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MULTILATERAL INVESTMENT FUND

**ARGENTINA**

**ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER  
FOR THE MUNICIPIO OF MORÓN**

**(AR-M1013)**

**DONORS MEMORANDUM**

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### **INFORMATION AVAILABLE IN RE1/FI1 FILES**

1. Operating Regulations IDBDOCS#717147
2. Procurement plan IDBDOCS#715512
3. Draft PPMR IDBDOCS#749044

### **ABBREVIATIONS**

OBARC	One-stop Business Advisory and Registration Center
SME	Small and medium-sized enterprise

# ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER FOR THE MUNICIPIO OF MORÓN

(AR-M1013)

## EXECUTIVE SUMMARY

<b>Beneficiaries:</b>	Government officials and employees of the Municipio of Morón Licensing Office, a branch of the Secretariat of Local Economic Development of the Municipio of Morón, who are involved in the business registration and licensing process, and the municipio's commercial establishments.	
<b>Executing agency:</b>	Municipio of Morón, Province of Buenos Aires, Argentina	
<b>Target beneficiaries:</b>	Entrepreneurs wishing to organize and license businesses, and legally established business owners, particularly micro, small and medium-sized enterprises, or commercial establishments in the Municipio of Morón.	
<b>Amount and source:</b>	MIF (Facility I):	US\$ 760,000 (50%) <sup>1</sup>
	Local:	US\$ 740,000 (50%)
	Total:	US\$1,540,000 (100%)
<b>Execution timetable:</b>	Execution period:	36 months
	Disbursement period:	42 months
<b>Objectives:</b>	The general objective of the program is to facilitate private investment by simplifying the business registration and licensing process in the Municipio of Morón. The purpose of the program is to develop a simple and efficient standardized system for registration, licensing, and operation of businesses in the Municipio of Morón. The program consists of four components: (i) regulatory analysis of processes and design of the model for streamlining procedures; (ii) streamlining of procedures and operation of One-stop Business Advisory and Registration Centers (OBARCs); (iii) design of a private business advisory and information services model that is integrated into the OBARC; and (iv) promotion and public information.	

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<sup>1</sup> The resources that are used to finance the cluster activities will be contributed by the MIF and not considered in the percentage calculation.

**Special contractual clauses:** None.

**Exceptions to Bank policy:** None.

**Environmental and social review:** The program was reviewed and approved by the Committee on Environment and Social Impact (CESI) on 14 April 2006.

**Coordination with other agencies:** None.

## I. PROGRAM BACKGROUND AND RATIONALE

### A. Program background

- 1.1 Morón is a densely populated municipio, of approximately 320,000 inhabitants, that has become an economically significant part of the western sector of Greater Buenos Aires. As a staging point between the western part of the metropolitan area and the City of Buenos Aires, the municipio accommodates 500,000 commuters each day, an indication of its economic and commercial impact and importance as a service provider. The municipal authorities have been implementing policies and actions to encourage economic activity and create a favorable investment climate. Hence, in an effort to modernize the business registration and licensing process,<sup>2</sup> the municipal government has proposed to reduce the barriers to formal registration of business and commercial activities, thus making Morón an attractive place to do business.

### B. Description of the problem and business formalization statistics

- 1.2 Each month, close to 100 businesses or commercial activities initiate licensing procedures with the Municipio of Morón Licensing Office, a branch of the Secretariat of Local Economic Development. On average, 58 businesses or commercial activities are licensed each month. Every year, about 1,100 applications are filed, 840 for temporary licenses and 800 for regular licenses, and from 600 to 850 businesses are closed. Nearly 30% of those procedures were handled by middlemen known as agents, which speaks to the complexity of the process. At present, there are nearly 12,700 valid licenses in the municipio, of which 95% are for commercial activities, and the remaining 5% for industrial activities.
- 1.3 The main problems associated with the licensing process are:
- a. **Different interpretations by the various agencies of municipal government.** Criteria applied by the municipal agencies are diverse and, at times, contradictory. Thus, licensing has become the means to “correct” irregularities and situations caused by inefficiencies in other municipal processes, sometimes making full formal status difficult to attain.
  - b. **Excessive and obsolete regulations.** There are unnecessary rules and regulations. The Licensing Offices have regulatory jurisdiction at the municipal level and the Municipio of Morón has created a dense and complex regulatory environment.
  - c. **Lengthy, complex, and haphazard process.** The current path to obtaining a municipal license can involve as many as 26 municipal government agencies.

