran que muchas transacciones involucrarán actores fuera de esas regiones. Estas podrían ser oportunidades regionales o internacionales, pero, en primera instancia, probablemente estarían ubicadas en las ciudades de LA PAZ, COCHABAMBA y SANTA CRUZ. Por esta razón ARCo tiene una estructura organizacional descentralizada con oficinas en cada una de estas tres ciudades. Estas sedes cuentan con ASESORES DE NEGOCIOS, responsables de ofrecer apoyo a los CSE, identificar nuevos mercados y compradores potenciales, y promover las relaciones comerciales con proveedores dentro de los corredores económicos. Los asesores de negocios cuentan con el apoyo de otros profesionales que trabajan en paralelo para construir CAPITAL SOCIAL crítico, identificar y facilitar nuevas fuentes de FINANCIAMIENTO, estructurar CO-INVERSIONES, desarrollar INFRAESTRUCTURA ESTRATÉGICA Y SERVICIOS PRODUCTIVOS e identificar opciones de POLÍTICAS.

*ARCo ofrece un PAQUETE COMPLETO DE SERVICIOS,
diseñado para las demandas de clientes específicos*

Los clientes de ARCo y su metodología de selección

La estrategia de ARCo, basada en la demanda, abre puertas a un AMPLIO RANGO DE CLIENTES POTENCIALES de cualquier eslabón de la cadena de valor, dentro o fuera de los corredores económicos. En vez de identificar grupos específicos, o establecer perfiles de clientes, el Proyecto cree que el mismo MERCADO puede mostrar mejor EL INTERÉS Y EL POTENCIAL. Para llegar de un grupo grande de clientes potenciales a uno más pequeño de clientes finales, se evaluará caso por caso enfocándose en las OPORTUNIDADES ESPECÍFICAS DE LOS NEGOCIOS que tengan MAYOR POTENCIAL para la GENERACIÓN DE INGRESOS y la CREACIÓN DE EMPLEO. Teniendo en cuenta las regiones identificadas, se anticipa que muchas iniciativas involucrarán la oferta tradicional de los productores pequeños y las empresas colectivas (asociaciones, cooperativas, etc.). Aunque el enfoque está firmemente ligado con el sector privado, ARCo también trabajará con actores del sector público - en particular con los GOBIERNOS MUNICIPALES - en la identificación de formas concretas para establecer una PLATAFORMA INSTITUCIONAL EFECTIVA para respaldar el desarrollo económico local.

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