

**Evaluation of
International Trade Centre
(UNCTAD/WTO)**

**Volume 3
Country Reports**

EL SALVADOR

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Exchange Rates (October 2005)

Currency	USD 1.00	EUR 1.00
El Salvador Colon, SVC	8.75	10.67

List of Acronyms

ACACCI/COMPITE	Central American Association of International Trade Trainers and Consultants
ASI	Asociación Salvadoreña de Industriales
ASIC	Asociación de Industriales de la Confección
BAS	Business Advisory Services
BID (IADB)	Banco Interamericano de Desarrollo (Inter-American Development Bank)
BMI	Banco Multisectorial de Inversiones
CAFTA	Central American Free Trade Agreement (with United States)
CAN	Andean Community of Nations
CENTROMYPE	Foundation for Micro and Small Enterprise Competitiveness
CIDA	Canadian International Development Agency
COEXPORT	Export Corporation of El Salvador
CONADEI	National Commission for the Promotion of Exports and Investments
DPMD	Division of Product and Market Development
EMDS	Enterprise Management Development Section
EPRP	Export-Led Poverty Reduction Programme
EXPORTA	Agency for Export Promotion of El Salvador
FAO	Food and Agriculture Organisation of the United Nations
FDI	Foreign Direct Investment
FIDE	Foundation for Investment Promotion and Export Development
FOEX	Export Promotion Fund for SMEs
FORTALECE	Project for Technical Assistance for Economic Development GTZ
FTAA	Free Trade Area of the Americas
FUSADES	Salvadoran Foundation for Economic and Social Development
GDI	Gross Domestic Investment
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HRD	Human Resource Development
IADB (BID)	Inter-American Development Bank (Banco Interamericano de Desarrollo)
IMIS	ITC's Integrated Management Information System
ITC	International Trade Centre
ODASP	Support Organisation for International Trade Negotiations of the Productive Sector
SME	Small or Medium-Sized Enterprise
SPS	Sanitary and Phyto-Sanitary Measures

SSTP	South-South Trade Promotion Programme
SWOT	Strengths, Weaknesses, Opportunities and Threats
TBT	Technical Barriers to Trade
TPO	Trade Promotion Organisation
TRTA	Trade Related Technical Assistance
TSIs	Trade Support Institutions
UCA	Universidad Centro-Americana
UN	United Nations
UNIDO	United Nations Industrial Development Organisation
USAID	United States Agency for International Development
USD	United States Dollar
WTN	World Trade Net
WTO	World Trade Organisation

Note some of the acronyms from Spanish names are translated to English.

1 Country Report – El Salvador

The evaluation of International Trade Centre (ITC) activities and products in El Salvador is of interest for a number of countries with similar economic characteristics and circumstances. Its context is the specific situation of the needs for Trade Related Technical Assistance (TRTA) by a small, developing country strongly dominated economically by a large industrialised neighbour, building its response to multilateral trade developments and regional trade integration initiatives. Its exemplary character may be attributed to some leading aspects.

On the one hand, it has been observed that support to El Salvador taps a wide array of ITC programmes and tools, and that the objectives of all projects have been achieved, some projects being seen as success stories. The effectiveness of actions and their sustainability are key questions in this context.

On other hand, some shortcomings have been pointed out. These are essentially of organisational nature and may lead to improved outputs, if taken into consideration. The improvement of actions and better utilisation of products is at stake.

In this light, the background section of this report has been developed in such a way as to provide a sufficient contextual understanding of conclusions and recommendations:

- A brief discussion is proposed of the methodology and process of the evaluation drawing on the Inception Report and a discussion of the ITC projects sampled for the evaluation;
- The country profile provides an assessment of the trade and development context in which the ITC projects have unfolded; and
- A review is proposed of ITC experience in the country.

The findings are presented as follows:

- Findings on the horizontal issues related to product and headquarters studies of ITC;
- Findings on the evaluation criteria for the ITC interventions in El Salvador; and
- A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis is proposed.

Finally conclusions and recommendations are presented. Some of these conclusions and recommendations may lead to further discussions which would be of great importance, though beyond the scope of the present report: such as the balance of regional versus national projects or the importance of having a local representative.

The Annexes contain detailed information on ITC projects, a list of persons contacted and a list of the data sheets drawn from the country evaluation tools prepared.

1.1 Evaluation Methodology

The selection of the 10 countries for field studies was discussed extensively in the Inception Report and with the Core Group. El Salvador was selected as a country in Latin America where ITC had been quite active and as a representative small Lower-Middle Income Country. Another important selection criterion was the set of ITC competences

utilized in the ITC interventions in the country. For example, El Salvador was identified as a beneficiary of the coffee guide and had participated in the E-Trade bridge project. The following Table 1 summarizes the areas of ITC competence (as described in the Trade Related Technical Assistance reference framework in the Inception Report) and cross-cutting issues/development concerns covered by the ITC interventions in El Salvador in the period 2001-2004.

Table 1: Areas of Competence in ITC Interventions in El Salvador

Competence Area	No. of entries of total entries	No. of project en- tries sampled
Export Strategy	1	1
Multilateral Trading System, knowledge and business implications	3	3
Enterprise management and competitiveness	6	5
Market Analysis and strategic market research		
Product Development	4	4
Public private partnership		
Trade in Services		
Trade Information Management		
E-competence		
Trade Finance		
Standards and Quality Management	1	1
Supply chain management (including public pro- curement)		
Export Packaging		
Legal Aspects	2	2
Institutional Strengthening of TPOs/TSIs ¹	2	2
Cross-Cutting Issues		
Poverty Reduction	2	2
Gender		
South-South Co-operation	1	1
Digital Divide	1	1

Note: One project may have more than one entry in the project portfolio and one entry can have more than one competence associated with the entry.

A regional consultant was recruited to assist with meeting modalities and data collection and to conduct interviews of end-users and Trade Support Institutions (TSIs). A member of the Evaluation team visited El Salvador in August 2004 to launch the evaluation in the country. The local consultant is quite senior and experienced and conducted many inter-

¹ Trade Promotion Organisations/Trade Support Institutions

views over a period of about 10 months. His work was supported by a senior member of the Evaluation Team who conducted interviews at Headquarters of ITC in Geneva. More than 40 organisations were met and interviewed by the Core Evaluator and/or Local Consultant, and about 50 individuals. A profile of the key institutions is included in Annex 2 and a list of people contacted is included in Annex 3.

The following interview/data sheets were completed:

- Projects – 3 (representing 9 project entries)
- End Users – 15
- Donors – 4
- Government Institutions – 5
- TSIs – 7

All ITC projects specifying El Salvador as a beneficiary were investigated, but not all could be evaluated. The reasons relate to the nature of the project portfolio of ITC in El Salvador.

The key characteristics of the project portfolio are outlined and the implications for the evaluation are discussed immediately below. The ITC project portal specifies 19 projects with El Salvador as a beneficiary during the period 2001-2004. All of the projects were either Global products or Regional projects. Many of the projects are very small or are larger projects spread over many countries. Some of the projects have identified counterparts in El Salvador, such as for example, Trade Related Human Resources, E-Trade Bridge and Export Led Poverty Reduction projects (EPRP) and these were evaluated. Others are global products involving the production of tools and guides of potential relevance to El Salvador such as the coffee guide or an enterprise competitiveness tools fair in Bolivia and they are more difficult to evaluate. In each case relevant TSIs were contacted and interviewed.

Some of the projects are closely related and could be considered continuations of earlier projects. Examples include:

- Two projects related to coffee, the coffee guide and the website for promotion;
- Three projects related to World Trade Net and Business for Development; and
- Six projects related to Enterprise Competitiveness.
- Furthermore some of the projects have a common beneficiary in El Salvador. Thus, the overall number of distinct projects is smaller than the 19 project entries in the project portal.

Of the 19 project entries, the only project entry that could not be evaluated was the Competitiveness Tools Fair in Bolivia in 2002. No attendees from El Salvador could be located. Nonetheless, the larger and more visible projects such as Human Resource and Enterprise Development, Export Led Poverty Reduction, South-South Trade Promotion, World Trade Net and E-Trade Bridge were the ones that could be evaluated more thor-

oughly and rated individually. These projects received more weight in the countrywide ratings although all projects were taken into account.

The five DAC evaluation criteria were applied to ITC activities in El Salvador, namely relevance, efficiency, effectiveness, impact and sustainability. Based on the views expressed by stakeholders in the course of the interviews and the Evaluation's own observations, a rating of each project on the five evaluation criteria was then compiled by the Evaluation on a 4-point Likert scale (4 Highly Satisfactory; 3 Satisfactory; 2 Less than Satisfactory; 1 Highly Unsatisfactory).

The statistical information used in this report was drawn from various sources and documentation including the World Bank, the International Monetary Fund, the Inter-American Development Bank, the Organisation of American States and government ministries in El Salvador.

The ITC project portal was consulted thoroughly on all entries related to the El Salvador and the supporting project documentation was obtained through a series of interviews with ITC staff at headquarters in Geneva. A draft of the report was submitted to the ITC for validation and checking in March-April of 2005 and comments were received from ITC staff through May 2005. The study was reviewed by peer and external reviewers during May and June of 2005 and was subject to external review in August 2005.

1.2 Background and Country Profile

El Salvador is the smallest country of Central America (20,040sq km) and is mostly mountainous, with a narrow coastal belt and central plateau (32% of arable land). It is frequently hit by destructive earthquakes and is extremely susceptible to hurricanes. Estimated population was of 6.6 million in July 2004, with an annual growth of 1.7%. Life expectancy is 70.1 years.

The country has made remarkable progress in the economic, social and political fronts since it emerged from a 12-year civil war in 1991 and after a devastating earthquake in 1986.

El Salvador is a lower middle-income developing country. Gross Domestic Product (GDP) per Capita is USD 2,500 (2003 estimate). 48% of the population (1999 est.) is below the poverty line and child malnutrition is 12%. The labour force (2.6 million) is distributed as follows: 30% agriculture (9.4% of GDP), 15% industry Small or Medium-Sized Enterprises (31.2% of GDP), and 55% services (59.3% of GDP). Unemployment rate was 6.5% in 2003. Illiteracy (above the age of 15) is 20%, while the average is 11% in other countries of the region.

Table 2: Sectoral Distribution of GDP

Structure of the Economy				
Share of GDP, %	1983	1993	2002	2003
Agriculture	31.2	14.0	8.7	9.4
Industry	22.3	28.2	30.3	31.8
Services	46.5	57.8	61.0	58.7
Private Consumption	77.5	87.6	89.9	87.9
General Government Consumption	15.8	8.6	8.2	11.3
Imports of Goods and Services	29.9	34.1	41.2	43.3
Average annual growth, %	83-93	93-03	2002	2003
Agriculture	0.7	0.9	-0.5	6.0
Industry	3.0	4.8	2.8	6.0
Services	3.3	3.0	2.3	-0.2
Private consumption	5.2	3.6	1.3	3.6
General Government Consumption	-4.1	1.9	-7.2	4.2
Gross Domestic Investment	8.8	2.9	-1.5	0.5
Imports of Goods and Services	7.9	7.9	0.5	5.2

(Source: World Bank: Country Data 2004)

The main components of the Salvadorian economy are: on the one hand Agriculture, based largely on coffee, cotton, sugar and cereal and on the other hand, small and medium-sized enterprises (SMEs) mostly in Services. The most recent economic census

shows that companies with less than 100 employees represent 99.1% of non-agricultural assets.

Since 1997, GDP increase has slowly fallen to a stall position since 2001. Gross Domestic Investments (GDI) had sharply increased in 1998, then fallen in 1999 and have stayed thus ever since year 2000. This is also affecting the tax and fiscal situation.

El Salvador performs relatively well in terms of the overall enrolment in primary education and in the ratio of males to females in primary education. About 89% of school age children are enrolled in primary school and the ratio of girls to boys in primary education fluctuates between 101 and 99%. Among the age group currently 15-24 the ratio of literate females to males is about one to one. Thus, overall economic development, and export development in particular is likely to generate employment opportunities for women. Furthermore women entrepreneurs and managers are quite active in El Salvador especially in smaller enterprises. Almost half of the end users enterprises interviewed for the Evaluation were women and they were either entrepreneurs or managers in the enterprise.

Trade and Development

The macroeconomic balance is characterised by chronic trade deficits. The deficit of the current account of the Balance of Payments of El Salvador rose to almost 5% of GDP in 2003, compared with 2.9% in 2002. The increase of remittances from migrant workers that reached USD 2 billion (2003 – 14% of GDP) continued to offset the deficit of the Trade Balance (15% of GDP). The Foreign Affairs ministry speaks of some 2.5 million Salvadorians living in the USA, mainly in San Francisco, New York, Houston, Washington DC, Virginia & Maryland. It is evident that export of services through citizens living abroad is an important part of the economy.

The financial account shows a reduced amount of USD 86.3 million of Foreign Direct Investments (FDI), in sharp decline over 2002 (USD 470 million). Investments (GDI and FDI) targeted assembly industries, telecommunications, electrical energy and financial services.

Exports follow an erratic and non-homogenous line. In the group of traditional exports, coffee fell by 1.4%, owing to the slump in international markets and the loss of exportable supplies. Sugar and Shrimps showed positive trends, but did not make up from previous slumps. In the 'non-traditional' exports, a modest growth took place in 2004 (1.4%) following the better score (6.8%) of 2002.

The exports of 'Maquila' (low wage, mostly garment, industries, essentially turned towards export) rose for the second consecutive year since 2002 and account for 60% of industrial exports. These figures are still not at the high level of the 1990s. Competition among the prospective Central American Free Trade Agreement (CAFTA) members for exports to the United States and competition with Asian markets (in particular China) with dramatic developments in global clothing and textiles trade, is affecting the apparel manufacturing sector and the situation of workers.

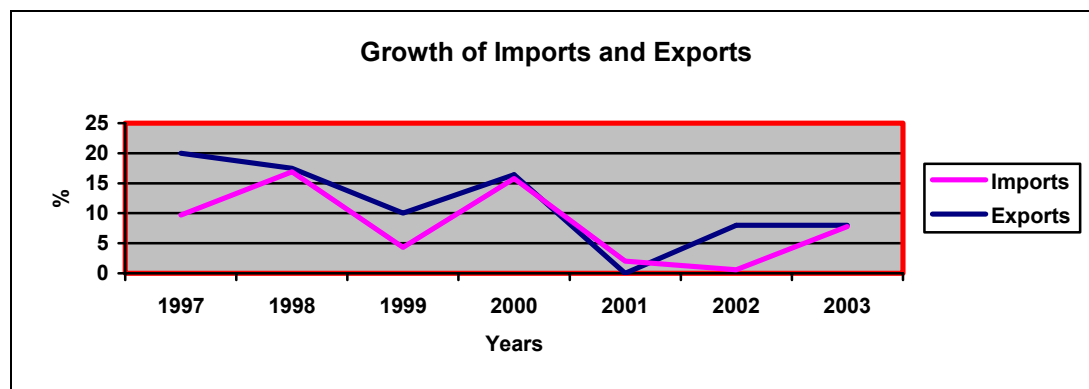
Imports of goods increased markedly (11%) in 2003. The increase of imports in intermediary goods (32% of total) is due to the manufacturing industries (11.5%), driven by demand from the housing industries (11%), petroleum and fuels (19%), and consumer products (28%). On the other hand, import of durable goods increased by nearly 48%.

Imports of 'Maquila' industries amount to 24% of total imports. Their rise in the last two years was of 7.7%. Purchases of capital equipment (16% of total) showed a growth of 6.4% in 2004, mostly in transport and the manufacturing industries.

With the adoption of the USD as its currency, El Salvador has lost the possibility of action through a monetary policy and must therefore rely on other economic instruments such as fiscal policy. Much is still done by the Government to streamline its costs and improve its responsiveness to the needs of the private sector. It must be highlighted that the impact of a 'dollar economy' added to the end of investments made following the 2001 earthquakes.

Under the present trade structure, 68% of El Salvador's exports are with the USA and 17% with other Central American countries. 50% of Imports are from the USA and 14% are from Central America. Over 90% of tariffs are harmonised in the Sub-Region.

Figure 1: Growth of Imports and Exports



Position in the Multilateral Trade System/Trade Structure

El Salvador has been a member of World Trade Organisation (WTO) since the 7th of May 1995.

The country is a member of the following regional agreements and regional negotiations:

The Organisation of American States

The Free Trade Area of the Americas (FTAA), whose agenda envisages achieving negotiations in 2005, has established a 'Partnership for Development and Prosperity' with the key objective of 'promoting prosperity through Economic Integration and Trade': The *Special Summit of the Americas*, brought together in Monterrey in 2004 stressed the "Important role that Trade plays in promoting sustainable growth and economic development". A key role is played in the development programmes, and in particular, for trade infrastructures by the Central American Bank of Economic Integration.