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<sup>2</sup> Licensing refers to a government certificate or permit to operate a business establishment or engage in an economic activity pursuant to article 3 of Ordinance 4221 of 2001.

In practice, many responsibilities fall to the applicant because of shortcomings in the ability of municipal offices to interact and generate information flows. Moreover, an entrepreneur must also complete procedures with the provincial and federal authorities.

- d. **Time consuming, costly, and excessive travel for the business owner.** A preliminary analysis identified 51 steps to getting registration. These numerous overlapping steps, which sometimes require the entrepreneur to be present, become a hindrance, particularly for smaller businesses. Also, the entrepreneur has no clear idea of the steps that must be followed for registration of his business.
- e. **Partial computerization.** As licensing procedures are not fully automated, much of the process must be done by hand, creating a thick paper file. The lack of shared databases among the areas involved is a barrier to smooth interaction and an expeditious licensing process.

### C. **Rationale and approach**

- 1.4 The complexity of the business registration and licensing process in Morón makes it difficult to establish formal status, with attendant negative effects on the business climate and hampers investment. The program will have a direct impact on microenterprises and small and medium-sized businesses (MSMEs) that normally lack the technical support needed to pursue formalization. This situation forces them either to engage the services of an agent or to operate as an informal business model.
- 1.5 With respect to innovation criteria, the program will bring the government closer to the entrepreneur, create a modern and flexible vision for municipal business registration, and produce an alternate supervision and monitoring model for businesses that is less burdensome for the two parties. To that end, the program seeks to standardize, streamline, and facilitate the procedures the entrepreneur is required to fulfill in the municipio, thus transforming a fragmented and lengthy process into a one-stop mechanism based on a One-stop Business Advisory and Registration Center model with the capacity to provide information, advisory services, technical assistance, and one-stop processing.
- 1.6 In terms of additionality, the program would simplify initial procedures and integrate them with procedures subsequent to registration and licensing, i.e. changes, updates, business closures, and loss of license, all in the shortest possible time, with minimal paperwork, few steps and contacts, and as inexpensively as possible for the entrepreneur. The program also goes beyond the local jurisdiction, identifying the main problems in this area at the national and provincial levels. Thus, concrete proposals will also be developed for reforms, legal or regulatory change, greater efficiency, and coordination of local procedures with national and

provincial procedures involved in the initial phases of opening, registering, and legalizing a business, which will be communicated through the dissemination activities of component IV. The program is expected to produce a single procedure for setting up and licensing a business that can be applied at the various levels of government and as a reference model in the country that could be subsequently replicated in its other municipios, and further extended to other aspects of business regulation and procedures in Argentina.

