



USAID
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ALLIANCES IN ACTION

PRODECENTRALIZATION ALLIANCE

DEVELOPMENT CHALLENGE

Years of fragile democracy and underinvestment in social sectors have hampered Peru's development. In the northern highlands of Peru, in Cajamarca, mining companies have brought jobs and contributed much-needed resources to municipal and regional coffers. But extractive company revenues alone cannot help solve the problems facing the local governments. Municipal governments lack the capacity to spend resources being generated by the mining companies, which ultimately hinders growth and obstructs the progress needed to improve citizens' lives. Consequently, poverty, social instability, and lack of confidence in government remains high.

BUSINESS CHALLENGE

In addition to promoting their services and brand, partners seek to invest in the ProDecentralization Alliance to help cultivate an understanding of the value of the extractive industry to the region's economic and social growth. Through this partnership, companies are helping communities to see how they benefit from the extractive industry.

APPROACH

USAID and the Association Los Andes of Cajamarca (ALAC) --a foundation of Peru's largest mining companies--are partnering to strengthen local government transparency and accountability in Cajamarca, Peru. Building upon lessons learned from previous initiatives, alliance partners plan to reach 13 provincial and 128 district-level governments to enhance their capacity to provide effective, high-quality government services. Activities include: training and advisory services on participatory budgeting and public accountability; conflict resolution; administrative simplification; infrastructure development and design; and the promotion of private investment. Through the provision of these activities, local governments will be better positioned to invest resources into programs that meet the needs of citizens. In addition, by engaging more closely with local communities, municipal governments aim to reduce tensions and alleviate social conflict in the region.

PARTNERS



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RESULTS

- 148 public officials and civil society representatives have been trained in participatory budget, planning processes, and procurement systems.
- 272 public officials and professionals received technical assistance during the development process of the "Plan de Desarrollo Concertado de Cajamarca," a regional development plan.
- To date, the different projects funded by ALAC have generated 2,991 new direct jobs, 6,188 people adopting improved technologies, 720 new activities.

FAST FACTS

START: 2009 END: 2012

PARTNER CONTRIBUTIONS:

USAID: \$50,000

ALAC: \$107,468

December 2009