Central American Common Market

The five Central American Common Market members (all Central American countries) and Panama pledged to strengthen their economic integration with the support of a mechanism called the “Sistema de Integración Centroamericana”. A Customs Union was established in this context in Managua on 13 December 1960. The present legal basis for co-operation between El Salvador and the European Union is the Framework Co-operation Agreement signed in San Salvador in February 1993 together with other Central American countries. This agreement entered into force in 1999 and aims to strengthen economic links and regional integration.

The Central American countries also have a Free Trade Agreement with Dominican Republic.

Bilateral Agreements were underwritten by El Salvador with:

- Chile; and
- Mexico.

El Salvador was part of the negotiations of the CAFTA, which was signed in 2003 between five Central American Countries (Honduras, El Salvador, Costa Rica, Guatemala and Nicaragua), Dominican Republic and the USA. The objective of this instrument was to strengthen partnerships with a view of integrating the economies of member countries in a 10 years time frame. The CAFTA was ratified by the United States Congress in July 2005. The CAFTA will be implemented in the next year at a time to be agreed among the parties.

The European Union and the Central American countries have reaffirmed their plan to develop an Association Agreement at the meeting for the San Jose Dialogue held in Luxembourg in May 2005.

In this context, El Salvador may be considered strongly engaged in the Multilateral Trade System, though differently within each WTO compatible Regional Trade Agreement. Even if, in many cases, the agreements allow for a transitory period, they have engaged the country in an important challenge, as competition is increasingly open.

The support provided by ITC to Trade in Salvador seems well adapted as it is in many cases on a Regional basis and the Central American countries are pursuing common approaches to commercial policies.

1.3 Brief Summary of ITC Activities and Role

The ITC has provided support to El Salvador, directly or indirectly, since the beginning of its operation. Nevertheless, in the last years ITC has been trying to increase the number of integrated activities implemented. However, as noted above ITC activities in El Salvador have involved either global or regional projects. There have been no country-specific projects.

There have been quite a few dispersed activities, but many of the activities are related and have a common TSI partner or Beneficiary.

Overview of ITC Activities and Projects

The following are summaries of the main ITC activities in El Salvador.

Commodities and Agro-based Products (Delivery of the Coffee Guide was not however targeted on El Salvador, though it is useful for all coffee-producing countries). Projects: INT/24/82 - Jan. 01 – Dec. 03 and Coffee Guide Web site INT/24/84A];

Project Description: The Project consisted in drafting, printing and disseminated a complete guidebook on Coffee and its markets. The Executive Director of the Salvadorian Council of Coffee, Ricardo ESPITIA, states that his institution received five copies of the Coffee Guide directly from the ITC in 2004. Four of these were remitted to different local associations, which represent more than 70 exporting coffee companies.

Comments: The coffee guide was regarded as useful reference material, but it was not heavily utilised by the TSIs. The Local TSIs were not aware of the website, however.

ITC/ United Nations Industrial Development Organisation (UNIDO) co-operation in Trade capacity building in Central America. [Project INT/70/01 - Sept. 03 – Mar. 04]; Business Development and the WTO Agreements (World Trade Nets) [Project INT/W2/05 – Aug. 99 – May 02];

Project Description: This was a small project involving a joint advisory mission with an expert from ITC and from UNIDO to conduct a needs assessment to determine the technical assistance needs for the National Enquiry Points for Technical Barriers to Trade (TBT) and Sanitary and Phyto-Sanitary (SPS) measures; and to address standards and metrology issues.

Comments: The needs analysis was prepared, but no further steps had been taken at the time of the Evaluation.

Programme for Competitiveness Improvements of SMEs (PROCIP) [Project INT/W2/07].

Project Description: This Project is in the mainstream of ProCIP's remit which is to enhance the capacity of SME development agencies (private and public) to help SMEs strengthen their competitive edge. It actively promotes formation of networks as a means to reinforce institutional capacity and technical know-how. Using the innovative 'product-

network approach', the programme assists partners to develop enterprise competitiveness tools and practical guides. The implementation process contributes to capacity building of network partners.

The operational methodologies and processes of the programme establish and enforce networks of trade support providers through virtual discussions, videoconferencing and training workshops; and help national partners to assess and respond effectively to SME needs by offering new services, based on customised tools and guides.

Comments: ProCIP has worked in close relationship with local institutions such as the Banco Multisectorial de Inversión (BMI), the Asociación de Industriales de la Confección (ASIC), Export Corporation of El Salvador (COEXPORT), Trade Point, etc. Co-operation with local institutions was developed directly by the ITC. In the particular case of Trade Secrets:

- The Export Answer Book was customised in co-operation with COEXPORT; and
- How to Approach Banks was customised with BMI.

The dissemination of these publications was further carried out with the support of the institutions involved.

The Export Fitness Checker was used as a model by the El Salvador Trade Point in the initial stage of its operations in El Salvador. In this light, the FIT for the Textiles and Garments Sector was manager in association with ASIC. No information was available on its implementation.

Institutions such as COEXPORT and BMI show high appreciation for the instruments developed. It may also be highlighted that these agencies play a leading role in support to small and medium-sized enterprises and that this situation contributes to the wide dissemination of publications.

BMI is a Public Sector Bank that has the capacity of overlooking activities of local banks and is in a position to disseminate documents directly to the banking services. COEXPORT, likewise, is an association that represents the exporting industries. Its facilities and programmes enable it to support the use of instruments that it receives.

These initiatives have thus contributed to strengthening the capacities of TSIs.

The outputs achieved by PROCIP depend on the implementation capacity of its local counterparts. BMI and Export Promotion Fund for SMEs (FOEX) are institutions that dispose of financial capacity. When, on the other hand, the counterpart cannot draw on a direct capacity, nor on resources for the dissemination of PROCIP documents and other instruments, their impact may be severely reduced. In this way, the Salvadoran Association of Industry, (ASI), whose resources are mainly targeted towards responding to the crisis created by the suppression of quotas in the textile and confection sector, has limited funds available for capacity building and for the dissemination of instruments.

The Evaluation has not been in a position to look into the counterparts and dissemination of other instruments such as: International Trade Rules, Export Quality Management, Trade in Services, Exporting Automotive Components, or Secrets of Intellectual Property.

Export Poverty-Reduction Programme [Project INT/W2/11 & INT/29/74A – Oct. 03 ongoing].

Project Description: The project had two main components:

1. Tourism Promotion in the Northern part of the country. This key priority of the new government, which created a Ministry of Tourism in 2004 benefited of advice on best practices. The project outputs were developed with Central (Ministerio de Obras Publicas, Ministerio de Educacion) and local authorities (Alcaldia de Atiquizaya, Alcaldia de Juayua, Alcaldia de La Palma, Alcaldia de San Ignacio) and the support of a local Non-Governmental Organisation, Foundation for Micro and Small Enterprise Competitiveness (CENTROMYPE).

A '*Guia turistica para la Zona Norte de Chatenango*' was printed with funding provided by CENTROMYPE. 15,000 copies were disseminated.

Development of an 'Agrotourism' facility strategy in La Palma.

2. Coffee exports to Japan: This component of the project responds to the dramatic impact of the instability of coffee markets on major cultivations of El Salvador. The project consisted in providing advice on coffee quality (biological product standards) and marketing niche (sales to Japanese rising market). The project may be considered highly relevant.

Project results, in poverty reduction, enabled the communities involved to improve housing (most communities have refurbished farms and dwellings), food provision (shops have been opened as incomes had increased); and the government has improved road access and public facilities such as schools and medical centres.

The contributions of the ITC experts have had a highly positive impact on the trade of coffee and exports to Japan have increased markedly. The project may be considered effective. A direct result was the increase of family income and the improvement of living conditions. Efficiency has been achieved.

Comments: The development of a project for trade in a niche (coffee) not considered as having a strong potential was decided in consideration to the dramatic conditions of the coffee-growing farmers. ITC only seldom looks into production and production techniques. The project for El Salvador required flexibility and cross-cutting co-ordination within the ITC.

The selection of the EPRP pilot project for coffee producers was carried out along the criteria of commitment, professional capacity, and social responsibility of the private firms involved. The partner chosen (Monte Sion/Maranatha community) may be documented as responding to rigorous criteria based on professional capacity and consistency.

Positive results, in particular of the exports towards the Japanese market, may be considered a 'success story'.

Latin Pharma Expo 2002 [Project INT/W4/44 – Feb. 02 – July 02].

Project Description: This South-South project aimed at exploiting the potential for intra-regional trade in essential medications identified through trade-flow analysis.

Five Central American country counterpart institutions were trained at a distance, using a CD-ROM and exchanging views through e-mail on the implementation of a South-South Trade promotion methodology. Achievements were consolidated in regional trade fairs and workshops.

While participation in the training and business sessions was successful (five-day e-forum, buyer-sellers meeting, and numerous individual business consultancy meetings between ITC experts and consultants with representatives of participating SMEs on business development) the trade fair project component, developed at the request of participating TSIs, had poor participation. Reasons for this are to be found in the choice of dates (other fairs) and many logistical difficulties.

Latin Pharma Expo 2002 was developed with a Regional scope, alongside other Regional Projects.

A set of follow-up actions will consolidate achievements.

The 2002 sub-regional experience in El Salvador served as training ground for the organisation of this type of events in Latin America. Latin Pharma 2003 (Andean Countries) and Latin Pharma 2004 (Mercosur and Chile) expanded on this adaptation of the South-South Trade Promotion Programme (SSTP) methodology.

The Chamber of Trade and Industry of El Salvador was responsible for the identification of main players in central American region, market research for pharmaceutical sector in El Salvador, the promotion of the event, and the co-ordination of conferences, exposition and business meetings.

In The Chamber of Trade and Industry of El Salvador, Ms Rosario de Barriere, Assistant Director of Technical Studies and Ms Roxana Rauda, Chief of Commercial division, were the counterparts of the ITC in the organisation of Latin Pharma 2002.

Comments: The Chamber of Trade and Industry considers that the objectives of the activity were met, as the target had been set for five companies of pharmaceutical sector per country of the Central American region (with the financial support of ITC): The participation in Latin Pharma 2002 was of 70 companies, 25 of them local (Salvadorian). The pharmaceutical sector in El Salvador is small, and includes only 39 local companies. As the businesses targeted by Latin Pharma were Small and Medium enterprises, it may be considered that the involvement in business negotiations of such a percentage of SME laboratories is a success.

After Latin Pharma 2002, the Chamber remained in contact with local and international companies, but also with regional institutions and it contributed to the promotion of Latin Pharma 2003 in Peru. In this light, it may be said that a degree of continuity was achieved and that support was received by the business sector through the event.

The members of Chamber of Commerce considered that the experience achieved in El Salvador provided elements that would improve the following events, modifying some components of the programme, and focusing on commercial opportunities. At the following events the participation of drugstores was permitted (distribution channels), besides that of pharmaceutical companies.

Programme Development Activities: Trade Secrets: Pharmaceutical Industry [Project INT/W4/61 – Nov. 02 – Aug. 03].

Project Description: An output of ITC studies, aimed at increasing the potential of trade from and among the developing countries in the pharmaceutical industries. Includes the inputs from workshops and events organised by the ITC.

According to the “Trade Secrets” methodology, surveys of enterprises are conducted, and then “frequently-asked questions” of exporters are identified. The questions thus compiled are complemented with data from previous ITC events in the sector. A publication answering these questions reflects key issues in the industry, while identifying further resources and assistance needed for SME exporters.

The publication, part of the ITC Trade Secrets Series, provides advice, guidance and further resources in the form of websites, organisations, publications and articles considered of key value to enterprises to undertake their day-to-day business operations.

Comments: The Project does not relate directly to El Salvador. However, contents of the publication are of direct interest to the pharmaceutical industry in El Salvador.

On the other hand, the dissemination of the documents seems to have been insufficiently widespread: staff of Association of Pharmaceutical Chemical Industrialists of El Salvador and consultants for two local pharmaceutical companies, stated that they had not heard of the document “Trade Secrets: Pharmaceutical Industry”.

World Trade Net, Business for Development and Executive Forum (INT/W2/05A-INT/W2/10A- INT/W3/99A)

Project Description: The World Trade Net has a local network for dissemination of information about developments in the trading system and various representatives from TSIs have participated in the Business for Development and Executive Forum seminar activities.

Comments: The World Trade Net and related Business for Development, Business for Cancun and Executive Forum activities were regarded as useful by the TSIs and enter-

prises. Various representatives indicated that with the CAFTA negotiations, other regional negotiations and the ongoing developments in trade in textiles and clothing, interest in the private sector in developments in the trading system was relatively high.

Trade related Human Resources and Enterprise Development for Foreign Trade in Central America – Phase II [Project RL/A/81/01 –Jan. 00 – Dec. 03 – Budget: USD 2,286,000].

Project Description: This major Regional Project (Phase II involves El Salvador, Honduras, and Nicaragua) aimed at contributing to the development of a permanent capacity for strengthening human resources and SME management, targeting foreign trade. It also included a feasibility study for the development of an export-led poverty-reduction pilot project for SME coffee producers in Guatemala.

Promotional material for the project was produced and training materials were launched in 2001 for the three Central American Partner countries. Capacity-building workshops were delivered by the Central American University Jose Simeon Canas, with international and regional consultants. Two workshops on in-company consultancy services were implemented in El Salvador and Honduras.

In 2002, new tools were made available, with the contribution of SMEs, to counterparts and trainers and materials were revised and updated to better meet SME needs. In El Salvador alone, 15 contributing ventures were documented.

2003 was the last year of the project and the field activities concentrated on consolidating networks and the sustainability of results achieved. El Salvador was adopted as a regional hub and hosted three workshops: (a) in March to identify post project synergies and activities; (b) in September to deliver the curricula for a Certification programme for Enterprise Management and International Trade Trainers and Consultants; and (c) in October to launch the Central American Association of International Trade Trainers and Consultants.

Meeting with the Foundation for Investment Promotion and Export Development, (FIDE): Representatives of participant countries were asked (12-27 March 2003) to make proposals for the consolidation and improvement of training and counselling programmes. FIDE reviewed with ITC the national competitiveness programme and identified uses for Enterprise Management Development Section (EMDS) approach in the export training component. National programmes were evaluated and reviewed and a Regional hub was launched. Universidad Centro-Americana (UCA), counterpart in El Salvador will host and finance this hub since it falls under its mandate to promote the development of the Central American Region.

Total cost of the Project was USD 2,286,000.

Comments:

Training provided was practical and included tips on the management of an export operation in all its aspects, in the environment of an SME (e.g. 'How to approach banks).

Formulation Programme and Country/Region Specific Activities: Human Resource Development (HRD) Consultant to Review, Edit, Package Training Programme Materials. [Project INT/W4/34 – Aug. 02 – Dec. 04].

Project Description. Regional Project: Revision and updating of materials developed in Central American countries together with case studies, exercises and success stories to produce an operational set of materials in Spanish.

Comments. This project is essentially follow-up on the project RLA/81/01.

E-Trade Bridge for SMEs [Project INT/W2/08 – Jan. 02 – Mar. 06].

Project Description: The Project targeted the improvement of SME management and preparedness to international trade through the support of the Central American Association of International Trade Trainers and Consultants (ACACCI/COMPITE). The Project may be considered relevant.

A large number of El-Salvador enterprises were pre-selected and 30 of these were selected. Effectiveness was achieved in the type of support requested for expected results. The Project delivered the expected, though modest, results. A limited budget kept the project outputs from achieving their potential.

It is considered that the results achieved in El Salvador will enable the replication of the methodology in other countries with the contribution of ACACCI/COMPITE.

Comments:

The Project is very novel in its approach, because it facilitates the creation of business plans that use the potential of Information Technology. It may be considered that the use of Information Technology is insufficiently backed by institutional SME support agencies, such as the different TSI and by the local governments. In this light, the ITC played a pilot role. The level of e-preparedness, at least among SMEs in San Salvador, seems to be sufficient to enable a significant number of enterprises to participate.

The ITC Portfolio of Projects for El Salvador shows that: a variety of programmes have been utilised, making use of limited resources following a strategy that strikes a balance between:

- Support at a country level or regional level;
- Actions targeting focussed or wider objectives;
- Interaction with Government or Private Sector actors.

Some of the present projects are the follow-up of on-going activities. Indeed most of the projects evaluated are the continuation of previous activities. For example, Project RLA/81/01, now completed was the second phase of a previous project. However, the South-South project and the EPRP pilot projects did not have a previous phase.