## II. PROGRAM OBJECTIVES AND DESCRIPTION

### A. Objectives

- 2.1 The general objective of the program is to facilitate private investment by simplifying business registration and licensing procedures in the Municipio of Morón. The purpose is to devise a simple and efficient standardized system for registration, licensing, and operation of a business in the municipio. The program is divided into four components:
- 2.2 **Component I. Regulatory analysis of processes and design of the procedure simplification model (MIF: US\$137,500 – Counterpart: US\$21,000).** The purpose of this component is to conceptualize and design the one-stop shop model for business registration and licensing. The following will be financed under this component: (i) a consulting assignment to identify and establish the baselines for program monitoring and tracking and for ex post impact evaluation; (ii) a legal consulting assignment to identify and analyze the municipal, provincial, and national regulations that impact on the current business registration and licensing process and to present a reform proposal; (iii) a process consulting assignment, which will identify the procedures, requirements, and formal steps involved in the municipal business registration and licensing process,<sup>3</sup> whereby an appropriate one-stop shop model will be proposed for the Municipio of Morón that integrates proposals dealing with physical-architectural, technological, legal, and process aspects into a single system; (iv) a consultant to handle the technical direction and advice for the executing agency for development of the four program components and to ensure that the proposals issued by the different consulting assignments are cohesive parts of a single model; (v) awareness-raising activities within the Municipio to inculcate a level of commitment in employees, working groups, and the Municipio's organizational culture; and (vi) a workshop to validate the proposed methods.
- 2.3 As a result of this component, the program will have: (i) systematized baselines for the ex post evaluation, monitoring, and measurement of impact; (ii) a regulatory

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<sup>3</sup> The scope should cover the first-time license application process, as well as the procedure for future changes, closures, and removals.

reform proposal to simplify the registration and licensing procedure; (iii) a proposal to implement the one-stop shop model and action plan, and to implement the OBARCs, with a definition of the core business registration and licensing process; (iv) an expert consultant advising the executing agency; (v) municipal employees who have received refresher training in the concepts of streamlining and the need for change based on the reforms proposed in the plan; and (vi) validation of the proposed simplification, ascertaining whether provincial and national procedures will be included. As a condition precedent to further disbursements, and depending on the results of the workshop validation, the executing agency must have arranged with the provincial and national authorities to include the procedures within their jurisdiction and, if feasible, this must be reflected in the action plan for component II.

- 2.4 **Component II. Procedure simplification and start-up of OBARCs (MIF: US\$270,250 – Counterpart: US\$368,150).** The purpose of this component is to implement and start-up the one-stop shop model, as well as the reforms, improvements, and streamlining initiatives proposed in component I. The program also envisages two complementary subcomponents to be developed in tandem: (a) the procedure simplification subcomponent that is integrated with actions aimed at streamlining, facilitating, and increasing the efficiency of the business registration procedure; and (b) the OBARC start-up subcomponent, which will focus on putting the necessary physical, operational, and technological infrastructure in place to ensure the viability of the processes proposed in the simplification subcomponent.
- 2.5 The following activities will be financed under procedure simplification subcomponent (a): (i) a consulting assignment for implementation of the business registration procedure proposed in component I; (ii) training and capacity-building for government officials to increase their ownership of the model, use the new technologies, and incorporate the new service; (iii) integration of OBARCs with the quality management system of the Municipio of Morón; (iv) implementation of a pilot model for skills-based human resource management; and (v) development and application of an incentive system for government officials. The following investments are anticipated for subcomponent (b) in order to start up the OBARCs: (i) remodeling and physical upgrading of the OBARC facilities in the municipal government building and the three decentralized OBARCs in the Community Management Units (CMU) that are approved based on needs identified in the architectural prototype defined in component I, including furnishings, equipment, signage, work stations, and general remodeling of areas for serving the public; (ii) installation of networks, computer equipment, hardware, software, connectivity, licensing, automated shift management systems, and other elements necessary to support the simplified OBARC processes, as well as the integration, automation, and computerization of procedures and services; and (iii) creation of a webpage for integrating OBARC procedures and services.

