

Project Outline

Inter-American Development Bank

Country: CHILE
Project Number: CH-L1025
Project Name: RURAL SANITATION PROGRAM SUBDERE
As of 21-Nov-2006

GENERAL INFORMATION

Country: CHILE
Project: RURAL SANITATION PROGRAM SUBDERE
Borrower: REPUBLICA DE CHILE
Total Cost: \$100,000,000.00
Responsible Division: EN1 - ENVIRONMENT & NATUR RESOURCES MGMT
DIV 1
Executing Agencies: SUBSECRETARIA DE DESARROLLO REGIONAL- MINTER;

Number: CH-L1025
Type of Operation: Project Using a CCLIP (Conditional Credit Line Investment Projects)
Approval Date: 11-Jul-2007

DESCRIPTION

The Program includes two principal investment components: (i) Projects to expand the coverage of potable water and sewage services to new rural consumers. These projects will incorporate works for the production and distribution of potable water, including internal installations, and the disposal of wastewater; and (ii) Projects to upgrade, rehabilitate or replace inadequate wastewater treatment facilities in rural areas. The Program may also include a component for institutional strengthening for activities, as necessary, to improve implementation. Implementation of the Program will duplicate that of the Neighborhood Improvement Program that SUBDERE has been implementing for many years, and which has been supported by previous IDB loans. The Ministry of Planning will determine the technical and economic feasibility of eligible projects in accordance with the country's standard practice. The operation will be prepared as the second project to be financed under the umbrella of the Subnational Management Support Program (CH-L1018, a CCLIP for US\$200 million due to be approved in December 2006).

Team

Project Leader: JENNINGS, CHRISTOPHER JOHN
Members: MACHADO, KLEBER B.; VENEGAS, JORGE MAXIMILIANO; VIEYRA, JUAN CRUZ;
Lawyer:
Consultants:

CLASSIFICATIONS

☐ Poverty Target Investment
☒ Social Equity Poverty Reduction
☐ Head Count
☐ Sector
☐ Geographic

FINANCING PLAN

	Currency	Amount
INVESTMENT LOAN	USD	50,000,000.00
COUNTERPART:		50,000,000.00
		Total: 100,000,000.00

BANKS COUNTRY STRATEGY

The first challenge mentioned in the Policy Dialogue Document for Chile, produced by the IDB in 2006, and due to be discussed by the IDB Board shortly, is to close the opportunity gap between the rich and poor. The Document mentions reducing poverty and strengthening social protection as a basic area where the IDB could collaborate. The proposed Program is compatible with this strategy. Only poor people, living in rural areas, are without water and sanitation services in Chile. The proposed Program, by providing water and sanitation services to these people, will improve their wellbeing, and free up time for education or productive employment, will contribute to poverty alleviation. The water and sanitation projects to be constructed, which include sanitation within the dwelling, will be in large part subsidized by the state, taking advantage of the network of social support that exists.

OBJECTIVES

The objective of the Program will be to provide sustainable potable water and sanitation services, by way of household connections, and internal bathroom installations, to rural communities.

EXPECTED RESULTS

It is anticipated that approximately 200,000 poor people will benefit from the Program, over 20,000 of them entirely new users of piped water and sewage services.

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