While the present evaluation aims to assert the relevance, efficiency and effectiveness of action undertaken it will also question the appropriateness of the strategy chosen to respond to requests of El Salvador.

1.4 Main Findings on Thematic Issues

External Environment

The ITC provides specialised and targeted know-how to El Salvador of essential importance in the context of the deficit of the balance of trade and of the increasing competition on international markets. There is extensive support to SME development in El Salvador but less is done by other donors to deliver the focused support needed in the field of export promotion among SMEs.

Donor Perspectives

As described here above, El Salvador is a member of regional institutions that share similar policies based on a competitive and transparent market economy. Such institutions have financing mechanisms that support converging objectives, in terms of infrastructures, Human Resources Development and institution building.

Bilateral technical assistance is provided by the USA (28.3%), Japan (20.6%), and by the European Commission through the Regional Programme for the Reconstruction of Central America. El Salvador receives bilateral assistance from virtually all the major Member countries of the European Union; from Germany through the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) project FORTALECE, from Spain, and from the Netherlands, as well as from Switzerland through the Swisscontact project Proempresa.

Donor Co-ordination

A Donor co-ordination roundtable has been established under the chairmanship of CONAMYPE (office of the Ministry of Economy for small and medium-sized enterprises).

The Comisión Nacional de la Micro y Pequeña Empresa (CONAMYPE) is an agency of the Ministry of Economy. Its structure is such to enable joint participation of actors. It has an advisory role. Objectives are to promote, facilitate and co-ordinate the implementation of policies, strategies and action programmes for the development of SMEs.

CONAMYPE is funded by the Government's budget and is called to co-ordinate the round table of donor institutions supporting SMES.

The CONAMYPE roundtable is presently developing a donors' policy for support to SME in El Salvador as part of the National Plan for "2004-2009: A shared strategy for national development." This Strategy includes a set of policy guidelines and support to new activities.

The main principles of this policy proposal are:

- Shifting resources towards activities with a potential for growth and accumulation, building on Micro, Small and Medium companies, with focus on markets, productivity and new entrepreneurship;
- Private agents (businessmen, associations of producers, unions, workers, cooperatives, NGOs, and general population) that are the main actors in wealth generation. All pub-

lic action will have to be oriented to facilitate and support private actors and their transition towards activities of improved productivity;

- Definition of main actor responsibilities at the level of macro and sectoral policies and also to the execution level;
- A main element of the strategy is training in business capabilities; develop of new entrepreneurs and innovation in activities with potentiality.
- Development of new activities requires (i) Incentives to accelerate the innovation and new entrepreneurs in non-traditional activities, and (ii) Support to management of urban & rural SMEs and in different aspects of the productive chain.
- Focussing on productive chains;
- Promoting innovation in financial services, with risk management, new products and incentives to innovation in financial products, with a better understanding of demand and its characteristics;
- Improving the environment for the business climate and stimulating the national and foreign investment, with competitiveness and fulfilment of contracts.

The following Programmes are likewise providing support to SMEs in El Salvador in this co-ordinated framework:

- United States Agency for International Development (USAID): EXPRO – Programme targeting the promotion of exports for SME – USD 3 million;
- Salvadoran Foundation for Economic and Social Development (FUSADES): Euro-centro – Generation of Commercial relations between companies from El Salvador and from the European Union;
- Salvadorian Chamber of Commerce and Industry – Spanish Co-operation: Development of qualifications for SME managers and development of export plans;
- COEXPORT-LADB: Programme for the assistance to business in the context of the elimination of barriers to trade – Started September 2004 – USD 4 million.
- The broad based Trade information tool, Trade-Map, developed jointly between ITC and USAID has been widely disseminated in the context of USA support to CAFTA.

The Government of El Salvador has also pledged to collaborate to an improved co-ordination of assistance through a different co-ordination structure “Red de Cooperantes para en Desarrollo Local” that does not normally include Trade.

While RECORDEL enjoys neither legal personality nor financial capacity, it is a co-ordination structure that delivers joint projects for its participant members, with their financial support. Among members of RECORDEL may be found such important donors as the European Commission, UN organs (United Nations Development Programme, United Nations Children’s Fund, and World Health Organisation), USAID, GTZ, Inter-American Institute for Co-operation on Agriculture (IICA) Inter-American Development Bank, (IADB), PMA, Canadian International Development Agency, (CIDA), Japan International Co-operation Agency and Swiss Agency for Development Co-operation.

The 'network' undertakes to provide a forum for exchanges, co-ordination and debates on substance likely to contribute to national decisions relative to local development and decentralisation policies and practices.

In November 2004, the new Government of El Salvador established a National Commission for the Promotion of Exports and Investments (CONADEI) under the direct responsibility of the Vice President of the Republic. Agency for Export Promotion of El Salvador (EXPORTA) was developed under the authority of RECORDEL, alongside Trade Point and other facilities.

EXPORTA is a facility that aims to facilitate exports with specialised services. It runs a portal providing access to world networks, enables the exchange of information and the identification of trade opportunities and it makes internationally known the participant companies.

This description of co-ordinated support to SMEs shows that an important effort is made to develop such enterprises. On the other hand, the ITC has built on the policy stated by the Government to promote development based on trade, providing valuable expertise in a field where very little is done by other donors.

Other International Organisations

Since 2004, the World Bank is working with the Ministry of Economy on Corporate Social Responsibility where one of the main issues concerns labour problems in the garment sector and child labour in coffee and sugar industries. These topics are also important trade issues, because the main opponents of CAFTA in the USA complain about the unfair labour conditions in Central America.

The government is undertaking to involve the private sector in social issues in order to achieve a coherent labour plan covering social conditions, and World Bank consultants are working on the diagnosis and proposal of pilot projects for coffee, sugar and garment sectors.

The World Bank has an important programme of assistance to El Salvador. A key element provides support to the development of SMEs in the context of the implementation of WTO regulations. Other programmes are mainly focussed on education.

The United Nations Development Programme and the Food and Agriculture Organisation of the United Nations (FAO) also have important programmes in El Salvador. Their main objectives are to support the local communities. FAO projects are mainly of technical nature and cover a variety of matters such as irrigation, fisheries, growing flowers and vegetables. They do not overlap with ITC action.

Role of Trade Promotion Organisations and Digital Divide Issues²

The Government of El Salvador has set up different mechanisms to support the SMEs and develop the economy in the context of the new international trade regulations. It adopted, in 1997, the National Competitiveness Programme, associating Public and Private entities, and created since a Trade Point, an FOEX, the Trade Promotion Organisation (TPO) EXPORTA, and National Investment Promotion Agency of El Salvador. All these are established under the authority of the Ministry of Economy. The role of the TPO, recently created, has yet to be refined. Its role is still unclear in dealing with the digital divide issue.

The Government set up a computerised system for the payment of import taxes, income and added value taxes and is progressing in the development of 'e-government'. Likewise, CENTREX (Export Centre) placed under the Central Bank, provides export permits on-line. Customs also now process import documents and payment of custom's taxes is possible on-line through a special financial software (Teledispatch programme).

The Financial system operates many of its services on-line, which reduces the administration costs of the companies. The Chamber of Commerce and Industry of El Salvador promotes electronic trade.

Electronic Certification, a key instrument for e-commerce, remains nonetheless insufficient. Some exporters use digital signature systems provided by foreign banks, but it is often pointed out that this service is not in use in El Salvador. It seems that the importance of investments required does not yet match the expected market.

The Government established 40 'info centres', presently being reorganised, throughout the country; providing cheap Internet access and offering documentation and training on Information Technologies.

A draft Law on Electronic Trade is under consideration.

Two projects must be highlighted:

- An Information Technologies Cluster supported by the Interamerican Development Bank (USD 400,000 completed by contributions by the Government of El Salvador and by USAID). This project will develop software and personnel certification.
- A Knowledge Management Project that has begun as a pilot project.

The number of users of the Internet grew rapidly from 40,000 in year 2000 to over 400,000 in 2004. There is competition among enterprises providing Internet access and the level of e-readiness of El Salvador is rapidly improving.

² A description of the Trade Promotion Organisation (TPO) and TSIs is provided in Annex 2: Profiles of Institutions.

1.5 Horizontal and Functional Themes

Support provided by ITC to El Salvador draws on all the divisions of the Department of Operations, drawing on selected tools and services of the Division of Product and Market Development (DPMD), the Division of Trade Support Services, and the Division of Technical Co-operation Co-ordination.

Use of Division of Product and Market Development Tools and Projects

Within the latter, the Trade-Map, developed in co-operation with USAID was widely disseminated in the context of support provided by the USA to CAFTA. Working sessions organised in July 2003 brought together 20 government representatives, representatives of the TSIs and of private enterprise as an initial step.

The project in collaboration with USAID was in an early stage of implementation at the time of the evaluation. The tool which will be accessible on Internet from a rapidly broadening number of access points in El Salvador, will provide updated and operational national and international/regional information on indicators of exports and imports, international demand, tariff and non-tariff barriers, new markets and competitors and other key information for business.

Furthermore, ITC publications are made accessible to the TSI as follows:

- Coffee Guide (see above)

Through the Salvadorian council of Coffee, the Coffee Guide was distributed to four associations with 70 coffee exporters. In general, information distributed through a daily bulletin and a web page (www.consejocafe.org.sv), is made available to 23,000 coffee producers in El Salvador.

The Coffee Guide is considered by the Council as a useful reference material for companies in the sector, as well as for the technical management of the institution.

Secrets of Trade

Ms. Ana Leonor de Pocasangre, Technical Manager and Ms. Karla Klaus, Programmes Manager in COEXPORT had worked on the documents “Secrets of Trade: Handbook of answers for small and medium exporters” and “The guide of the Electronic Trade” (Published in 2001).

The guides were elaborated by COEXPORT technical personnel, following the format provide by PROCIP/ITC. For both documents a promotion event of presentation was made to the exporting companies (900 companies). The dissemination of the documents include:

The documents used for different types of training that COEXPORT delivers over the year, with an average of 60 people in each session, targeting technical personal of the association;

The information distributed among different institutions related to the sector using the webpage (www.coexport.com);

The guides used a base for punctual consultations in the COEXPORT offices.

- **How to Approach Banks**

Ms. Sonia de Hernández, Banco Multisectorial de Inversiones, is a member of the advisory group working with PROCIP/ITC. BMI worked on the document “How to Approach Banks” (may, 2001).

BMI had a direct contact with PROCIP/ITC for the writing and printing of 100 copies. These copies were distributed among the main companies’ clients of the banks. Likewise, some copies were sent to main business associations (COEXPORT, FUSADES, etc). These associations used the copies as didactic material in different seminars for their members, with an average of 30 companies each seminar. These seminars are for teaching technical personal of the associations or by BMI representatives.

It was mentioned by ACACCI-COMPITE, with reference to this publication, that marketing for the document dissemination was not undertaken efficiently and that potential users were in many cases not trained to make appropriate use of it. It was likewise stated that a mechanism was adopted to print such documents and to distribute them to SMEs. This may enable an improved control on the dissemination of products. In should be mentioned in this context that ACACCI-COMITE has printed a first publication under its corporate name in 500 copies.

It is a common opinion of the associations that have been working with ITC documents that the quality and information in the guides are very good and useful. However, in an interview with representative of COMPITE, concern was shown that ITC does not assign funds for promotion and follow the output of the projects. The projects are implemented; with limited promotion and in many cases the final user of the documents does not know about ITC. It is possible to find the ITC logo in the documents, but the users have very little information about what ITC is.

World Trade Net and Business Advisory Services

El Salvador is an active member of World Trade Net, which provides working information, training and advice to the business community on WTO-related issues.

Members are: [Business and Trade associations] – WTO focal points in Ministries [Ministry of Economy – Hazel Magana de Palomares] – [Trade Support Institutions: Support Organisation for International Trade Negotiations of the Productive Sector (ODASP) – Country Facilitator: Mr. Rigoberto Monge] – Academia (UCA) – Specialised Consultants (COMPITE).

Its activities have contributed to the integration of business sector views into national trade negotiation strategies. – As an example: the ‘Business implications of WTO-TBT agreements for the Private Sector in Latin America and the Caribbean’ have been discussed in San Salvador on 22-24 October 2002 with special focus on the development of

quality standards in SMEs. A set of proposals was adopted for technical assistance required.

Two dedicated projects have supported the development of World Trade Net in El Salvador (INT/W2/05 from Jan 99 to May 02 and INT/W2/10 from June 02 to May 05).

Both projects are global and are managed by Business Advisory Services (BAS) in order to implement the World Trade Net programme at global level. None of them are fully dedicated to El Salvador, but they have a global coverage.

The programme aims to develop and strengthen the capacity of the business sector in developing and transition economies to analyse and address the changes of the international trading environment resulting from the implementation of the WTO Agreements. Within the context of the Doha Development Agenda, the World Trade Net aims to develop and strengthen the capacity of the business sector in developing and transition economies to: Analyse and address the changes of the international trading environment resulting from the implementation of the WTO Agreements; Contribute meaningfully to the negotiations through dialogue with the public sector. Website: www.intracen.org/worldtradenet.

Further information may be found on the ITC intranet and the project portal, or directly from the ITC staff involved in that project, Mr Gustavo Olivares (Olivaresntracen.org ext 79271).

Mr. Rigoberto Monge, the ODASP at the Ministry of Commerce, stated that since 1998 – when World Trade Net (WTN) initiated in El Salvador - the network has been a valuable resource of communication between the private sector and government officials in charge of the international commercial negotiations, facilitating communication to the government on key issues of WTO relevance.

In the negotiation of CAFTA, the WTN has also played an important role facilitating the sharing of information across the private sector in Central America. For the roundtables of negotiation on CAFTA, the WTN has been a focus point for electronic debates, bulletins and to review publications in the network.

At present the activity of the WTN has decreased, owing to the current stage of CAFTA approval. However, ODASP is undertaking to increase communications with WTO, and for this activity ODASP will request the support of the local Salvadorian representative in Geneva.

ODASP considers also important to extend the dissemination of the network so as to facilitate the information of 43 business associations that are considered the best channels for disseminating WTO information. Such access to information on WTO, touching key topics (SPS and TBT), mechanisms for settlement of disputes, agricultural subsidies, etc. is very important as it familiarises trade actors with international trade concepts, in countries with very limited alternatives.

Mr. Monge concluded that “the network is a valuable resource for the private sector, and for this reason, we need to keep it working.”

BAS has also been active in El Salvador, both through the project INT/W2/08 (E-trade Bridge for SMEs, supported through COMPITE) and through PROCIP.

In the opinion of COMPITE the budget for E-trade Bridge was very limited and, while achieving its objectives, did not have significant impact. The interviews with members of PROCIP (quoting local organisations without further details) showed a perception that ITC has an insufficient budgetary capacity for such broad scope projects.

However, ITC has been very successful in developing local alliances. The 100 guides printed with BMI were a limited edition but the support of this important government institution had considerable influence in all the local banks. In this light, it was suggested that, BAS was very efficient in using its resources. With a limited investment it achieved useful deliverables.

On the other hand, it was also pointed out that the results achieved by BAS were often fragile: once the information and the tools had been shared with local counterparts, the final impact and the scope of project outputs, such as E-Trade Bridge among the beneficiaries, depended largely on the counterparts. The latter’s action, once given efficient tools, resulted of contextual situations, including their capacity to market the new tools and business support for continuity in their action.

The competitive advantages of ITC, in the eyes of COMPITE, are its tools and operational (business-oriented) knowledge and know-how in international trade. The local TSIs appreciate this expertise and were willing to take their side of risks. In the development of ‘cutting edge’ trade facilities, requiring support of fledging local networks, it was considered that a phased approach, and more continuity in ITC support were needed for sustainable results.

SME Competitiveness

SMEs in El Salvador are particularly vulnerable to the on-going international trade liberalisation. ITC has targeted its contributions on the basis of the main weaknesses of SMEs.

Structural assets and weaknesses of SME are taken into account by ITC.

The proportion of Salvadorian companies that export their production is presently at 14%. It is estimated that another 8% would qualify for exports, provided they develop an appropriate business plan. Such figures highlight the importance of foreign trade for the economy in El Salvador.

An asset of El Salvador is the important ‘captive market’ of Central Americans who, having migrated to the USA, would readily buy more ‘home products’ offered by the region.

Likewise, the relatively low cost of manpower could be an asset for de-location of production plants from industrialised countries. At present, though, the minimum salary in El Salvador is the second highest salary in Central America region, after Costa Rica. This has an important impact in sectors such as apparel and textile, footwear, etc. Accordingly, government policies are oriented towards export products with more additional value, promoting technical hand labour in free zones.

