

Through NZAID, all New Zealanders are making a difference in the lives of some of the poorest people in the Pacific, Asia, Latin America and Africa.

NOVEMBER 2009 | NZAID making a difference in Latin America

NEW ZEALAND'S DEVELOPMENT ASSISTANCE

NZAID snapshot

- NZAID is the New Zealand Government's international aid and development agency within the Ministry of Foreign Affairs and Trade.
- In 2009/10 NZAID will spend approximately \$500 million on overseas development assistance.
- NZAID's total support for Latin America in 2009/10 is \$5.5 million.

The facts

- The population of Latin America is approximately 525 million.
- There are many different languages spoken in Latin America. Whilst Spanish and Portuguese are the main languages, French, English, and a large number of indigenous languages are also spoken.

The issues

- Despite strengthening democracy and encouraging signs of economic growth in recent times, the number of people living in poverty in the Latin America region remains high.
- 8.2 percent of the population live on below \$1.25 per day, and 17.1 percent live on below \$2 per day (2005 World Bank figures).
- Poverty levels are particularly high amongst indigenous people and people living in isolated rural areas where in order to make a living populations often depend on scarce resources and fragile ecosystems.
- There is extreme inequality of income and opportunities both within and between Latin American countries.
- The food crisis and the global financial crisis are taking their toll on the region.

NZAID's focus in Latin America

New Zealand is a modest donor with limited capacity in the region. NZAID's emphasis in Latin America is to therefore add value to the endeavours of those already working there.

NZAID's work focuses on three sub-regions in Latin America:

- Andean Peru, Bolivia and Ecuador
- Central America (El Salvador, Guatemala, Honduras and Nicaragua)
- Brazil and the Southern Cone (predominantly Brazil, Chile and Argentina but including Uruguay and Paraguay).

NZAID's priorities in Latin America are guided by the 'Latin America Development Programme Strategy 2004-2010'. The programme focuses on the following areas:

- *Sustainable rural livelihoods*

NZAID's work includes support to strengthen agriculture, eco-tourism, agribusiness development, market chain interventions, natural resource management and assisting landless communities to gain access to resources.

- *Governance*

NZAID works to strengthen government institutions' capability, transparency, policy work, responsiveness to diversity, improving poverty analysis and reporting systems, and strengthening civil society.

How NZAID works in Latin America

NZAID contributes to multilateral and other donor agencies' development projects and programmes that are operating in Latin America.

NZAID recognises that non-government organisations can have a direct impact on addressing poverty at the community level and therefore also supports several multi-year projects that foster sustainable rural livelihoods in Central America.

...towards a safe and just world

The logo for NZAID features a stylized red wave above the word "nzaid" in a bold, green, lowercase sans-serif font.

New Zealand's International
Aid & Development Agency

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Through the Latin America Development Assistance Facility - Partnerships for Sustainable Development fund NZAID supports a limited number of multi-year partnerships between New Zealand and Latin American agencies in certain countries that:

- enhance the capacity of Latin American agencies working in relevant development areas to achieve good development outcomes
- enhance the development impact of locally managed projects, programmes and processes in Latin America.

The Latin America Development Assistance Facility is currently fully subscribed.

Short Term Training Awards are also provided to support the work of Latin American agencies involved in relevant development initiatives through tailored training programmes delivered in New Zealand.

NZAID strategic focus areas

Governance

NZAID is working with RIMISP, the Latin American Centre for Rural Development, to support governance in rural areas. RIMISP operates in seven Central American and Andean countries.

RIMISP coordinates the Learning Network of Rural Indigenous Municipalities, which seeks to improve capacity in rural areas by sharing knowledge gained from practical experiences, and promoting participatory budgeting. Participatory budgeting is a process in which local citizens make decisions on how best to spend public funding, enabling them to choose projects that respond to their needs and priorities, while also encouraging transparency and accountability at the local government level.

Communities are seeing the benefits of the participatory budgeting process. A few years ago, Limatambo, a small rural municipality in the indigenous Quechua region of the Southern Andes of Peru, had no electricity or connecting roads. Lack of support from the central government and the modest local government budget for infrastructure projects made providing even basic services very difficult. Through participatory budgeting, Limatambo now has an electrical grid and 90 percent

coverage in water and sanitation services, and roads linking communities together.

Sustainable rural livelihoods

The International Potato Centre (CIP)

NZAID funds the CIP to work with farming organisations to identify, utilise and manage market opportunities. The CIP also links farmers to new sources of technology, and promotes biodiversity and the use of the root and tuber cropping system.

The CIP has worked with multinational food companies to encourage corporate social responsibility in the native potato market chain. Companies now support farmers to access viable markets and undertake marketing of native potatoes. As a result it is now possible to buy native potato products from retail outlets in Latin America.



NZAID supports the International Potato Centre which helps farmers in the Andes access viable markets for native potatoes in Peru, Bolivia, and Ecuador.

World Wildlife Fund (WWF)

NZAID has provided funding for a World Wildlife Fund (WWF) project that helps to strengthen sustainable livelihoods and governance in the Mapu Lahual Territory, in Southern Chile.

The project is helping the indigenous Mapuche Huilliche community improve their livelihoods through eco-tourism and environmental conservation with three main outcomes: increasing governance capabilities and resources of the Mapu Lahual territory, improving sustainable livelihoods with a particular emphasis on small business development, and a strong communications and promotion programme that supports these two approaches.

New Zealand Government

For more information visit <http://www.nzaid.govt.nz/programmes/r-latin-america.html>