- 2.6 The following outcomes are expected: (i) start-up of one central OBARC and at least three decentralized OBARCs, based on the technical recommendation from component I; (ii) implementation of the new simplified business registration and licensing procedure; (iii) a new municipal inspection and supervision model for existing businesses; and (iv) staff from agencies and entities involved in the new process are trained and qualified for proper OBARC operation and the adoption of new technologies.
- 2.7 **Component III. Design of the private sector business information and advisory model integrated with OBARCs (MIF: US\$3,000 – Counterpart: US\$35,000).** The purpose of this component is to define a public-private cooperation model that is articulated with the OBARCs and allows mechanisms to be incorporated to supply information and specialized advice to businesses on obligations and regulations that must be complied with before, during, or after formalization, based on the OBARC model approved in component I and implemented in component II. The following activities will be financed under this component: (i) a consulting assignment to study the feasibility of integrating chambers of commerce or other business or professional organizations into OBARC operations; (ii) the design and execution of training required to implement the proposed information and advisory model for entrepreneurs and businesses from at least five chambers of commerce; and (iii) the preparation of supporting manuals for OBARC services provided by chambers of commerce or other recommended organizations.
- 2.8 The expected outcome of this component is a private sector information and advisory model that is linked to the OBARC operational model and includes a minimum of five specific activities or sectors, guaranteeing 80% coverage of Morón's economic activities as potential beneficiaries.
- 2.9 **Component IV. Promotion and dissemination (MIF: US\$108,000 – Counterpart: US\$107,000).** The objective of this component is to generate demand for simplified OBARC services and to create a self-directed culture of legality within the business sector. The following activities will be financed under this component: (i) development of the promotion and dissemination campaign; (ii) production of promotional, informational, and dissemination material on specialized OBARC services; (iii) two specialized events in the Municipio of Morón to be attended by international experts or special guests from other experiences in Argentina; (iv) specialized dissemination seminars for entrepreneurs and for the informal sector; (v) dissemination of the simplification model to other municipios in the region, Greater Buenos Aires, and other provinces; (vi) two technical workshops, one midway through the project and the other upon completion, with the participation of entities involved in the simplification model; and (vii) a large-scale event to mark the end of the program and disseminate its results.

- 2.10 One of the expected outcomes of this component is to create demand for streamlined services that would configure the right institutional structure for endowing entrepreneurs with the tools for protecting them against practices that violate the simplification model or the promised standards of service.

### **III. COST AND FINANCING**

#### **A. Cost**

- 3.1 The total program budget is US\$1,500,000, of which US\$760,000 will be contributed by the MIF and US\$740,000 will be in the form of counterpart financing from the Municipio of Morón. The counterpart funding will be calculated on the basis of eligible program expenses to a maximum of US\$50,000 that the municipio has incurred since January 2006. Of the total counterpart funding, at least 50% will be paid in cash, as shown in the consolidated budget presented below:

Table 1 General Budget				
Component	MIF	Counterpart	Total	%
1. Component I	137,500	21,000	158,500	11
2. Component II	270,250	368,150	638,400	43
3. Component III	3,000	35,000	38,000	3
4. Component IV	108,000	107,000	215,000	14
5. Executing agency	134,200	147,850	282,050	19
6. Evaluation and audit	30,000	20,000	50,000	3
7. Contingencies	57,050	41,000	98,050	7
8. Cluster activity	20,000	0	20,000	
<b>TOTAL</b>	<b>760,000</b>	<b>740,000</b>	<b>1,500,000</b>	<b>100</b>
	<b>50%</b>	<b>50%</b>	<b>100%</b>	

- 3.2 The budget line item of US\$20,000 for MIF cluster monitoring will be administered directly by the Bank in order to integrate the Municipio of Morón program more quickly into the procedure simplification program cluster and contribute to cluster activities, as indicated in document MIF/GA-14-1 (paragraph 3.14). This amount will be deducted from the contribution starting on the effective date of the technical cooperation agreement letter for this program, without the need for a disbursement request.