It also must be noted that as in most developing countries, SMEs were developed for a limited and protected market. Main weaknesses, often responded to by ITC projects, enable SMEs to face a broader and more intense competition.

These shortcomings are:

- Insufficient technological innovation in response to market requirements (support provided under projects INT/W2/11 and INT/29/74A targeted the development of international market niches);
- Limited quality of products, which do not meet international and industrial countries' standards: Those SMEs that do meet higher standards have high production costs (trained staff wages are high for low productivity plants). The development in El Salvador of National Science and Technology Council, the national standardisation infrastructure, was supported by the World Trade Net topical workshop held in San Salvador on 22-24 October 2002 – ITC Publications such as 'Road Map to Quality' are also relevant;
- Limited internal and Foreign Direct Investments. Regional Development Banks provide insufficient support to SMEs. ITC publications such as 'How to Approach Banks' are relevant;
- Insufficient education and training of entrepreneurs explain the difficulty for isolated and inexperienced producers to market their products in the USA at an interesting price and to produce, on a regular base, products of an even quality. In this respect, the main focus of many donors, including the World Bank, USAID, and bilateral programmes focus on Human Resources Development. (ITC has also strongly focused its action in El Salvador and in Central America on training of managers, notably through Project RLA/81/01, on HRD for the development of foreign trade in Central America, with a strong component in El Salvador);
- Insufficient trade infrastructures are highlighted, providing a co-ordination of producers at national level, and developing appropriate facilities for packaging and trading logistics. The absence or excessive cost of trade intermediaries has also been addressed by ITC with the support given to ACCACI/COMPITE;
- Remaining TBT and SPS (in particular for agricultural products) are systematically addressed;
- Insufficient information on trade opportunities. (In many ways, Trade Map should respond to this shortcoming if the TSI partner can disseminate the results).
- Different organisations, besides ITC, have been encouraging exports to Salvadorian community in the USA. At present, USAID/EXPRO and CENTROMYPE/Ministry of Economics have specific programmes to export promotion with an important focus to this Salvadorian community.

South-South/Development Concerns – Export Led Poverty Reduction

Two of the projects delivered for support to Trade in El Salvador are directly related to the Export-led Poverty Reduction Programme:

In this framework, *Project INT/W2/11*, targets on the one hand the regions in El Salvador where Tourism could be developed, and on the other hand, the improvement of export-related income among a population of coffee-growers, under the co-ordination of the Association Monte Sion.

It may be appropriate to mention here that on 29th April 2005, the Ministry of Tourism mentioned during a press meeting that the ‘EPRP project on Tourism’ would be replicated in six new geographical sectors.

Also in a South-South context, *Project INT/W4/44 (Latin Pharma 2002)* focuses on the development of trade in pharmaceutical products developed in SMEs pertaining to countries in the Region.

One may question the degree to which these projects abide by the ‘three fundamental pillars’ for an EPRP project:

- Building on a ‘winning community’ (It cannot be said that either the tourism appeal of El Salvador, or the coffee-growers are ‘winners’. In the same way, it is not clear who in the pharmaceutical industry is a ‘winning community’);
- Committed Trade Support Institutions do not seem to have backed the projects as expected;
- Potential Market links have, on the other hand, been well identified and have generated valuable project outputs.

The projects undertaken have to a different degree brought the expected results (the Monte-Sion/Maranatha project may certainly be considered a ‘success story’):

- Achieving concrete and measurable poverty reduction results;
- Enabling nationals to replicate the experience for the benefit of other sectors/regions.

Findings show that all projects undertaken by ITC in El Salvador had unquestionable results in fostering development through trade. The question has been raised of the degree to which this has provided a measurable difference in the country’s economy. Inasmuch as the projects have provided appropriate methodologies, awareness, information and understanding of the opportunities provided by international trade, good co-operation between the private and the public sectors, along with training, their contribution has been highly profitable. This contribution has furthermore been given in a niche where ITC has an unquestioned authority.

Organisational and Management Aspects

While the organisation and management of projects is clear and efficient in Geneva, it seems that they rely in El Salvador, on a very limited group of key experts and institutions.

The main TSI that ITC has collaborated with in El Salvador are the following:

- Chamber of Commerce and Industry (Cámara de Comercio e Industria de El Salvador – Contact: Lic. Rosario de Barriere);
- CENTROMYPE for SMEs (Contact: Mrs. Lucy Murrillo – Mr. Merlin Barrera used to work for CENTROMYPE);
- COEXPORT (Contact: Lic. Karla Klauss - Gerente de programas);
- ASIC (Contact - Lic. Claudia González. Directora Ejecutiva.);
- Cooperativa de Turismo San Ignacio y La Palma (Contact: Jose Alex Salguero, Presidente) & CORSTATOUR for Tourism-related projects (Contact: Mrs. Elena Larrenyaga de Rivera – Gerente de Planificación);
- Ahuchapan-Café for the Project with Monte-Sion/Maranatha (Contact: Luis Ernesto Urrutia – Director, Monte Sion) and Cooperativa de Cafecultores la Union (Contact: Alicia Morales, Presidente);
- Universidad Centroamericana Jose Simon Canas (UCA) (Can be considered a TSI as it supports the Asociación Centroamericana y des Caribe de Consultores en Comercio Internacional – ACACCI/COMPITE).

ITC has, following its procedures, essentially targeted the Private sector.

Project Cycle Management

All projects have been carried out following the procedures of Project Cycle Management. Local counterparts have been involved in this ‘on the receiving end’ during the different phases of the projects: identification and needs assessment, budgeting, logical framework, etc. While contracts (or Memorandum of Understanding, e.g. with UCA for ACACCI for Grant INT/W2/08) have been established with local counterparts, financial management of projects is largely controlled by ITC.

The role of ITC Country Officers is important in this respect, as they are the link between national counterparts (beneficiaries) and other ITC departments. The role of these national counterparts seems particularly important in country-specific projects. (In the case of regional projects, institutions tend to play a leading role.) It may be of interest to establish a comprehensive list of ITC contacts in the country, in such a way as to keep them related and informed on actions undertaken while raising awareness on trade issues.

The initial phases of projects are often carried out leaving local counterparts with great expectations. It may be of interest to the ITC to provide better information on the Project Cycle Management procedures that often lead to frustrations. Once the project is under way, these difficulties subside.

All projects sampled in the evaluation have completed targeted activities within the budgeted limits.

Budgetary and Funding Issues

Needs for ITC support are clearly many in El Salvador. These raise funding challenges and difficult prioritisation of choices when a choice is to be made on focussing on pilot projects rather than broader support to economic sectors. In many ways, it seems that in the case of El Salvador, ITC has been alone in delivering private sector activity-related projects, as USAID, the World Bank, the European Union and other major donors have concentrated on wider scope & Infrastructure projects.

Furthermore, it is constant that projects that have had promising outputs cannot find funding for further improvements: The counterpart for the Tourism Project in La Palma points out that results would be made more sustainable with the development of a training facility in El Salvador for the hotel industry.

Once the Projects are in place, and while they unfold, ITC is an efficient manager of projects, from the view point of planning and preparation (including co-ordination with other donors), execution and assistance, adherence to the scope of assistance, timely delivery of inputs and monitoring of outputs, and finally reporting/feedback/evaluations of cost efficiency and results.

ITC Visibility and Image

Considering the overall difficulties that the private sector is facing in the context of increasing competition, it has been noted that the role played by ITC is often un-noticed. Important trade tools, developed in co-operation with other donors such as USAID are often widely used and attributed to others than ITC. This is in particular the case with World Trade Net.

This comment does not apply to ITC publications. These are widely used and acknowledged.

It may well be, even for the development of funding, that improved visibility could be provided for ITC activities.

1.6 Country-Level Evaluation

Overall Remarks

While all projects have been sampled, only some projects were suitable for in-depth evaluation (RLS/81/01A Human Resource and Enterprise Development and INT/W2/08 – E-trade bridge for SMEs, and INT/W2/11, INT/29/74A – Export-led Poverty Reduction Programme), the other projects have been examined under the perspective of the overall contribution provided by ITC to the development of Trade in El Salvador, in the light of its corporate mandate.

As the sampling provides detailed evaluation criteria and marks, it has been decided, in the present country report, to deliver an evaluation based on the comments received by stakeholders on all the projects. The Evaluation will therefore undertake to provide evaluation marks for the contents of all the portfolio of projects benefiting El Salvador.

The action undertaken by the ITC in El Salvador is responsive to the needs expressed by economic actors and by the Government authorities. The role of the Representation of El Salvador in Geneva shows appropriate dialogue and co-ordination between public and private sectors. In this respect, it may be seen that the Country Desk at ITC Headquarters has played a useful role.

While it is constant that a number of country analysis and strategies exist for El Salvador (in particular, the World Bank, the European Commission, the United States Central Intelligence Agency, the Economist Intelligence Unit have delivered in-depth analysis of the country's economic, social and political situation), the action undertaken by the ITC does not seem to have been based on any overall analysis of the country's needs, nor to have been preceded by the delivery of a strategy, pointing to priorities on the basis of an available budget. The evaluation did not show if initiatives taken were co-ordinated with the Centre of Government, the key stakeholders and the other donors.

Otherwise, it may be seen that the projects supported by the ITC have a strong regional component, and that consistency with the Government's International Trade policies is built into projects.

Meetings held in the ITC headquarters have delivered a favourable view on the quality of project identification, on Project Management and information flow, as concerns El Salvador. It may be added, nevertheless that, to some degree, horizontal co-ordination was on the back burner with respect to other priorities.

The quality of outputs examined and the professionalism of contributions was very high, and appreciated as such by all people interviewed.

Performance on the Basis of the Five Evaluation Criteria

Relevance:

Rating: 3 on a scale 1 - 4

No overall needs analysis of the Salvadorian Economy seems to have been made or adhered to by the ITC on the basis of which to develop a co-ordinated and prioritised action. The relevance to the overall needs should have been verified before undertaking the projects.

Relevance of projects to sectoral or functional needs has been, on the other hand, relatively well established in the identification phase of each action. The support provided by the ITC has been consistent with the different components of the Government's strategy to foster development through trade, in particular through projects (Reference indications have been given here above):

- Development and strengthening of Trade Support Institutions [Grant to the Universidad Centro Americana Jose Simeon Canas for support to ACACCI/COMPITE];
- Use of DPMD tools:
- Trade Map;
- ITC Publications – Coffee Guide.
- BAS/EMDS support to the development of SMEs:
- Development of World Trade Net in El Salvador [Three Projects];
- Publications developed with TSIs (Secrets of Trade [COEXPORT] – How to approach Banks [BMI]
- E-Trade Bridge for SMEs;
- Support to SME competitiveness (Technical innovation, quality of products, development of FDI, Human Resources).
- SSTP/EPRP, action through three Projects:
- LatinPharma;
- Tourism and Coffee producers (Monte Sion).

It may be considered, based on feed back from the stakeholders, that the ITC performance in El Salvador was seen as relevant to needs identified by the government and key stakeholders, though in some cases, the input of ITC lacked visibility and was not of sufficient scale to address identified needs. There was some overlap with the activities of other donors and there was a challenge with the overall coherence of the interventions with the complex trade support structure in El Salvador. The ITC has done a good job of identifying good partners for project implementation.

The project for Human Resource and Enterprise Development has achieved its intended outputs of training managers and staff of SMEs, including some micro-enterprises.

Efficiency

Rating: 3.0 on a scale 1 - 4

The results achieved by ITC action have been diverse in their nature and scope and the efficiency evaluation of projects should be looked into separately:

The efficiency of DPMD action may be valued by the 'ownership' of the end products and by the number of end-users of the publications.

Under both these criteria actions were considered efficient, as described here above.

Business Activity Support (BAS/EMDS) to the SMEs has built on three different types of actions:

- Development of El Salvador involvement in World Trade Net through two projects related to Regional Trade Negotiations (CAFTA) – The ODASP considers outputs efficient, as it procured expected results, and wishes to benefit from further support;
- E-trade Bridge was considered as provided with an insufficient budget, and its outputs, while achieving objectives, were limited (Kick-off meeting in Nov. 2003) but the project was still under implementation at the time of this evaluation. At the same time there is significant commitment by the partner organisation and this appears to be important to the delivery of the outputs.
- Support to SME competitiveness includes a variety of actions that may be considered structural. The Human Resource and Enterprise Development Project delivered its activities relatively efficiently and additional needs for adapting training materials were met through the follow up on the project mentioned above. The stakeholders involved gave a broadly positive set of comments on the efficiency of ITC contributions.
- The projects undertaken under the EPRP have been broadly successful and in some cases may be taken as 'success stories' at least in terms of achieving initial results.

SSTP has supported useful activities and the participation by El Salvadorian enterprises has been reasonably good.

Projects undertaken have generally achieved their outputs and achieved their immediate results, in their specific environment. The projects have achieved their planned outputs to a considerable degree due to the efforts of the partner institutions. It may be generally accepted that all projects have met high standards of quality.

Effectiveness

Rating: 3 on a scale 1 - 4

The effectiveness of actions undertaken by ITC in El Salvador is challenging to evaluate because while some records on activities and outputs have been retained, there is a lack of monitoring of the results achieved, and whether the results will contribute to realisation of the planned objectives.

For a number of the tools or guides, such as specifically: the Coffee Guide [published in Spanish in 2002], 'Secrets of Trade' and 'How to approach Banks' that were drafted with the contributions of TSIs, there is evidence that the product was distributed to relevant

TSIs and the publications were considered useful; but it was difficult to evaluate the use of these guides by end-user enterprises. The products tended to be used by the TSIs and incorporated in their services but it is difficult to trace the results achieved.

Stakeholders have valued the effectiveness of the separate actions that they were involved in or that they benefited from: In many cases, it was stated that the contribution of ITC to the improvement of structural difficulties encountered was valuable, but needed time to reach its objectives, considering the limited lever action often possible at country scale.

The activities of World Trade Net and the results of the EPRP do appear to have achieved results in the business community and in supporting economic development. Support was expressed for the role of World Trade Net in supporting business understanding of trade issues, and in contributing to the private sector capacity to participate in various negotiations, and to adjust their business plans to emerging developments. Both the EPRP projects appear to have achieved some results in helping coffee producers to break into the Japanese market and in the support to tourism in the north of the country. In the latter case, one measure of the effectiveness is related to the generalisation and scaling up by the beneficiary. It was disclosed in April 2005 that some (tourism-related) ITC projects would be replicated on a national scale.

The project of supporting Human Resource and Enterprise Development has achieved results through training the managers and staff of SMEs. The Evaluation was able to survey 15 end-user enterprises and they were quite positive in their assessment of the results achieved in their enterprises. This is the one example where clear results can be demonstrated from the ITC intervention, but it was the largest project in El Salvador. Thus it receives a much greater weighting in the overall country level results.

Of the 15 enterprises surveyed by the Evaluation almost half involved women managers or entrepreneurs and the majority of the enterprises employed more than 50% women. Thus the Human Resources and Enterprise Development project has achieved results in terms of promoting improved economic statuses of women.

Impact

Rating: 3 on a scale 1 - 4

The immediate impact of actions undertaken is different according to their nature. For a number of the smaller activities or the distribution in El Salvador of global products or tools, it is very difficult to discern impacts. Discernible impacts can be identified in the following areas:

- Impact is important on the development of the Government's capacity to negotiate through greater involvement and understanding by the business sector;
- Equally, the impact of support delivered to TSIs is visible on the capacity that they achieve to provide their mainstream contributions to enterprises (in the case of COM-PIITE, support was given to the development of the E-Trade initiative);
- Pilot projects (BAS and EPRP) are of undisputed importance but cannot be evaluated on a short time basis. It may be considered that their impact is important in consideration to their publicity;

- The impact of other projects has been considered satisfactory by counterparts, but it is difficult to adduce supporting evidence.

The long-term impact of projects in terms of development of trade, poverty reduction, and gender equality, cannot be forecast. The immediate impact may, in many cases, be evaluated on the basis of the influence of beneficiaries targeted (Negotiators, TSIs, SMEs, etc.), or to the degree to which they prove the efficiency of Export-led Poverty Reduction Initiatives: their mechanisms will then be duplicated.

According to the information obtained in the process of evaluation, the immediate impact did not touch many immediate beneficiaries. The TSIs have benefited but it is difficult to measure the longer-term effects for the end-user enterprises.

