

In Brief

Project dates:

- January 2008 to December 2009

Sector:

- Gas

Country:

- Bolivia

Partner:

- Transierra

Donors:

- The Oil, Gas and Mining Sustainable Community Development Fund (CommDev)
- Netherlands – IFC Partnership Program
- IFC's Oil, Gas, Mining and Chemicals Department

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The International Finance Corporation (IFC) is Latin America and the Caribbean's leading multilateral finance institution for the private sector. IFC provides a wide range of innovative financial products and services as well as complementary sustainability products and advisory services. By tailoring these products and services to meet specific client needs, IFC works to build a stronger, more vibrant and equitable private sector for the region.

Enhancing Local Benefits

Enhancing Benefits of Transierra's Guarani Development Plan

Objective

Enhance the commercial viability of 4 community based agri-projects financially assisted by the Guarani Development Plan's Support Program implemented by Transierra S.A. The impact of the project will be to increase in the gross sales and net income of the community based agri-projects and indirectly the net income of other communities acting as suppliers of raw products.



Background

On July 14, 2005, Transierra signed an agreement with the Guarani Peoples Assembly and the captaincies located within the area of influence of the Yacuiba-Rio Grande gas pipeline (GASYRG), denominated as Guarani Development Plan's Support Program. The Program commits USD 9 million for community development projects during the next 20 years, resulting from the profit of the GASYRG's operation.

Transierra requested IFC's support to ensure that the USD 9 Million contribution to community development in the influence area of the GASYRG pipeline may have a long term impact and to minimize the risk of social conflict that can affect normal operations and business viability.

Scope

The project's scope is the following: The advisory project will support up to 4 community based agri-business projects that have shown commercial potential. These projects will be demonstrative of how long-term business planning can promote sustainable community development, taking advantage of the 20 year support period of the PA-PDI.

The 4 prioritized community based projects are: (i) Corn Storage and Bulk Commercialization Services in Charagua Norte, (ii) Milk and Cheese Production in Takovo Mora, (iii) Grain Storage and Bulk Commercialization Services in Villamontes and (iv) Cold Cut Meat Production in Yacuiba.

Enhancing Local Benefits



The activities proposed for these projects are:

- ✓ **Activity 1:** Analyze market potential.
- ✓ **Activity 2:** Formulate an organizational and project management model.
- ✓ **Activity 3:** Prepare Business Plans for the 4 community projects transferring basic capacities to beneficiary communities.
- ✓ **Activity 4:** Assemble the Project Management and Technical Advice Local Support Network to assist the 4 demonstrative projects and new community projects interested to develop a long-term business plan.

IFC Products and Services

IFC focuses on where we add the most value and have mapped out the key sectors that correspond to core country needs, with an emphasis on those with significant impact potential. We offer a unique combination of Investment Products and Advisory Services.

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