## **B. Program sustainability**

- 3.3 The Municipio of Morón has the budgetary resources to absorb the costs of operating the one-stop OBARCs, according to the model adopted under this program. The municipio is also committed to making sufficient budgetary appropriations for such system maintenance and improvements as determined by the OBARC model technical design to ensure the feasibility of the service and its operation (ongoing investments in specialized staff at OBARC offices, promotional materials at OBARC offices, mechanisms for service monitoring and tracking, maintenance and upgrading of technological platforms, etc.).
- 3.4 The Municipio of Morón is committed to incorporating the one-stop shop model into all of the management and support systems for municipal administration, in order to ensure its full indexation in the administrative, management, and municipal administration structure, such as: (i) job descriptions and manuals; (ii) process manuals; (iii) strategic plan, action plans, annual plans and targets; (iv) quality management systems; (v) management monitoring system; (vi) performance evaluation systems; (vii) incentive systems; (viii) cost systems; (ix) complaint and claim filing system, etc. The municipio and executing agency will need to demonstrate that the one-stop shop system has been incorporated into all

management systems by month 30 in order to guarantee within the last six months that the new procedures are on a sound footing, thus ensuring the permanence of the reforms once the program has ended.

#### **IV. EXECUTING AGENCY AND EXECUTION MECHANISM**

##### **A. Executing agency**

- 4.1 The program executing agency will be the Municipio of Morón, the local government of the district of Morón in the province of Greater Buenos Aires. This is the tenth most populous city in the region, with nearly 320,000 residents in the urban area's 134 constituent municipios. For 2005, Morón has a budget of US\$53 million, which is managed by an Executive Department comprising a mayor and a management council with 24 councilmen. The municipio's principal economic activities are commerce and services.

##### **B. Execution mechanism**

- 4.2 A steering committee will be formed to implement the program. The members of the committee will be appointed by the Mayor (*Intendente Municipal*). Also sitting on the committee will be the Secretaries of the units involved. The Steering Committee will be responsible for monitoring fulfillment of program objectives and targets and for appointing the program manager who will be in charge of the program executing unit (PEU). The members of the PEU will be the program manager and a coordinator who will see to the technical aspects of the program. The executing unit will be in charge of developing and implementing the program components as specified in the Operating Regulations.

##### **C. Program progress**

- 4.3 The municipal government administration has various initiatives under way that are already contributing to the viability of the simplification proposal. These initiatives include implementation of the Reforma de la Administración Financiera en el Ámbito Municipal [Municipal Financial Management Reform] (RAFAM), the policy of decentralizing municipal public administration, allocation of resources for investments in technological modernization, integration, and connectivity of areas, adoption of a Single Municipal Identification Code, etc. A 2006 budgetary appropriation has already been approved for the counterpart funding requirement for year one.

##### **D. Execution and disbursement periods**

- 4.4 The execution period will be 36 months, with 42 months for disbursement of the Bank financing and the counterpart funds. The Bank will create a revolving fund of up to 10% of the MIF contribution, to be managed in an independent account.

## **E. Procurement**

- 4.5 The procurement of goods, general services, and consulting services financed out of the MIF funding will be governed by Bank standards, with responsibility falling to the program executing unit.
- 4.6 The procurement of goods, general services, and consulting services financed out of the municipal contribution for the project will be governed by municipal legislation, with responsibility falling to the program executing unit.
- 4.7 Disbursements will be verified by prior review during program execution. If disbursements are made successfully, the Bank may opt for verification by post review when expenses are below a specified threshold. Nonetheless, based on the semiannual operating program, which must include the procurement plan, the Bank may decide to have specific items of procurement verified by prior review. Likewise, the Bank may stop post review verification at any time and revert to prior review of all program procurement. For eligible expenses that do not individually exceed the equivalent of US\$1,000, the beneficiary may present a list of expenses only. In this case, at least 15% of invoices and supporting documentation will be reviewed in the offices of the executing agency. Such expenses will not require the Bank's prior no objection
- 4.8 **Procurement of goods and related services.** The beneficiary will acquire the goods and services called for in the program and previously approved by the Bank under the semiannual procurement plan. Those goods and services will be acquired at market prices and by competitive methods according to the policies in document GN-2349-6 and such streamlined procedures as the MIF may have adopted in this connection.
- 4.9 **Hiring of individual consultants and consulting firms.** The beneficiary must follow the guidelines set out in chapter V of document GN-2350-6 for the hiring of individual consultants or consulting firms and such streamlined procedures as the MIF may have adopted in this connection. Individual consultants or consulting firms that are hired to provide technical assistance or training courses of up to one week's duration at a cost equal to or less than the equivalent of US\$2,000 will be treated as procurement of minor goods. Professional fees are to be paid upon presentation of an invoice, without the need for a contract or registration in the procurement information system.