The projects with the most discernable achievements in terms of results are those with training activities and this seems to translate into immediate and potential longer-term impacts. As indicated above, the Evaluation surveyed 15 end-users of the Human Resources and Enterprise Development Project and there is a clear indication of impacts in some but not all of the SMEs. There is a significant likelihood that there will be longer-term impacts on these enterprises as well as other enterprises, whose SME managers have benefited from the training.

Sustainability

Rating: 2 on a scale 1 – 4

It was considered by stakeholders that projects undertaken were sustainable and could be described as building blocks for further ‘home-funded’ action. As described, outreach was very different from one project to another.

Sustainability has been systematically built in most projects, such as in the Monte-Sion EPRP project. On the other hand, it was stated in some projects - e.g. E-Trade Bridge, or Tourism development EPRP where a second phase of the project – to develop a training institution for hotel staff- was asked for to consolidate sustainability.

In many ways, the projects have developed local capacities (e.g. World Trade Net) and the Human Resources and Enterprise Development project that will provide building blocks for lasting improvements in trade performances. The Human Resources and Enterprise Development project is being implemented on an ongoing basis by UCA in conjunction with ExportPyme after completion of the project; and this is an indication of both sustainability and scalability in that more SMEs will benefit from the training. A different indication of sustainability is that the SMEs are using the results of the training in an ongoing basis in their enterprise. It is to be hoped that E-Trade Bridge will achieve a similar degree of sustainability but it is too early to verify this possibility.

Analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT)

Table 3: Strengths, Weaknesses, Opportunities and Threats Analysis

<p>Strengths Internal (ITC services)</p> <ul style="list-style-type: none"> • Support by the El Salvador Government for trade development and SME development; • Capacity of the ITC to support Government negotiations with operational tools; • Projects are co-ordinated with Regional policy and supported by appropriate institutions; • Quality of Project Identification; • Wide array of proven services of relevance to SMEs; • Multi-country experience enables ITC to tailor support to specific situations in El Salvador. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Limited number and capacity of TSIs and the sustainability of the TSIs; • Limited budgets for projects reduces potential effectiveness and impacts; • No overall strategy has been developed for El Salvador; • Reduced awareness among potential beneficiaries; • Inadequate visibility of ITC contribution to outputs; • Although ITC has tried to develop follow up on projects, TSIs express concern about lack of continuity of ITC activities.
<p>Opportunities: External Environment (TRTA) and country needs</p> <ul style="list-style-type: none"> • Other donors do not overlap; • Development of Regional trade-supporting institutions (e.g. CAFTA); • El Salvador will enjoy free trade with the USA within a given timeframe. 	<p>Barriers or Threats to ITC performance</p> <ul style="list-style-type: none"> • Limited or instable funding does not facilitate longer term actions; • Poor co-ordination among donors; • There are challenges in disseminating ITC products to micro-enterprises and the informal sector including women entrepreneurs.

The SWOT analysis points essentially to positive contextual aspects of ITC undertakings in El Salvador. Trade development is a high priority for the government and there is active interest of SMEs in export development. It highlights also the importance of continuity in efforts undertaken and a more coherent approach to intervention in El Salvador. The critical factor for the success or failure of ITC interventions is the capacity and sustainability of the local partner and ITC has a reasonably good track record in this respect.

1.7 Conclusions and Recommendations

The overall findings of the Evaluation highlight that the ITC supported projects have enabled the beneficiaries to boost trade and strengthen development factors in key sectors of the economy: Agriculture and SMEs, both in the industrial (Pharmaceuticals) and the Services (Tourism) sub-sectors. They are considered to have shown a high degree of cost efficiency.

Conclusions

Stakeholders have confirmed that they had made operational use of the contributions of ITC in key components of International Trade. These have yielded positive results, but there is scope for improvement.

El Salvador provides opportunities for ITC interventions

Several aspects of El Salvador make it a suitable candidate for TRTA:

- Interest in the government and in the private sector is high for TRTA due to the current integration initiatives;
- The level of e-readiness and other elements of trade infrastructure enable TSIs and SMEs to benefit from ITC activities and products; and
- The opportunities for woman to participate in the economy and the great significance of SMEs, including micro-enterprises in the economy, provide opportunities for ITC activities and products to lead to development results.

ITC Projects Have Highlighted Best Practices for Trade-Driven Development

ITC support has strengthened the Government's assets in the implementation of development strategies, providing in particular:

- Appropriate methodologies for sustainable Poverty Reduction Programmes in significant and highly visible social sectors; and
- The involvement of local counterparts in achievements that benefited of valuable transfer of know-how to SMEs.

The following comments were also made:

- The TSIs that were interviewed highlighted that they appreciated the experience and the know-how of the ITC. They requested a stronger support, through wider-scope projects. Such programmes should not only provide access to instruments but also provide follow-up in developing impact evaluation;
- The TSIs interviewed did not provide detailed views on the quality of ITC instruments. They pointed out that they contributed to their customisation, under certain respects. All highlighted their usefulness.

The counterparts interviewed did not know the steps of the project cycle. They were often frustrated that projects envisaged were not implemented, and knew little on the different components of implementation, and of the challenges of funding and follow-up.

ITC Projects Have Contributed to Capacity Building and to Policy-Making

- Efficient negotiating tools were developed and training was provided on the implications for business of developments in the trading system;
- TSIs were strengthened, did provide meaningful services to enterprises and were also involved in policy-making; and
- The training activities with UCA and COMPITE have developed training capacity in the country and resulted in improved capacity for SMEs.

Recommendations

Some improvements could be provided in project organisation:

Integration of Cross-Cutting Objectives

- ITC has achieved some promising early results with EPRP but more effort needs to be made to mainstream poverty reduction through reaching micro-enterprises or target commodity producers;
- Similarly issues arise with supporting gender equality. The Human Resources and Enterprise Development project did succeed in reaching enterprises that are managed by women and/or employed women.

Improvements Could be Made for Project Cycle Management

- An overall needs assessment should be established and budgeted with a prioritization involving the Centre of Government;
- Better horizontal management should be delivered in the ITC headquarters;
- Projects should be developed with a sufficient scope to have a significant impact;
- In some cases, continuity and follow-up of projects could reduce the fragility of results achieved;
- In some cases, second phases should be envisaged for projects that are innovative;
- An improved monitoring and evaluation mechanism should be made available for local counterparts.

Improvements Should be Made in Local Organisation

- ITC relies on a small number of local experts and TSIs;
- ITC has been successful in selection of local partners, but continued attention must be paid to this issue;
- The presence of a local representative of ITC in El Salvador would facilitate its information and presence in the round-table of donor institutions;
- Better visibility should be built in the projects;
- The results achieved by ITC through a TSI depends largely on the latter's local organisation and capacities;
- The limited resources available to ITC could be supplemented by resources available through international organisations or other donors working in El Salvador. These organisations have in most cases been informed on ITC-supported projects, but in a few

cases have joint actions developed to facilitate the dissemination of ITC instruments using the international organisation's infrastructures.

It seems appropriate to develop working relationships with new key-institutions such as CONADEI and the State Vice-President's Office. The Projects and instruments of ITC would have an increased impact if they were co-ordinated with leading Government-supported programmes such as CONADEI.

Further Support Was Requested

The results targeted could be better achieved with longer-term initiatives:

- In some cases, the ITC contribution was considered insufficient;
- Other projects were considered insufficiently funded.

Annexes

- Annex 1. List and Summary of ITC Projects with El Salvador as a Beneficiary
- Annex 2. Profile of Institutions
- Annex 3. List of Persons Contacted

Annex 1: List and Summary of ITC Projects with El Salvador as a Beneficiary**Table Annex 1:1 ITC Projects Listing El Salvador as a Beneficiary**

El Salvador	Project Number
Part I	
Coffee - Review of Market Practices	INT/24/82A
ITC/UNIDO Co-operation in Trade Capacity Building in Central America	INT/70/01A
Business Development and the WTO Agreements (World Trade Nets)	INT/W2/05A
Programme for Competitiveness Improvements of SMEs (PROCIP)	INT/W2/07A
E-Trade Bridge for SMEs	INT/W2/08A
Export-Led Poverty Reduction Programme	INT/W2/11A
Export-Led Poverty Reduction	INT/29/74A
Formulation Programme and Country/Region Specific Activities: HRD Consultant to Review, Edit Package Training Programme Materials	INT/W4/34A
Country/Region Specific Act: Latin Pharma Expo 2002	INT/W4/44A
Country/Region Specific Activities: Building Trade Training Networks in Latin America	INT/W4/61A
Trade Related Human Resources and Enterprise Development for Foreign Trade in Central America Phase II	RLA/81/01A
Part II	
Coffee Guide: Web-site and Promotion	INT/24/84A
World Trade Net (Business and the 'Doha Development Agenda')	INT/W2/10A
Programme Development Activities: Legal Guidance for the Pharmaceutical Industry	INT/W3/38A
Programme Development Activities: Trade Secrets: Pharmaceutical Industry	INT/W3/39A
Progr. Develop. Act: Programme Development During executive Forum 2003 in Cancun	INT/W3/99A
Formulation of Tailor-made Programme and Other Country/Region Specific Activities: ITC Participation - Latin Pharma 03 Event	INT/W4/53A
Country Region/Specific Countries: Capacity Building for Garment Exporters to Meet 2005 Challenges Countries: KEN, MAG, CUB, ELS	INT/W4/58A
Country/Region Specific Activities: Organising and Implementing a Competitiveness Tools Fair – Bolivia	INT/W4/62A

Part I.

Coffee - Review of Market Practices. INT/24/82A.

Start Date – ITC’s Integrated Management Information System (IMIS): 17/01/2001

Start Date – Actual: 17/01/2001

Close Date: 31/12/2003

Source of Fund: ITC Bilateral donors Trust Funds - [ZS1]

Donor(s): Denmark

Table Annex 1:2 Project Value (in USD without Support Costs)³

Year	Allotted	Expected	Total
2001	98,540	0	98,540
2002	101,241	0	101,241
2003	24,889	0	24,889
2004	-535	0	-535
Total	224,134	0	224,134

Brief Description:

Publication of "Coffee - An exporter's guide" (EN-2002, FR-2003,SP-2003).

Dissemination. Use of content and network for an inter-active web-site with a Q&A service.

Beneficiary Country (ies):

Angola; Bolivia; Brazil; Burundi; Cambodia; Cameroon; Central African Republic; China; Colombia; Congo; Congo D.R.; Costa Rica; Côte d'Ivoire; Cuba; Dominican Republic; East Timor; Ecuador; El Salvador; Ethiopia; Ghana; Guatemala; Haiti; Honduras; India; Indonesia; Jamaica; Kenya; Lao People's Democratic Republic; Malawi; Marshall Islands; Mexico; Nicaragua; Panama; Papua New Guinea; Paraguay; Peru; Philippines; Rwanda; Tanzania, United Republic of; Thailand; Togo; Uganda; Vanuatu; Venezuela; Viet Nam; Zambia; Zimbabwe.

Achievements:

2004: INT/24/82A is the preparation and printing of "Coffee, An exporter's guide". Published late 2002 (Fr/Sp 2003). Sponsored by Denmark. 15,500 copies printed. The Coffee Guide was ITC's most demanded publication in 2003 and demand remained high in 2004. A website version of the Coffee Guide was developed in 2004 (INT/24/84A and INT/W3/70A). Scheduled for opening in March 2005. MS 12.1.2005

2003: Coffee Guide (late-2002) was published in French and Spanish. Significant dissemination and best-selling publication at ITC's e-shop.

2002: This guide, published in 2002, contains statistics and comments on trade in both producing and consuming countries. It reviews international coffee contracts, and provides information on contract execution, logistics, insurance, dispute resolution, futures

³ Note: Past Years, Total Budget = Expenditures Current Year, Total Budget = Allotments, as per latest IMIS data + Expected Future Years, Total Budget = Re-phased Allocations + Expected.

markets, risk management, hedging and quality aspects. It also covers new trends in electronic commerce, organic and fair trade labelling, environment issues and useful website links.

2001: More than 10,000 copies of the previous version of the coffee guide were distributed. It is still in high demand and therefore preparation of a new coffee guide commenced in 2001. It will include recent development in e-commerce, risk management, logistics, organic certification etc. Scheduled to be printed in the third quarter of 2002.

ITC/UNIDO Co-operation in Trade Capacity Building in Central America. INT/70/01A.

Start Date – IMIS: 16/09/2003

Start Date – Actual: 18/08/2003

Close Date: 31/03/2004

Source of Fund: ITC Bilateral donors Trust Funds - [ZS1]

Donor(s): UNIDO

Table Annex 1:3 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	15,303	0	15,303
2004	0	0	0
2005	0	0	0
Total	15,303	0	15,303

Brief Description:

Needs assessment for establishment and/or strengthening of National Enquiry Points for TBT and SPS,

Beneficiary Country (ies):

Costa Rica; El Salvador; Guatemala; Honduras; Nicaragua; Panama.

Achievements:

2003: An advisory mission was carried out in the six countries to determine, inter alia, the technical assistance needs for the National Enquiry Points for TBT and SPS

Business Development and the WTO Agreements (World Trade Nets). INT/W2/05A.

Start Date – IMIS: 01/01/1999

Start Date – Actual: 26/08/1999

Close Date: 31/05/2002

Source of Fund: ITC Global Trust Fund Window 2 - [ZG2]

Donor(s): Global Trust Fund (W2)

Table Annex 1:4 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2001	373,960	0	373,960
2002	601,630	0	601,630
2003	-12,209	0	-12,209

2004	-12,341	0	-12,341
Total	951,040	0	951,040

Brief Description:

Within the context of the Doha Development Agenda, the World Trade Net aims to develop and strengthen the capacity of the business sector in developing and transition economies to:

Analyse and address the changes of the international trading environment resulting from the implementation of the WTO Agreements;

Contribute meaningfully to the negotiations through dialogue with the public sector.

Beneficiary Country (ies):

Albania; Armenia; Bangladesh; Belarus; Bosnia and Herzegovina; Bulgaria; Cambodia; Costa Rica; Croatia; Cuba; El Salvador; Estonia; Guatemala; Haiti; Honduras; Hungary; Jamaica; Jordan; Kazakhstan; Kyrgyzstan; Latvia; Lesotho; Lithuania; Malawi; Malaysia; Moldova, Republic of; Mongolia; Mozambique; Nepal; Nicaragua; Oman; Pakistan; Philippines; Romania; Sri Lanka; Swaziland; Thailand; Viet Nam; Zambia.

Achievements:

2002: Six new countries joined the network in 2002, making a total membership of 45 countries. The programme assists country networks to understand better the business implications of WTO Agreements and negotiations. Activities of the country networks have effectively promoted a better government–business partnership with special emphasis on the integration of business views into the country negotiating positions in the current WTO trade negotiations. The sharing of information and ‘best practices’ is a vital element in the programme, hence:

Regional workshops organised for member countries conveyed up-to-date information, introduced new business information materials, and encouraged government–business dialogue. Subjects addressed included TBT, textiles and clothing, trade remedies and anti-dumping. On such occasions, country papers on WTO-related issues have been prepared by network members, and have been available on the web. Such events are often followed up by country workshops organised by network members themselves. For instance, as a result of regional TBT workshops, the Brazilian National Institute of Metrology, Standardization and Industrial Quality (Inmetro) has joined forces with the main Brazilian players in this area to launch a national training programme on TBT issues, using WTN material. Members in Nepal and the Philippines undertook their own dissemination activities. In Belarus and Croatia, for instance, ‘echo’ country events followed the workshop on trade remedies.

Further information on current WTO work and its business implications is given to all members through the monthly World Trade Net newsletter.

Progress reports on WTO negotiations and implications are regularly issued. Examples include the Progress Report on the WTO Agricultural Negotiations and Business Impli-

cations of the United States Safeguard Measures on Steel Products for Developing Country Exporters.

Six publications have been prepared to assist business people to understand specific issues deriving from the WTO Agreements and negotiations and their effect on trade policies. These publications include three Business Guides to Trade Remedies in the European Union, the United States and Canada.

Training packs continue to be drafted and a new Training Pack on TBT was prepared.

At the end of the year, the programme launched the 'Business for Cancun' initiative aimed at preparing the business community for the WTO Ministerial Conference in September 2003. Funding for these activities was covered through ITN/W2/05 (until May 2002) and INT/W2/10 (from June 2002 onwards).

