



Activity Sheet 8

Rural transport, poverty and economic development in Peru – Peru Rural Roads Project - Case Study # 1b

Purpose

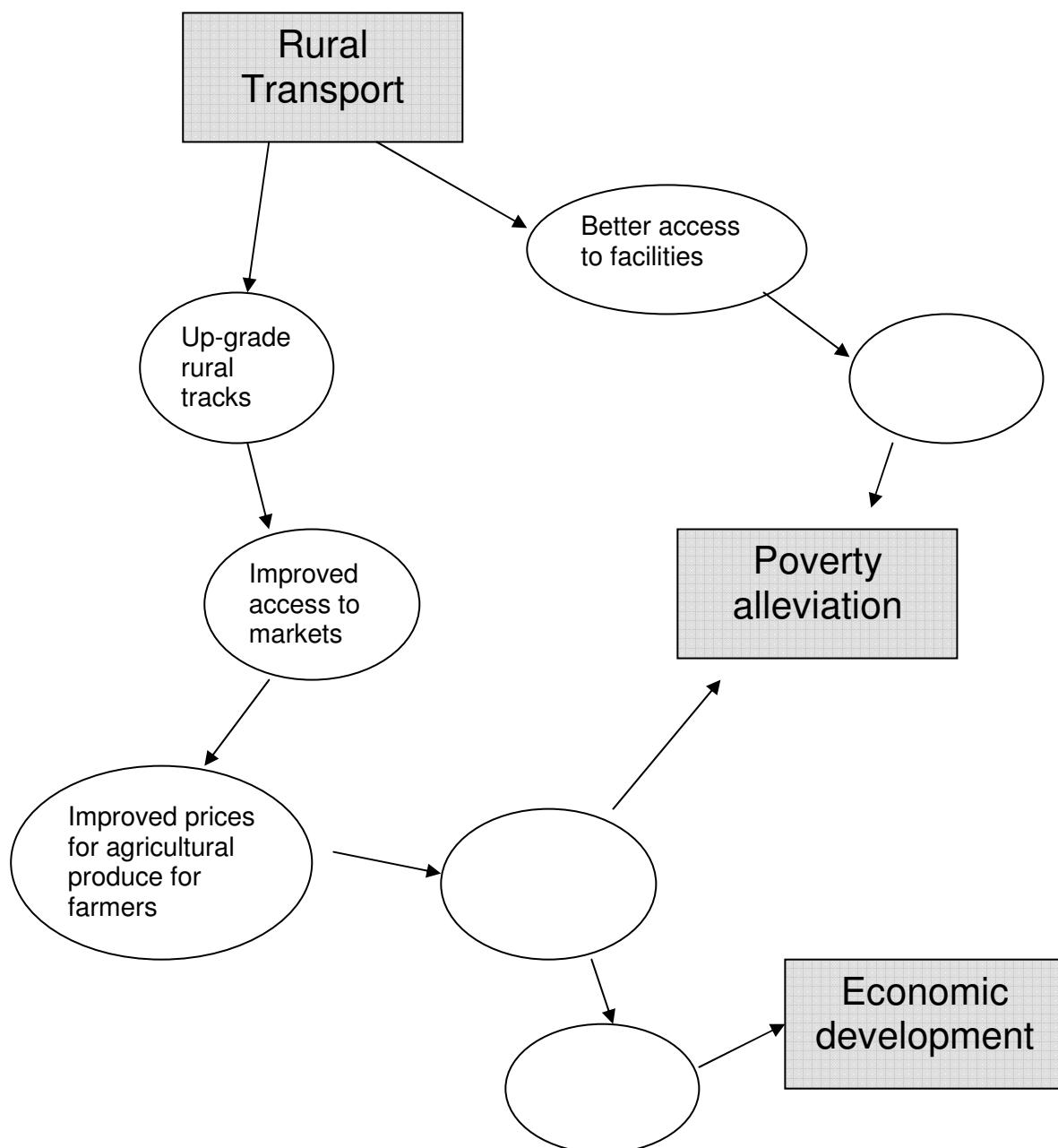
The purpose of this activity is to deepen participants' knowledge of the links between and rural transport, poverty (income primarily) and economic development/growth, by drawing on the experiences from Peru. It enables participants to explore the features that enable rural transport projects to make an effective contribution to poverty alleviation and economic development.

A summary of the project approach and results are summarised on the sheet attached.

Group Activity

1. Read the case study sheet provided (pages 3-4). The lessons from the Peru Rural Roads project may also be used for this group activity – see Activity Sheet ... case study #1a.
2. Discuss and create a flow diagram that shows:
The links and pathways between rural transport, economic development, and poverty alleviation – using specific examples from the case study.
Show how improvements to rural transport contribute to economic development and poverty alleviation.
3. Prepare your flow diagram on a flip chart using the cards given to you – using the broad layout illustrated on the next page. Add additional notes and explanations.
4. Elect a person to present your findings to the plenary.

Simple example of a flow diagram showing the links and pathways between rural transport, economic development, and poverty alleviation





Approach of the Peru Rural Roads Project

The issues

Rural poverty in rural areas is greater than in urban areas. Half the rural population live on less than \$1/day.

1/4 population of Peru and 1/2 of the *extremely* poor live in the Selva (jungle) and Sierra (highlands). Poverty in these areas is double that of coastal areas.

A key issue is the **remoteness and inaccessibility** of Selva and Sierra areas. 3 million people in remote village with difficult mountain terrain, with no access to markets, jobs and socio-economic services.

Roads and tracks are in very bad condition due to poor maintenance and inadequate drainage. There is a poor road network, and unreliable transport services.

Mostly non-motorised vehicles are used for travel outside villages, and along neglected, unsafe paths.

Peru Rural Roads project

A summary of the two phases of the Peru Rural Roads project is as shown below.

Phase 1: 1995.

Goal: alleviate poverty and raise living standards.

Strategy:

- Rehabilitate roads to connect to regional centres
- Rehabilitate paths for non-motorized transport
- Sustained maintenance of roads and paths, through community-based organisations

The aim was to restore basic rural accessibility, in a cost-effective way, to stimulate poverty alleviation and social and economic livelihoods.



Phase 2: 2001 - 2006

Goal: deepen impact in same areas

- Address poverty (income) by improving access of rural communities to markets, on- & off-farm opportunities, social services
- Labour-intensive road maintenance - employment

Strategy:

- Sustainability of maintenance
- Institutional and financial
- Stimulate economic growth
- Pilot the Local Development Window (LDW) to facilitate productive activities, e.g. income generation

The project takes an integrated multifaceted approach