## **V. MONITORING AND EVALUATION**

### **A. Monitoring**

- 5.1 The Municipio of Morón will be required to: (i) directly oversee the progress of the program through the program manager and the Steering Committee; (ii) compile

the program's measurement and monitoring parameters based on recommendations made during the consulting assignments in component I; (iii) compile and process data to evaluate the project's impacts using the baselines developed in component I and approved; (iv) perform ongoing monitoring of the program's development based on the indicators defined in the logical framework contained in Annex I; and (v) endorse the program's semiannual progress reports prepared by the Director of the executing unit, in accordance with the Bank's standard information requirements.

## **B. Evaluations**

- 5.2 The logical framework and consulting assignment described in component I to identify and establish the baselines will define the main items to be evaluated and rated over the 36 months of program execution, particularly during the midterm and final project evaluations by external consultants. The midterm evaluation will be commissioned by the Bank once 50% of the MIF financing has been disbursed or 50% of the execution period has elapsed, which occurs first. This first evaluation will specifically consider: (i) the institutional capacity of the executing agency; (ii) partial compliance with the objectives, targets, and achievements set out in the component design; (iii) compliance with the indicators defined in the logical framework; (iv) budget execution performance; (v) clearly entrepreneur-focused orientation of the simplification proposals being executed; (vi) appropriate conceptual and technical guidance for the one-stop shop model; (vii) the impact of the project on provincial and national procedures; (viii) progress in simplification outcomes that correspond directly to the amount of resources allocated and to the original program design; and (ix) conditions that ensure the future sustainability of the OBARC model, among others.
- 5.3 Six months before completion of the program, the Bank will hire an individual consultant to perform a final evaluation, to assess: (i) the extent to which the program's specific objectives have been attained; (ii) the number, size, and type of beneficiary enterprises, among entrepreneurs and business owners who were already organized when the OBARCs started operating; (iii) the quality of services offered; (iv) user satisfaction, as measured through a survey of participating businesses; (v) decreased participation in the informal economy; (vi) the impact on self-directed formalization and compliance by business owners as measured by fewer penalties and violations of regulations as a result of the new simplified process; (vii) reduction in internal management costs for the process; (viii) the purpose of goods, resources, and developments acquired with program funds; and (ix) lessons learned and best practices.

## **VI. PROGRAM BENEFITS AND RISKS**

### **A. Benefits**

- 6.1 **Direct beneficiaries of the program.** This program is expected to principally benefit entrepreneurs in the Municipio of Morón as well as existing businesses that complete procedures for changes, updates, removals, and closures, currently representing nearly 12,600 industrial and commercial activities. This same group of business owners will benefit from a more transparent process, reductions in time, costs, and procedures, and, basically, from the creation of an equitable business environment with clear rules for carrying out activities on equal conditions of formality for all productive units. Organizations in the business sector, such as chambers of commerce that will be able to provide better services to their members, will also benefit indirectly. The executing unit will be required to include all chambers of business without distinction. The municipal government will enjoy higher tax revenues as a result of greater formalization; the costs incurred for processing or inspection activities will be reduced; there will be greater transparency in management; and compliance by business owners with regulations will increase as a result of more expeditious procedures for licensing and subsequent inspections.