2001: Country networks in the World Trade Net. Albania%, Armenia%, Bangladesh, Belarus%, Bosnia and Herzegovina%, Bulgaria%, Cambodia, Costa Rica, Croatia%, Cuba%, El Salvador, Estonia, Guatemala, Haiti, Honduras, Hungary%, Jamaica%, Jordan%, Kazakhstan%, Kyrgyzstan%, Latvia, Lesotho, Lithuania, Malawi, Malaysia, Mongolia, Mozambique, Nepal, Nicaragua, Oman%, Pakistan%, the Philippines, the Republic of Moldova%, Romania%, Sri Lanka, Swaziland, Thailand, Viet Nam and Zambia. (% Networks established in 2001.)

Workshops and sub-regional seminars: Workshops on "The business implications of the agreement on textiles and clothing (ATC)" in Guatemala, Thailand, and Latvia for Latin American, Asian and European World Trade Net members. Workshop on "Technical barriers to trade/sanitary and phytosanitary measures (TBT/SPS)" in Zambia for African World Trade Net members.

Networking events. World Trade Net interregional workshops for network facilitators in Geneva and Lusaka. E-mail conference 'Business and the next WTO Ministerial Conference'.

Publications and business information materials. International Marketing and the Trading System, International Trade Rules: an answer book on the WTO Agreements for small and medium sized exporters; Internet-based World Trade Net discussion forum; case studies on public-private sector interface; General Agreement on Trade in Services consultation kit, including a video.

Programme for Competitiveness Improvements of SMEs (PROCIP). INT/W2/07A.

Start Date – IMIS: 01/01/1999

Start Date – Actual: 13/08/1999

Close Date: 31/12/2003

Source of Fund: ITC Global Trust Fund Window 2 - [ZG2]

Donor(s): Global Trust Fund (W2)

Table Annex 1:5 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2001	384,005	0	384,005
2002	473,361	0	473,361
2003	105,811	0	105,811
2004	1,397	0	1,397
Total	964,575	0	964,575

Brief Description:

ProCIP aims to enhance the capacity of SME development agencies (private and public) to help SMEs strengthen their competitive edge. It actively promotes formation of networks as a means to reinforce institutional capacity and technical know-how. Using the innovative 'product-network approach', the programme assists partners to develop enterprise competitiveness tools and practical guides. The implementation process contributes to capacity building of network partners.

The operational methodologies and processes of the programme establish and enforce networks of trade support providers through virtual discussions, video conferencing and training workshops, and help national partners to assess and respond effectively to SME needs by offering new services based on customised tools and guides. ProCIP website on SME Competitiveness is <http://www.intracen.org/ec>

Beneficiary Country (ies):

Angola; Argentina; Bangladesh; Barbados; Benin; Bolivia; Brazil; Bulgaria; Burkina Faso; Cambodia; Chile; China; Colombia; Congo; Congo D.R.; Costa Rica; Côte d'Ivoire; Cuba; Ecuador; Egypt; El Salvador; Eritrea; Ethiopia; Ghana; Guatemala; Guinea; Haiti; Honduras; India; Jordan; Kenya; Lesotho; Malaysia; Mexico; Nepal; Nigeria; Pakistan; Peru; Philippines; Romania; Saudi Arabia; Slovenia; South Africa; Sri Lanka; Tanzania, United Republic of; Thailand; Tunisia; Turkey; Uganda; United Arab Emirates; Uruguay; Venezuela; Viet Nam; Zambia; Zimbabwe.

Achievements:

2003: A new publication "Secrets of Intellectual Property" has been produced along ITC's Trade Secrets Series of guides in co-operation with World Intellectual Property Organisation. The benchmarking tool for the garments sector, THE FIT was expanded to nine countries through Garments manufacturers' associations in Bangladesh, Cambodia, India, Lesotho, Mauritius, Nepal, Pakistan, Sri Lanka, and Thailand. The tool ISO⁴ 9001 Fitness Checker was released and disseminated to partner agencies with five partner agencies signing Joint Partnership Agreements. Partnerships were realised in 11 more countries (Argentina, Bangladesh, Central Asian Republics of Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan, Cuba, Costa Rica, Malaysia, Nigeria, South Korea) for the preparation of nationally adapted versions of the Trade Secrets publication, "Export Quality Management: An Answer Book". The publication "Exporting Automotive

⁴ International Organisation for Standardisation

Components: An answer book for small exporters" was released. Partnerships have already been realised with China, South Africa (in co-operation with UNIDO), and Nigeria for preparation of customised versions of the publication. 14 countries (Argentina, Bangladesh, Brazil, Bolivia, China, Ecuador, Malaysia, Nigeria, South Africa, South Korea, Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan) signed agreements to partner with ITC to produce national versions of ITC's Trade Secrets series guide answering exporters' questions on standards and conformity assessment "Export Quality Management: An answer book for small and medium-sized exporters". Four more countries (Angola, Ethiopia, Haiti, and Zambia) have prepared nationally customised versions of "Trade Secrets: The Export Answer Book". This brings the total number of countries to prepare national versions of The Export Answer Book, along ITC guidance, to 45. Enterprises in these countries now have a ready manual on the essentials of the export process, custom made by their trade support agencies to suit their own national circumstances. With ITC assistance, partners in four more countries (Angola, Benin, Ethiopia, Pakistan) prepared their own national versions of the guide "How to Approach Banks for SMEs" bringing the total number of countries to have adapted this guide to 20.

2002: As part of the consolidation of networks an e-discussion was held on the role of networking in improving competitiveness. Based on requests from its strong partner networks, in 2002 the programme developed the following: – Benchmarking tools. 'The Fit: Benchmarking for SME garments manufacturers', and 'Benchmarking for services sector firms'. 'The Fit' was pilot tested by selected companies. – Diagnostic tools. 'ISO 9001 Fitness Checker' and 'Packaging Fitness Checker'. – Trade Secrets: The export answer book was adapted by eight more countries. To date 40 countries have adapted this guide for SMEs to national conditions. Two other countries have updated and republished their national versions. – Secrets of Electronic Commerce. This guide for SME exporters was adapted by four countries. A fifth adaptation was realised for the Caribbean region, bringing the total national adaptations of this guide to 21. – Export Quality Management. Adaptation of this new guide for SME exporters commenced in partnership with Inmetro (Brazil). – How to Approach Banks. Seven national adaptations were realised, bringing the total number of national adaptations to 16. Product-partnerships. Over the years, the essential feature of ProCIP has been the formation of productive and sustainable partnerships between the programme, national TSIs and agencies at a regional level, through the product-network approach. National partners (for example, Bolivia, Jordan, Oman) have revised, updated and reprinted their first national adaptations of Trade Secrets. Most of the partners who have adapted the original Trade Secrets book have signed new agreements with ITC to adapt Secrets of Electronic Commerce, and Export Quality Management, the latest publication in the Trade Secrets series. Partners are now paying ITC a small fee for the rights to adapt Trade Secrets publications. Regional collaboration between countries (for example between El Salvador, Guatemala and Honduras) has also been a prominent feature; countries assist each other in the development of adapted versions, and jointly organise and launch their national versions.

2001: Throughout 2001, activities focused on consolidating the use and application of existing tools and approaches.

International Competitiveness Gauge. Benchmarking software for the automotive components sector was upgraded. Fresh benchmark data was incorporated from German companies in the automotive components sector. Country coverage remained the same as in 2000: Argentina, Brazil, Chile, Colombia, Egypt, India, Indonesia, Kenya, Malaysia, Mexico, Pakistan, South Africa, Thailand, Tunisia, Turkey, the United Republic of Tanzania, Venezuela and Zimbabwe, and Germany, Italy and Spain. 100 more companies were added.

The Competitive Edge. During the year, three new countries (Indonesia, Malaysia and Thailand) joined those (Barbados, Dominican Republic, India, the Philippines, Turkey, Uganda, and Zambia) already using this benchmarking tool for international competitiveness. The tool has also been provided to Finland and Germany.

Export Fitness Checker. The tool was made available to partner countries in three languages.

Trade Secrets: a question and answer book for small and medium-sized exporters was adapted to national conditions and published in 18 more countries (Argentina, China, Costa Rica, Côte d'Ivoire, Ecuador, El Salvador, Eritrea, Ghana, Guatemala, Honduras, Jordan, Malaysia, Oman, Pakistan, the Philippines, Romania, Slovenia, Viet Nam). In total 31 countries have adapted the publication for their use.

Secrets of Electronic Commerce: a guide for small and medium-sized exporters. The 100 most frequently asked questions and answers on e-commerce were published in 17 more countries (Argentina, Bangladesh, Chile, Côte d'Ivoire, Cuba, Ecuador, El Salvador, Haiti, India, Jordan, Malaysia, Pakistan, Peru, the Philippines, Romania, Slovenia, Viet Nam.)

International Trade Rules: an answer book on the WTO Agreements for small and medium-sized exporters; Export Quality Management: an answer book for small and medium-sized exporters; Trade in Services: an answer book for small and medium-sized exporters. These three books were published.

SME Export Success Stories. To date, stories have been collected from 44 companies in 11 countries. The stories are being edited and placed on the web for widest possible information dissemination.

How to Approach Banks. The guide was customised for use in Guinea.

TSI Assessment Index: A further nine trade support institutions in Burkina Faso, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Senegal, the United Republic of Tanzania, and Zambia used the Index during 2001 to identify their strengths and weaknesses in relation to other TSIs. This brings the total number of users to 29 in 28 countries. A meeting of nine Southern African trade promotion organisations was convened in Johannesburg, South Africa, to promote the use of TPO benchmarking and the use of checklists for selected services. This took place as an adjunct to a meeting of the Southern African Forum.

E-discussions: Three very successful e-discussions on trade development issues were held. They attracted several hundred participants and many valuable contributions.

E-Trade Bridge for SMEs. INT/W2/08A.

Start Date – IMIS: 28/05/2002

Start Date – Actual: 01/01/2002

Close Date: 30/05/2006

Source of Fund: ITC Global Trust Fund Window 2 - [ZG2]

Donor(s): Global Trust Fund (W2)

Table Annex 1:6 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2002	181,414	0	181,414
2003	811,837	0	811,837
2004	1,112,117	0	1,112,117
2005	313,084	0	313,084
Total	2,418,451	0	2,418,451

Brief Description:

The goal of the E-Trade Bridge Programme for SMEs is to create internationally competitive e-competent businesses, and to build national e-trade capacities within the institutions that support them. The programme is modular and features: country e-assessment reports, kick-off meetings, Winning With the Web (WWW), strategy trainers, and Enabling the SMEs (Training the trainers).

Website: www.intracen.org/etradebridge

Beneficiary Country (ies):

Bangladesh; Barbados; Bolivia; Cambodia; Cameroon; China; Costa Rica; Ecuador; El Salvador; Guatemala; Honduras; Honduras; India; Iran (Islamic Republic of); Jamaica; Kazakhstan; Kenya; Kenya; Kyrgyzstan; Mauritania; Mauritania; Mongolia; Philippines; Romania; Senegal; South Africa; Tajikistan; Tanzania, United Republic of; Trinidad and Tobago; Turkey; Turkmenistan; Uganda; Uzbekistan; Viet Nam.

Achievements:

2005: (a) Component I - Improving SME competitiveness Through E-Trade: National capacities were mobilised to pilot the e-enable SMEs component in three countries. Management-export and e-competence of ninety-three SMEs were improved (e-enabled). (b) Component II: Preparing E-Maps, E-Balance Sheets and Action Points: For all the twenty-eight applicant countries a survey of e-policy environment, e-trade support infrastructure was completed. E-Maps, E-Balance Sheets and Action Points were printed and distributed. (Five National/Four Regional Reports) (c) Component III: Training National Programme Developers and Managers: Findings of e-policy and e-trade support surveys were debated for the construction of e-strategies in eight/nine pilot countries. More than 300 national programme developers and managers were trained. (d) Component V: Ca-

capacity Building by Training Trainers and Counsellors: More than 80 trainers, business counsellors and consultants were trained in three pilot countries.

2004: E-Preparedness Reports of 19 countries (El Salvador, Guatemala, Honduras, India, Kazakhstan, Kenya, Kyrgyzstan, Philippines, Romania, South Africa, Tajikistan, Tanzania, Uganda, Vietnam, Cambodia, Bolivia, Ecuador, Turkey, Trinidad & Tobago) have been published. Reports on five countries (Jamaica, Barbados, Uzbekistan, Costa Rica, China) are in the process of being published and the same for two countries (Mongolia, Bangladesh) are being prepared. Extensive desk research was carried out on 14 countries. The research results are made available on e-Business Resource DVD and Book that contains thousands of e-business links in those countries. Winning With the Web (WWW) component has been implemented in Trinidad & Tobago and 10 "best practice cases" have been identified. An "assessors training" programme and a network meeting was organised in Geneva. WWW / E-Nabbling SMEs programme was launched in El Salvador, Philippines and Tanzania with a total participation of 90 SMEs. During 2003 Kick-off Meetings in Wuhan (P. R. China) were organised.

2003: The programme currently covers 25 countries. E-Preparedness Reports of 19 countries (El Salvador, Guatemala, Honduras, India, Kazakhstan, Kenya, Kyrgyzstan, Philippines, Romania, South Africa, Tajikistan, Tanzania, Uganda, Vietnam, Cambodia, Bolivia, Ecuador, Turkey, Trinidad & Tobago) are in the process of being published and the same for five countries (Jamaica, Barbados, Mongolia, Bangladesh, Uzbekistan) are being prepared. A regional report on the e-Preparedness of the Caribbean Region was published. Extensive desk research was carried out on 20 countries. The research results are made available on e-Business Resource DVD and Book that contains thousands of e-business links in those countries. Winning With the Web (WWW) component has been implemented in 12 countries and 120 "best practice cases" have been identified.

A pilot "assessors training" programme was organised in Geneva. E-Nabbling SMEs component that involves counselling of SMEs in terms of management-export-e readiness aspects and aims to e-enable those companies has been implemented in four countries and five "best practice cases" were generated. During 2003 Kick-off Meetings in Bucharest (Romania), Quito (Ecuador) and Phnom Penh (Cambodia) were organised. A Regional Kick-off Meeting was held in San Salvador (El Salvador) with the participation of the Caribbean Export Agency. Four hubs were established (El Salvador, Philippines, Tanzania and Turkey) as the distribution channel for the implementation of the programme from a regional perspective. In addition to the delivery in the field, in 2003 the programme was frontloaded to lead way for the implementation of the other components of the programme and the following tools and materials were developed:

- AuditSME - An e-tool for enterprise diagnostics.
- ExportSME - An e-tool for export potential assessment.
- e-SME - An e-tool for diagnosing potential benefits of e-trade applications.
- ManageSME - An e-tool for managing transactions for SMEs.
- Verifying Strategy - A manual on using the Internet to research buyers and competitors.

- Designing Promotions - A manual on building Web presence for an enterprise.
- Purchasing and Expediting - A manual on finding suppliers on the Internet.
- Prompting and Responding to Sales Enquiries - A manual on customer relationship management.

Also online versions of NeedSME (for diagnosing management weaknesses), DemandSME (questionnaire for assessing demand for training) and PlanSME (designing enterprise strategies) were developed.

Prior to the World Summit on the Information Society that was held in Geneva in December an E-Trade Bridge Global Network Symposium was held.

2002: The national e-assessment report, including research based on ITC methodology, is the initial step for programme implementation in a country. It identifies assets and liabilities relating to ICT, and assesses e-facilitated trade risks and opportunities. Reports from three countries have been prepared and work is in progress in 25 other countries. Three national kick-off meetings using the e-assessment report as an important input have already been organised. During these meetings a common understanding of the state of 'e' in the country is developed among the stakeholders, a low-cost support network is formed, and action points for the short, medium and long-term are identified. The WWW component of the programme requires SMEs to be assessed on management-, export- and e-readiness, for the preparation of best practice cases. The programme has started in Kenya and Viet Nam, and preparations for launching WWW in India have been initiated. To initiate the building of national and regional hubs for e-competence, an ITC sub site is now available covering detailed information about the programme. Model websites dedicated to the kick-off meetings, were designed and delivered before the meetings themselves. Development of national and regional hubs is an ongoing process within the programme.

Export-Led Poverty Reduction Programme. INT/W2/11.A.

