

# Bolivia



## THE SITUATION

Bolivia is one of the most vulnerable countries to climate change in Latin America. Gradually rising average temperatures and increased frequency and intensity of extreme weather events negatively affect the economy, ecosystems, and welfare of the people, particularly the poor. The availability of water resources for various areas of the country is being affected by accelerated glacier melting, changes in the rainfall patterns and increased evapotranspiration. High levels of poverty persist throughout the county, and nearly 30% of the population lives in extreme poverty. Gaps in infrastructure, poor provision of basic services, and weak institutional capac-

ity make addressing these and other central development needs a challenge at the national and sub-national levels.

## THE TRANSFORMATION

The government of Bolivia is tapping US\$86 million in grant and near-zero interest credit financing from the Pilot Program for Climate Resilience (PPCR) to support an integrated plan to improve water resources management in three prioritized sub-basins and planning capacity at the national level. It is designed to support the full implementation of the country's National Mechanism for Adaptation to Climate Change, a strategy that aims to lay the groundwork for addressing climate change. Bolivia's PPCR strategic program was designed under the leadership of the government in coordination with the Inter-American Development Bank (IDB), members of the World Bank Group (IBRD, IDA, IFC), key Bolivian stakeholders, and other development partners.



## BOLIVIA QUICK FACTS

### GEOGRAPHY AND DEMOGRAPHY:

Population: **10 million**

Average annual population growth (2004–2010): **1.7%**

Percent cultivated land with irrigation: **10%**

### DEVELOPMENT

UNDP Human Development Index rank: **108/187**

GDP: **US\$24.4 billion**

Average annual GDP growth (2000–2010): **4.1%**

Percent labor force involved in agriculture: **30%**

Population living in extreme poverty: **27%**

Indigenous population living in poverty: **69%**

Rural population with access to improved water source: **71%**

## BOLIVIA PPCR QUICK FACTS

PPCR financing: **US\$86 million**  
(58% grants; 42% near-zero interest credits)

Expected to leverage: **US\$79 million**

### EXPECTED PPCR IMPACT: Enhancing gender equality through climate resilience

Climate change is not gender neutral. Its impacts among men and women are different as are their responses. In most cases, women have higher levels of vulnerability, with particular challenges in coping and recovering from disasters and extreme climate events. In Bolivia 38% of women depend on the agricultural sector, compared to 33% of men, making them even more susceptible to the negative effects of drought, flooding, and tropical storms. Bolivia's PPCR initiatives incorporate a specific focus on enhancing gender equality through direct investments, as well as through improved collection, monitoring and evaluation of gender data as a basis for better policies and decision making.



Source: Sustainable Sanitation

## BOLIVIA PPCR INVESTMENT FOCUS AREAS

### METROPOLITAN WATER AND SANITATION

**RATIONALE:** PPCR investments in metropolitan climate resilient water systems can directly benefit hundreds of thousands of people and demonstrate viable water resource management strategies in other challenging high-altitude environments.

**FINANCING:** US\$44.5 million PPCR grant financing is expected to leverage US\$70 million from the government, IBRD, and IDB for this IDB-implemented project.

#### EXPECTED RESULTS:

- Improve the continuity, quality, and coverage of the water and sanitation systems for 800,000 people in metropolitan La Paz and El Alto.
- Generate experiences and lessons to integrate climate change in the planning, design and implementation of water projects in high mountain environments.
- Pilot a multipurpose, participatory, and sustainable water resource management plan that includes the gender dimension and establishes a foundation for climate resilience water system.

### CLIMATE RESILIENT WATER BASINS

**RATIONALE:** PPCR investments to improve the resilience of water systems in the Rio Grande basin are expected to directly address rural poverty and to demonstrate valuable lessons for effectively replicating climate resilience investments in other regions.

**FINANCING:** US\$41.5 million in PPCR grant (US\$5.5m) and near-zero interest credit (US\$36m) financing is expected to leverage US\$9 million from regional and municipal governments for this IBRD-implemented project.

#### EXPECTED RESULTS:

- Enhance climate resilience of production systems, ecosystems, and prioritized settlements in Mizque and Pirai, two Rio Grande sub-basins.
- Improve water management to increase rural incomes and reduce economic losses from flood events.
- Provide basis for improved national climate resilience planning standards through concrete experiences.

### INSTITUTIONAL CAPACITY

**RATIONALE:** PPCR investments for improving national and sub-national institutional capacities for integrating climate resilience considerations into development planning can enable broader replication at scale.

**FINANCING:** US\$41.5 million in PPCR grant (US\$5.5m) and near-zero interest credit (US\$36m) financing is expected to leverage US\$9 million from regional and municipal governments for this IBRD-implemented project. (NOTE: Financing figures are pooled for the Climate Resilient Water Basins and Institutional Capacity investment focus areas.)

#### EXPECTED RESULTS:

- Support staff training in institutions to support better decision making, with attention to units with particular impact on gender equality objectives.
- Improve public access to hydro-meteorological information to strengthen integration of climate resilience into national and sub-national development planning.