### **B. Risks**

- 6.2 The program is expected to encounter the following five main risks: (i) resistance to change because the simplification process is associated with staff reduction policies or administrative restructuring; (ii) regulations at the national and/or provincial level that impact on the business organization process could militate against implementation of strategic interventions, thus affecting municipal results; (iii) the possibility that solutions will place a greater emphasis on internal reforms than on results with a real impact on the business sector; (iv) possible limitations on governance and the program guidance will be determined by internal political and institutional considerations; and (v) the program's potential regulatory bias, sidelining the key elements of process improvement that should be the basis for this type of initiative.
- 6.3 The program design includes the following actions and guidelines to mitigate the risks described above: (i) from the beginning of the project, a campaign will be carried out to establish expectations and raise internal awareness regarding the actual scope of the program, giving it full independence from restructuring plans, which is one of the criteria that was confirmed by all key stakeholders from the Municipio that were surveyed; (ii) component I establishes the need to identify and analyze the national and provincial processes and procedures related to the target licensing process, and to produce recommendations and, subsequently, concrete actions to integrate the three levels surrounding the simplification proposal. Also, the executing agency would make every effort to include, if feasible, provincial and

national procedures within their jurisdiction; (iii) the program baselines and indicators are defined as a function of the impact of the reforms on the main simplification targets, namely cost to the business owner, time, steps, procedures, and requirements; (iv) the logical framework establishes some minimum simplification targets that can be objectively assessed in the midterm project evaluation, allowing the necessary modifications to be introduced in a timely manner; (v) the technical autonomy of the Program Director, who will be a consultant, in order to ensure independence to act on the basis of conclusive results that take precedence over the Municipio's internal biases.

## **VII. ENVIRONMENTAL AND SOCIAL ANALYSIS**

- 7.1 The program presents no specific environmental or social risks. Execution of the program and implementation of the one-stop shop and OBARCs will help enforce national, provincial, and municipal regulations concerning the environment, social security, health and occupational safety by simplifying and streamlining business registration and licensing procedures in the Municipio of Morón. One positive expected outcome is that informal businesses and industries with potentially negative environmental impacts will legalize their status, thus facilitating future oversight.

**LOGICAL FRAMEWORK**  
**ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER (OBARC) FOR THE MUNICIPIO OF MORÓN (AR-M1013)**