Start Date – IMIS: 01/01/2003

Start Date – Actual: 26/02/2003

Close Date: 31/05/2006

Source of Fund: ITC Global Trust Fund Window 2 - [ZG2]

Donor(s): Global Trust Fund (W2)

Table Annex 1:7 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	1,071,630	0	1,071,630
2004	891,125	0	891,125
2005	1,413,946	0	1,413,946
Total	3,376,702	0	3,376,702

Brief Description:

The United Nations General Assembly has set out to reduce “the proportion of people living in extreme poverty by one half by the year 2015. To contribute to this goal, ITC formulated a strategy for harnessing trade as an engine for poverty reduction and is now

launching the Export-led Poverty Reduction Programme. EPRP methodology relies on matching labour-intensive products and services having strong prospects in international markets with groups of disadvantaged producers, often through partnerships with local exporters. The programme also builds the trade-related capacity of local institutions (including NGOs) to support these producer groups, while also taking into account the gender and environmental dimensions. Furthermore, this initiative also contributes to raise awareness on the potential of trade as an engine for poverty reduction. The programme's institutional delivery mechanisms allow for expansion in terms of number of projects, communities and countries. For this reason, this ITC programme constitutes an effective leverage to channel the international financial resources required for trade-related technical assistance aimed at reducing poverty. Projects are implemented in developing countries and economies in transition having an economic and political environment conducive for poverty reduction through exports. Work in Least Developed Countries falls under the overall co-ordination of the Integrated Framework. Website: www.intracen.org/eprp

Beneficiary Country (ies):

Bolivia; Brazil; Cambodia; China; Ecuador; El Salvador; Ethiopia; Iran (Islamic Republic of); Kenya; Mongolia; Namibia; South Africa; Viet Nam.

Achievements:

2004: In 2004, the programme initiated new pilot projects in Ethiopia and Mongolia in the sectors of spices and woollen products respectively. At present the ITC's EPRP is working in nine countries (three in Asia, three in Latin America and three in Africa). In some of them, namely Brazil, El Salvador and Cambodia, the programme approach is proving that the possibilities for replication either at national or sectoral levels is real. Another five requests for ITC's EPRP technical support were received during 2004, thus increasing the number of countries to 19 in the waiting list for future technical co-operation, provided funds are made available.

2003: In 2003, the programme has identified export-led poverty reduction opportunities in seven developing countries, two in Africa, two in Asia and three in Latin America in the following sectors:

- Agricultural products (fresh & processed) in El Salvador, Kenya and South Africa;
- Community-based tourism in Bolivia, Brazil and El Salvador and in 2004 Viet Nam;
- Textiles (silk) in Cambodia.
- Six of these initiatives are already under implementation. Committed national partners have been identified and the required organisational structures have been put in place.
- Opportunity studies identifying products/services and markets were conducted in Bolivia, El Salvador, Kenya, South Africa and Viet Nam. The results of the needs assessments conducted in the six countries have lead to the development of EPRP country specific technical assistance focusing on product/services, market and human development. Initial technical inputs have already produced impact in El Salvador's coffee and community-based tourism projects.
- Opportunity studies were also conducted in Ecuador (1), Namibia (1), and China (2). In three out of four cases, the conditions required for launching EPRP pilot projects

were not met. Another 14 countries have requested ITC's EPRP technical support and are on the waiting list for future technical assistance subject to the availability of funds.

Export-Led Poverty Reduction. INT/29/74A.

Start Date – IMIS: 26/06/2002

Start Date – Actual: 16/07/2002

Close Date: 31/12/2002

Source of Fund: ITC Bilateral donors Trust Funds - [ZS1]

Donor(s): Germany, Federal Republic

Table Annex 1:8 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2002	452,637	0	452,637
2003	-8,038	0	-8,038
2004	0	0	0
Total	444,599	0	444,599

Brief Description:

The objective of the programme is to contribute to the United Nations Millennium Declaration's goal of reducing the proportion of people living in extreme poverty by half by 2015. It aims at enhancing pro-poor economic growth, in particular by means of empowering groups of poor producers to make use of their productive potential with a view to participating in the export value chain. The programme helps match labour-intensive products and services in demand on international markets with groups of poor producers, often through partnerships with local exporters or manufacturers. EPRP projects focus on sectors showing high potential to contribute to poverty reduction through exports. While working on the identification of products and services, the programme assesses market demand and ascertains national supply potential. It also gauges the potential for job creation and, more generally, for income generation for poor communities.

Geo-Coverage:

Inter-regional

Achievements:

2002: During its first six months, the project has successfully laid the basis for the establishment of an EPRP with broad participation within the donor community and maximum impact throughout a vast range of countries. As part of this process, the programme plays a pivotal role in consolidating ITC's poverty reduction methodologies. At the same time, human resources of high calibre are being recruited to strengthen ITC's delivery capability. The programme will continue to identify concrete export-led poverty reduction opportunities in developing countries (to date, 10 countries from Africa, Asia and Latin America). Furthermore, some of these initiatives are already under implementation. In these cases, the required organisational structures are already in place to ensure benefits in terms of poverty reduction in the shortest possible time.

Formulation Programme and Country/Region Specific Activities: HRD Consultant to Review, Edit Package Training Programme Materials. INT/W4/34A

Start Date – IMIS: 02/07/2002

Start Date – Actual: 01/08/2002

Close Date: 30/04/2005

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-4)

Table Annex 1:9 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2002	31,148	0	31,148
2003	-5,105	0	-5,105
2004	9,035	0	9,035
2005	11,383	0	11,383
Total	46,461	0	46,461

Brief Description:

Revision and update of materials developed in Central American countries to complete with the necessary case studies, exercises and success stories to produce a generic set of materials in Spanish.

Beneficiary Country (ies):

Costa Rica; El Salvador; Guatemala; Honduras; Nicaragua.

Achievements:

2004: Materials were completed, reviewed and edited. (EMDS' hub in Central America will be distribution in the region).

2002: A Spanish-speaking consultant was identified to complete and oversee the materials developed by the national trainers of the five countries. Materials have been reviewed. Central American trainers, international consultant and ITC are working on the final modular set of generic materials in Spanish.

Country/Region Specific Act: Latin Pharma Expo 2002. INT/W4/44A.

Start Date – IMIS: 18/02/2002

Start Date – Actual: 15/02/2002

Close Date: 09/07/2002

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-1)

Table Annex 1:10 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2002	46,676	0	46,676
2005	0	0	0
Total	46,676	0	46,676

Brief Description:

A trade flow analysis has identified considerable potential for intra-regional trade expansion for the pharmaceutical industry, in Central America. During a product selection workshop, trade support institutions validated the statistical analysis and suggested the organisation of an event focusing in the pharmaceutical sector. Within the preparatory phase, the Feria Internacional de El Salvador (FIES) demonstrated its commitment and agreed to organise the LatinPharma Expo (3-5 April 2002). FIES recognized that specific knowledge related to international marketing, including legal aspects, packaging, norms and standards, prices and market entry conditions, is lacking and has therefore requested ITC to provide on-the-spot technical advice. Small and medium enterprises attending the event would greatly benefit from this service.

The South-South Trade Promotion Programme is also supporting this event, with a discussion forum, a buyers/sellers meeting and a conference. However, SSTP has no funds available to cover the cost of an ITC stand and provide the on-the-spot technical advice requested by FIES.

Beneficiary Country (ies):

Costa Rica; El Salvador; Guatemala; Honduras; Nicaragua.

Achievements:

2002: Companies attending the event received technical advice on international marketing, legal, packaging, norms and standards, and prices.

Country/Region Specific Activities: Building Trade Training Networks in Latin America.
INT/W4/61A.

Start Date – IMIS: 01/01/2003

Start Date – Actual: 26/03/2003

Close Date: 31/12/2004

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-4)

Table Annex 1:11 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	73,538	0	73,538
2004	18,179	0	18,179
Total	91,718	0	91,718

Brief Description:

The project aims to network institution, trainers and counsellors in five Central American countries and five Andean countries to enable them to work as a team under an umbrella organisation. It is a follow-up of a project funded by Norway and Sweden (RLA/81/01).

Beneficiary Country (ies):

Bolivia; Colombia; Ecuador; El Salvador; Honduras; Nicaragua; Peru; Venezuela.

Achievements:

2004: Conducted parallel event during Latin America Trade week, training 12 representatives from Andean countries. Certification programme for consultants and trainers was developed in El Salvador. Regional hub was established in El Salvador for Central America, they are finalising the pilot certification programme and have been cooperating with and developing programmes for several international and national institutions and companies (GTZ, Unilever, UCA). Thanks to this co-operation the hub is close to being self-sustaining. A proposal has been received for a regional hub in Bolivia for the Andean region.

Trade Related Human Resources and Enterprise Development for Foreign Trade in Central America Phase II. RLA/81/01A.

Start Date – IMIS: 01/01/2000

Start Date – Actual: 11/10/2000

Close Date: 30/06/2005

Source of Fund: ITC Bilateral donors Trust Funds - [ZS1]

Donor(s): Norwegian Agency for Development Co-operation/Swedish Agency for International Development Co-operation.

Table Annex 1:12 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2001	323,111	0	323,111
2002	297,054	0	297,054
2003	123,134	0	123,134
2004	12,658	0	12,658
2005	7,685	0	7,685
Total	763,642	0	763,642

Brief Description:

Contribute to the development of a permanent capacity for supporting human resource and SME development in El Salvador, Honduras and Nicaragua. Development of a network of trainers and consultants in Central America and a feasibility study for the formulation of an export-led poverty reduction pilot project for small and medium-sized coffee producers in Guatemala.

Beneficiary Country (ies):

El Salvador; Guatemala; Honduras; Nicaragua.

Achievements:

2004: Certification programme for consultants developed in El Salvador. Regional hub attained self-sustainability. Exportpyme programmes continue without financing from ITC.

2003: 2003 was the last full year of operation of project RLA 8101. During 2003 field activities focused on providing a common language to the country teams to improve coordination of interventions, training on needs assessment tools, and improving the long-

term sustainability of programmes. To this purpose workshops and meetings were conducted: in El Salvador 13 to 27 March 2003 a Workshop and Networking meeting with representatives from the five participant countries (including Costa Rica and Guatemala from Phase I of the project) to identify post project synergies and activities. In San Salvador: 11 to 19 September 2003 a workshop and preparation of the curricula for a Certification programme for Enterprise Management and International Trade Trainers and Consultants and El Salvador: 30 to 31 October 2003 workshop and launch of the Central American Association of International Trade Trainers and Consultants.

ACACCI/COMPITE. This regional hub will keep functioning after the end of project RLA/81/01 will enhance the regional component of the project, and provide counterparts, trainers and SMEs with a network to exchange of information. In addition to the technical assistance to the counterparts and trainers/consultants, national and international institutions, were approached and invited to provide support to the programmes. Similarly, trainers and SME managers were asked to contribute to the improvement of the quality of training and consultancy services by providing feedback and recommendations for improvement.

2002: New tools were made available to counterparts and trainers, and materials were revised and updated to better meet SME needs. These tools and materials are already contributing to the sustainability of the training programmes as they are being used to offer new counselling and training services to SME managers. Information about the programmes was disseminated to gain support from other national and international institutions, some of which have become an important resource for the programmes in terms of contacts for potential SME participants, new experts and trainers, and funding to enterprises that cannot afford the training programmes. Joint ventures have been an unexpected by-product: SME participants have joined forces to develop new products, to order supplies, to gather and exchange valuable information, to ship export orders, etc. For instance, in El Salvador alone, 15 of these ventures have been documented.

2001: In 2001, the programme entered the active dissemination and capacity building phase, building upon its early success in Costa Rica and Guatemala. A special two-day workshop on 'How to develop sustainable training programmes' was held in May 2001 for partners and thematic leaders. Promotional materials were produced, training materials were adapted and pilot programmes were launched in all three partner countries: El Salvador, Honduras and Nicaragua. Capacity building workshops were delivered by the international and regional consultants for the thematic leaders to continue to refine and adapt the original training materials. Two workshops on in-company consultancy services training have been implemented in El Salvador and Honduras.

Part II.

Coffee Guide: Web-site and Promotion. INT/24/84A.

Start Date – IMIS: 26/01/2004

Start Date – Actual: 26/01/2004

Close Date: 31/12/2004

Source of Fund: ITC Bilateral donors Trust Funds - [ZS1]

Donor(s): Denmark

Table Annex 1:13 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2004	78,100	0	78,100
2005	0	0	0
Total	78,100	0	78,100

Brief Description:

Development of an inter-active Coffee web-site with Q&A service.

Beneficiary Country (ies):

Angola; Brazil; Cambodia; Cameroon; Central African Republic; China; Colombia; Colombia; Congo; Congo D.R.; Costa Rica; Côte d'Ivoire; Cuba; Cuba; Dominican Republic; East Timor; Ecuador; El Salvador; Ethiopia; Guatemala; Guinea; Haiti; Honduras; India; Indonesia; Jamaica; Kenya; Madagascar; Malawi; Mexico; Nepal; Nigeria; Panama; Papua New Guinea; Peru; Philippines; Rwanda; Thailand; Togo; Uganda; Vanuatu; Venezuela; Viet Nam; Zambia; Zimbabwe.

World Trade Net (Business and the 'Doha Development Agenda'). INT/W2/10A.

Start Date – IMIS: 01/01/2002

Start Date – Actual: 01/06/2002

Close Date: 31/05/2005

Source of Fund: ITC Global Trust Fund Window 2 - [ZG2]

Donor(s): Global Trust Fund (W2)

Table Annex 1:14 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2002	625,945	0	625,945
2003	689,941	0	689,941
2004	1,239,284	0	1,239,284
2005	619,624	0	619,624
Total	3,174,794	0	3,174,794

Brief Description:

The programme aims to develop and strengthen the capacity of the business sector in developing and transition economies to analyse and address the changes of the international trading environment resulting from the implementation of the WTO Agreements.

Within the context of the Doha Development Agenda, the World Trade Net aims to develop and strengthen the capacity of the business sector in developing and transition economies to: Analyse and address the changes of the international trading environment resulting from the implementation of the WTO Agreements; Contribute meaningfully to the negotiations through dialogue with the public sector. Website:

www.intracen.org/worldtradenet

Beneficiary Country (ies):

Albania; Albania; Argentina; Armenia; Bangladesh; Belarus; Bhutan; Bosnia and Herzegovina; Brazil; Bulgaria; Cambodia; Costa Rica; Croatia; Cuba; Dominican Republic; Egypt; El Salvador; Estonia; Guatemala; Guyana; Haiti; Honduras; Hungary; Jamaica; Jordan; Kazakhstan; Kyrgyzstan; Latvia; Lesotho; Lithuania; Malawi; Malaysia; Moldova, Republic of; Mongolia; Mozambique; Nepal; Nicaragua; Nigeria; Oman; Pakistan; Philippines; Romania; Senegal; Sri Lanka; Swaziland; Tajikistan; Thailand; Trinidad and Tobago; Ukraine; Uzbekistan; Viet Nam; Zambia.

Programme Development Activities: Legal Guidance for the Pharmaceutical Industry. INT/W3/38A.

Start Date – IMIS: 12/02/2004

Start Date – Actual: 17/02/2004

Close Date: 31/12/2004

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-3)

Table Annex 1:15 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2004	35,552	0	35,552
2005	0	0	0
Total	35,552	0	35,552

Brief Description:

This guide includes an inventory of local law offices present Central America, Andean Community and Mercosur with a description of their relevant legal experience related to pharmaceuticals. This inventory aims at facilitating the identification by SME of lawyers and the access of an already demonstrated legal expertise in relation to pharmaceuticals. It also helps law offices to better know each other expertise and possibly encourage co-operation among them (especially when originating from different countries).

This guide also includes sample contracts, which are drafted and used within the pharmaceutical sector. Pharmaceutical SME as well as law offices are enabled to access the best practices concerning the drafting of contracts by accessing to contracts drafted by major pharmaceutical companies as well as law firms.

Beneficiary Country (ies):

Argentina; Bolivia; Brazil; Chile; Colombia; Costa Rica; Ecuador; Ecuador; El Salvador; Guatemala; Honduras; Nicaragua; Paraguay; Peru; Uruguay; Venezuela.

Programme Development Activities: Trade Secrets: Pharmaceutical Industry. INT/W3/39A.

Start Date – IMIS: 18/02/2004

Start Date – Actual: 01/03/2004

Close Date: 31/12/2005

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-3)

Table Annex 1:16 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2004	65,443	0	65,443
2005	11,902	0	11,902
Total	77,345	0	77,345

Brief Description:

ITC studies, supported by other research points to increasing potential of trade from, and among developing countries in the pharmaceutical industry. (See www.intracen.org/sstp and CMIS – Global Trust Fund W1 request for this project). Workshops and events organised by ITC have highlighted issues and constraints, of common concern to exporters in developing countries.

Addressing those common queries and concerns by means of a publication, along ITC's Trade Secrets Series (see www.intracen.org/ec) providing practical advice, guidance, and further resources in the form of websites, organisations, publications and articles would be timely, and of immense value to enterprises to undertake their day-to-day business operations.

Using the "Trade Secrets" methodology, frequently asked questions of exporters will be identified by means of surveys of enterprises. The questions thus compiled will be complemented by the questions that have already identified through means of the past ITC events in the sector. A publication answering these questions will reflect key issues facing the industry, while identifying further resources and assistance for small and medium-sized exporters.

Beneficiary Country (ies):

Argentina; Bangladesh; Bolivia; Brazil; Chile; China; Costa Rica; Ecuador; El Salvador; Guatemala; Honduras; India; Jordan; Malaysia; Mexico; Oman; Pakistan; Peru; Philippines; Thailand.

Progr. Develop. Act: Programme Development During Executive Forum 2003 in Cancun. INT/W3/99A.

Start Date – IMIS: 30/07/2003

Start Date – Actual: 31/07/2003

Close Date: 09/09/2003

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-3)

Table Annex 1:17 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	70,664	0	70,664
2004	-2,767	0	-2,767
2005	126	0	126
Total	68,022	0	68,022

Brief Description:

This project provides for the participation of key resources persons and ITC programme and geographic managers in the Executive Forum 2003 in Cancun. Its overall objective is to deliver “best practices” guidelines on linking competitiveness, trade and development issues. Furthermore, it serves to gauge reaction among senior government and private sector decision-makers to ITC’s current technical assistance approaches and initiatives, in particular those that have been recently launched.

Beneficiary Country (ies):

Angola; Bangladesh; Belize; Benin; Bolivia; Botswana; Brazil; Bulgaria; Burundi; Cambodia; Cameroon; Chile; China; Costa Rica; Côte d'Ivoire; Cuba; Dominican Republic; Ecuador; El Salvador; Eritrea; Ethiopia; Gambia; Ghana; Guatemala; Haiti; Iran (Islamic Republic of); Jamaica; Kenya; Kyrgyzstan; Lao People's Democratic Republic; Malawi; Mali; Mauritius; Mexico; Mozambique; Nicaragua; Nigeria; Pakistan; Paraguay; Peru; Philippines; Romania; Saint Lucia; Senegal; South Africa; Sri Lanka; Tajikistan; Tanzania, United Republic of; Thailand; Trinidad and Tobago; Tunisia; Uganda; Uruguay; Venezuela.

Formulation of Tailor-made Programme and Other Country/Region Specific Activities:
ITC Participation - Latin Pharma 03 Event. INT/W4/53A.

Start Date – IMIS: 01/01/2003

Start Date – Actual: 01/01/2003

Close Date: 29/08/2003

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-4)

Table Annex 1:18 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	61,787	0	61,786
2004	0	0	0
Total	61,787	0	61,787

Brief Description:

Upon the success of LatinPharma 2002 in El Salvador, the Secretariat of the Andean Community of Nations (CAN) requested ITC to replicate the event in their region. CAN recognise that specific knowledge related to international marketing, including legal aspects, packaging, quality management and standards, prices and market entry conditions, is lacking. The South-South Trade Promotion Programme supported the event in Lima,

Peru, from 8 to 11 July 2003, with a discussion forum and a buyers/sellers meeting. However, SSTP has no funds available to cover the cost of other ITC interventions and provide the requested on-the-spot technical advises.

Beneficiary Country (ies):

Brazil; Cuba; El Salvador; Honduras; Uruguay.

Country Region/ Specific Countries: Capacity Building for Garment Exporters to Meet 2005 Challenges Countries: KEN, MAG, CUB, ELS. INT/W4/58A.

Start Date – IMIS: 09/02/2003

Start Date – Actual: 03/03/2003

Close Date: 30/09/2005

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-4)

Table Annex 1:19 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	62,188	0	62,188
2004	23,464	0	23,464
2005	5,056	0	5,056
Total	90,708	0	90,708

Brief Description:

The project assists the garment industries of selected countries (i.e. Kenya, Madagascar, Cuba in 2003/4 and El Salvador for the year 2004/5) to understand the challenges of the 2005 quota phase out. It builds capacity to develop appropriate responses to these challenges in the form of a sector action plan, which the industry, in partnership with the government, can implement to prepare for 2005.

Beneficiary Country (ies):

Cuba; El Salvador; Honduras; Kenya; Madagascar.

Country/Region Specific Activities: Organising and Implementing a Competitiveness Tools Fair – Bolivia. INT/W4/62A.

Start Date – IMIS: 01/01/2003

Start Date – Actual: 26/03/2003

Close Date: 31/07/2003

Source of Fund: ITC Global Trust Fund Window 1 - [ZG1]

Donor(s): Global Trust Fund (W1-4)

Table Annex 1:20 Project Value (in USD without Support Costs)

Year	Allotted	Expected	Total
2003	35,721	0	35,721
2004	3,553	0	3,553
2005	282	0	282
Total	39,556	0	39,556

Brief Description:

The major purpose of this Fair is to demonstrate the large number of competitiveness tools that ITC has been developing over the past few years. Participants will be able to have face to face discussions with the developers of the tools and learn how a specific tool can either be used "as is" or adapted to the needs of the partner country. Publicity material for each tool (one pagers) plus a Compendium of all ITC Tools will be available.

Beneficiary Country (ies):

Argentina; Belize; Bolivia; Brazil; Chile; Colombia; Costa Rica; Cuba; Ecuador; El Salvador; Guatemala; Guyana; Honduras; Mexico; Nicaragua; Panama; Paraguay; Peru; Uruguay; Venezuela.

Annex 2: Profile of Institutions

Instituciones Publicas

CONAMYPE The National Commission of the Micro and small company- CONAMYPE, is an institution created in 1996 by means of Executive Decree no. 48, being assigned to the Vice-presidency of the Republic.

As of the month of 1999 July, by means of Executive Decree No.12, CONAMYPE happened to comprise of the Ministry of Economy and to integrate themselves institutionally to the objectives of the "Alliance by the Work" that impels the present Government. This institutional turn responded to the intention of which CONAMYPE contributed of an effective form to the development of micro and small company, like part of the plans of economic development of the country.

Within the framework of the Plan of Government 1999-2004, it corresponds to the CONAMYPE to carry out an integrating strategy of efforts that give like result, short, medium and to long-term, the development of micro and small companies, considered by the Government like one of the main axes for the development of the country. This objective one demands an institutional reframing, an integrating vision of efforts within the work of the CONAMYPE.

The development of the CONAMYPE is the product of the articulated participation of different actors, who evolve in different axes from work and whose actions are directly oriented to overcome the barriers that micro faces and small company. Among them they are possible to be identified Ministries.

Independent Institutions

- NonGovernmental Organisations (NGOs).
- Unions.
- Associations of industrialists
- Organisms Cooperators who integrate themselves to the system of strategic partners of CONAMYPE.

More information: www.conamype.gob.sv .

BANCO MULTISECTORIAL DE INVERSIONES

Contacto:

Lic. Sonia Umanzor de Hernández

Especialista Sectorial

BMI es el banco de desarrollo de El Salvador y la herramienta principal del gobierno para apoyar la inversión privada. Es el único proveedor doméstico de fondos de mediano y largo plazo al sector privado. Fue creado en 1994 a través de un acto legislativo y capitali-

zado por el Banco Central de Reserva, el cual ha aportado el 100% del patrimonio del BMI.

El fondeo del BMI está compuesto por una serie de fuentes de recursos, que incluyen a Bancos Internacionales de primera línea, los mercados de capital, el Banco Central de Reserva de El Salvador; el Banco Interamericano de Desarrollo (BID), y el Banco Centroamericano de Integración Económica (BCIE).

Mayor información: www.bmi.gob.sv

CONSEJO SALVADOREÑO DEL CAFÉ

Contacto: Lic. Ricardo Espitia
Director Ejecutivo

El Consejo Salvadoreño del Café, fue creado el 19 de octubre de 1989, por medio del Decreto Legislativo N° 353. El consejo surge como el ente rector de la Caficultura en El Salvador luego de la abolición del Instituto Nacional del Café. Es una institución estatal de carácter autónomo, pero en su dirección hay participación del sector privado. El Consejo Salvadoreño del Café, es el foro oficial de discusión entre sector público y privado.

Representa a El Salvador ante organismos internacionales como la Organización Internacional del Café. El Consejo, se encarga de mantener relaciones de cooperación internacional con organismos similares de otros países productores y consumidores de café. Realiza la promoción del Café Salvadoreño y da seguimiento a las nuevas tendencias de consumo para transmitir las al sector cafetalero. Contribuye a la transparencia del mercado.

Establece y aprueba los requisitos que deben cumplir los exportadores de café. Maneja la administración del Fondo de Emergencia para el Café. Garantiza el cumplimiento de la Ley Especial para la Protección de la Propiedad y Comercialización del Café.

Mayor información: www.consejocafe.org.sv

Export Promotion Fund for SMEs / MINISTERIO DE ECONOMIA

Fondo con recursos públicos, creado por el Ministerio de Economía con el apoyo del Banco Mundial y a través del Programa Nacional de Competitividad, con el propósito de incentivar las exportaciones de las Pequeñas y Medianas empresas exportadoras y/o con potencial de exportación, mediante la asignación de recursos financieros no reembolsables para la ejecución de proyectos individuales y Asociativos en el área de exportaciones.

Mayor información: www.minec.gob.sv

TRADE POINT EL SALVADOR/EXPORTA EL SALVADOR/CONADEI

Centro de facilitación de las exportaciones, a través de servicios de comercio exterior especializados que apoyado con un portal de acceso a redes mundiales, permite el intercambio de información, identificación de oportunidades de negocios y proyección internacional de las empresas participantes.

Nace bajo el Programa de Gobierno La Nueva Alianza, dentro del Area Estratégica de Acción Desarrollo de Exportaciones.

Actualmente pertenece a la Oficina de Promoción de Exportaciones EXPORTA El Salvador, administrada por el Comisión Nacional de Promoción de Exportaciones e Inversiones CONADEI creada en noviembre del año pasado bajo la Vicepresidencia de la Republica.

Mayor información: www.tradepointelsalv.com

Gremiales Empresariales:*CORPORACIÓN DE EXPORTADORES DE EL SALVADOR- COEXPORT*

Contactos: Lic. Karla Klauss. Gerente de Programas

Lic. Ana Leonor de Pocasangre. Gerente Técnica

Institución privada sin dependencia directa de ninguna organización o institución, genera sus recursos con cuotas de su membresía y actividades propias, proyectos y programas de apoyo al fortalecimiento empresarial y promoción de exportaciones, en coordinación con entes nacionales o internacionales como CBI de Holanda, BID, BCI, Programa de Aliados Estratégicos y otras.

COEXPORT, brinda servicios y apoyo a las 930 empresas de la oferta exportable registrada en su base de datos, sin embargo cuenta con servicios especializados para los socios, relativos a gestión y realización de trámites específicos, la membresía esta conformada por 310 empresas de los diversos sectores manufactureros, agrícolas y servicios que cuentan con productos no tradicionales de exportación o desean imprimir un enfoque exportador en la empresa.

Los servicios prestados son en materia de promoción de exportaciones a través de diversas publicaciones físicas y virtuales, sitio web, feria virtual y otros., información, asesoría, capacitación ad hoc a las necesidades de las empresas con perfil exportador a nivel directivo y operativo.

Mayor información: www.coexport.com

CAMARA DE COMERCIO E INDUSTRIA DE EL SALVADOR

Contacto: Lic. Rosario de Barriere. Asistente a la División de Estudios Técnicos

fundada en 1915, La Cámara está comprometida con la promoción de una mayor competitividad e internacionalización del sector empresarial salvadoreño, por lo que pone a dispo-

sición de los asociados una serie de servicios de apoyo brindados por recurso humano profesional y altamente calificado.

Mayor información: www.camarasal.com

FUNDACIÓN PROMOTORA DE LA COMPETITIVIDAD DE LA MICRO Y PEQUEÑA – CENTROMYPE

Contacto: Lic. Lucy Murillo. Gerente Técnico

Lic. Antonio Mira. Coordinador de Proyectos

Fundación Privada, sin fines de lucro que promueve la competitividad de las micro y pequeñas empresas salvadoreñas a través de la generación de enlaces de negocios.

Mayor Información: www.centromype.com.sv

ORGANISMOS INTERNACIONALES:

PROGRAMA FORTALECE/GTZ:

Contacto: Nieves Alvarez.. Asesora principal

Programa de fomento de la economía y del empleo, concertado entre el Gobierno de la República de El Salvador y el Gobierno de la República Federal de Alemania, para contribuir a la *generación de empleo sostenible*, de calidad y cantidad, fortaleciendo la economía salvadoreña

Componentes:

- Cluster, Cadenas de Producción y Ramas
- Desarrollo Económico Local y Empleo
- Universidad Empresarial
- Diálogo Interinstitucional
- Ejes estratégicos transversales:
- Diálogo interinstitucional y con otros donantes para apoyo político y de fomento del empleo y la economía.
- Competitividad, cadenas, promociones comerciales.
- Fomento de la asociatividad empresarial.
- Alianzas estratégicas.
- Sistema de asesoramiento y acompañamiento.
- Innovación tecnológica + calidad.
- Fomento del empleo juvenil.

Mayor información: www.fortalece.org.sv

Annex 3: List of Persons Contacted

Name	Organisation
Rosario de Barriere	Camara de Comercio e Industria de El Salvador
Jorge Ariaza, Director Ejecutivo	ASI, Asociación Salvadoreña de Industriales
Ana Leonor Diaz de Pocasangre	Corporación de Exportadores de El Salvador
Gustavo Quiñonez. Director /Jaime Rendon. Coodinator	Fundación Salvadoreña para el Desarrollo Económico y Social, FUSADES
Donar Tejada. Tecnico	Japan International Co-operation Agency
Guillermo Villacorta. FOMIN Specialist	Inter-American Development Bank
Carlos Arce. Trade and Enterprise Develop- ment Manager	USAID/Office of Economic Growth and Edu- cation
Raquelina de Huevo	Swisscontact
José Ciro Flores Elías, Owner	Artesanías Típicas de Cojutepeque
Sra. Esther de Echeverría, Propietaria	Confecciones Claudia
Sra. María Teresa de Borgo	Sweet´s El Palacio de los Postres
Rafael Elías Núñez Erazo	Calzado Cristian
Wilfredo Salinas	Salinas Rivera SA de CV (Cyrius S.A. de C.V.)
Yolanda de Molina	Muebles Amori
Sra. Carmen Elena Bolaños de Velasco	Econature
María Herminia de Escobar	Artesanías Maritza
Luis Vásquez López	Editorial Liz
Oscar Martínez Peñate, Director	Editorial Nuevo Enfoque
Flor Moreno	Fashion Flower Mary
Elvis Navas	Librería España
Alicia Morales. Presidenta	Cooperativa La Union
Dr. Luis Ernesto Urrutia	Café Monte Sión
Ana Mercedes Aguilar	Dulcería Aguilar
Lic. Ricardo Flores Ortiz. Director General Adjunto de Asuntos Económicos	RREE
Ricardo Salinas	Programa Nacional de Competitividad, Ministerio de Economía
Claudia Rodriguez	Inteligencia Competitiva
Sonia Umanzor de Hernandez. Sectorial special- ialis in finance for international trade	Banco Multisectorial de Inversiones. BMI
Carlos Roberto Ochoa. Executive Director	Comisión Nacional de ciencia y tecnologia
Luz del Carmen Mena, Subdirectora	Trade Point El Salvador
Sandra Morales de Dujé. Subdirectora	EXPORTA
Emma Arauz. Subdirectora	Eurocentro
Lucy Murillo. Technical manager. / Lic. Maria Estela Lemus. Manager	Centromype
Fernando Garcia. Director / Ingrid Figueroa Santamaria. Oficial Superior de Proyectos	Centro para la Promoción de la micro y pequeña empresa en Centro America. CENPROMYPE
Claudia Sequeira	Fondo de Apoyo a las Exportaciones
Dra. Estela Cañas	Directora de Maestría en Dirección de Empresas, Directora del Centro de Gestión
Yury Jenkins	COMPITE/ITC
Ricardo Espitia	Director Ejecutivo. Consejo Salvadoreño del Café
Nieves Alvarez	GTZ/FORTALECE
Sonia Umanzor de Hernández	Especialista Sectorial BMI
Antonio Mira	Coordinador de Proyectos Centromype
Carmen Abrego	Ejecutiva de Eventos. FIES
Carmen Estela Perez	Association of Pharmaceutical Chemical Indus- trialists of El Salvador, Executive Director
Carmen Castro	CONAMYPE

Name	Organisation
Aide de Trigueros	CONAMYPE
Lic. Karla Klauss	Corporaciòn de Exportadores de El Salvador
Lic. Rigoberto Monge	Director ODASP