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>GOAL</b>			
Promote private investment by simplifying the business registration and licensing process in the Municipio of Morón.	<ul style="list-style-type: none"> <li>- The number of businesses registered in Morón increases by <b>20%</b>.</li> <li>- Participation in the informal sector decreases by <b>30%</b>.</li> </ul>	<ul style="list-style-type: none"> <li>- OBARC records.</li> <li>- Midterm evaluation.</li> <li>- Final evaluation.</li> <li>- Project indicators, derived from baselines.</li> <li>- Statistics from the General Inspection Office.</li> <li>- PCR.</li> </ul>	<ul style="list-style-type: none"> <li>- The Municipio of Morón continues to accord political priority to the one-stop shopping model and the OBARC and to allocate sufficient resources for this purpose.</li> </ul>
<b>PURPOSE</b>			
Develop a simple and efficient standardized system for registration, licensing, and operation of businesses in the Municipio of Morón.	<p>By the end of the project:</p> <ul style="list-style-type: none"> <li>- The new simplified municipal system for business registration, licensing, and start-up has been approved and is being implemented.</li> <li>- The central OBARC and at least three decentralized OBARCs have been created and are functioning adequately.</li> <li>- Compared to the baseline, the processing of licenses in the Municipio of Morón and the establishment of a business is characterized by: <ul style="list-style-type: none"> <li>(i) Monetary costs are at least <b>50%</b> lower;</li> <li>(ii) At least <b>90%</b> fewer administrative steps;</li> <li>(iii) At least <b>90%</b> fewer days;</li> <li>(iv) The number of licenses pending processing in the Municipio of Morón is reduced to a maximum of <b>10%</b> of applications filed each month; and</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Baseline study.</li> <li>- Inspection visits.</li> <li>- Final evaluation.</li> <li>- Progress reports from the executing agency.</li> <li>- Satisfaction surveys of OBARC users.</li> <li>- Statistics from monitoring and file management systems.</li> <li>- General Inspection Office statistics on visits and requirements.</li> <li>- The Municipio's cost center. Appropriate budgets to cover future operating costs.</li> </ul>	<ul style="list-style-type: none"> <li>- The process and formative reforms necessary to implement the one-stop shopping model and OBARCs are approved.</li> </ul>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	(v) The number of municipal procedures handled by agents is reduced to no more than <b>10%</b> of total applications.		
<b>COMPONENTS</b>			
<b>I. Regulatory analysis of processes and design of the procedure simplification model.</b>	<ul style="list-style-type: none"> <li>- The simplified process that was conceptualized, delineated, and defined for establishing a business has been designed, together with proposals for reform, simplification, and automation by month 10.</li> <li>- The one-stop shop system for the Municipio of Morón and the OBARC prototype have been developed by month 12.</li> <li>- The action plan and procedure simplification strategy are developed and approved by month 12.</li> <li>- Awareness is raised among municipal government officials about the design by month 3 and the first phase executed during the remaining 9 months of the first year.</li> <li>- The final technical proposals have been validated by month 12.</li> </ul>	<ul style="list-style-type: none"> <li>- Consulting reports.</li> <li>- Progress reports from the executing agency, together with supplemental documentation.</li> <li>- Midterm and final evaluations.</li> <li>- Meeting minutes.</li> <li>- Videography and workshop reports.</li> </ul>	<ul style="list-style-type: none"> <li>- The public is interested in participating in the events.</li> </ul>
<b>II. Procedure simplification and start-up of OBARCs.</b>	<ul style="list-style-type: none"> <li>- The central OBARC is operating by month 18 of the project and at least three decentralized OBARCs are operating in the Community Management Units (CMUs) by month 24.</li> <li>- By month 30, the business establishment process is capable of responding in 5 days for low-risk activities, and within a maximum of 15 days for high-risk activities.</li> <li>- The OBARC technological platform and website are operating by month 24.</li> <li>- The automated scheduling, management, and inspection monitoring model is integrated into the OBARCs by month 24.</li> </ul>	<ul style="list-style-type: none"> <li>- Consulting reports.</li> <li>- Progress reports from the executing agency and supplemental documentation.</li> <li>- Midterm and final evaluations.</li> <li>- Meeting minutes.</li> </ul>	

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>III. Design of the private sector business information and advisory model integrated with OBARCs.</b>	<ul style="list-style-type: none"> <li>- A minimum of three chambers of commerce or other private organizations offering information and advisory services to entrepreneurs are operating by month 24, and at least five by month 36.</li> <li>- Guaranteed coverage of at least 80% of the potential demand from the most representative activities in the entrepreneurial and business sector of the Municipio of Morón, through chambers of commerce or other selected private organizations.</li> <li>- The number of files that are rejected or denied in the target sectors decreases thanks to the quality of advisory services and information provided through selected chambers of commerce.</li> </ul>	<ul style="list-style-type: none"> <li>- Consulting reports.</li> <li>- Progress reports from the executing agency.</li> <li>- Midterm and final evaluations.</li> <li>- Inspection visits.</li> <li>- Statistics on the use of services through the chambers of commerce or other organizations.</li> <li>- General Inspection Office statistics.</li> </ul>	<ul style="list-style-type: none"> <li>- Chambers remain interested in subscribing relevant agreements.</li> </ul>
<b>IV. Promotion and dissemination.</b>	<p>By month 36:</p> <ul style="list-style-type: none"> <li>- Ninety percent of businesses and entrepreneurs in the Municipio of Morón are familiar with OBARC services and have access to information on registration procedures.</li> <li>- Best practices of other countries are incorporated into the OBARCs by month 24.</li> <li>- The system of receiving, administering, and processing complaints and grievances from business owners against OBARC services is operating by month 18.</li> <li>- The satisfaction rate among customers that have filed complaints and claims against the OBARC system exceeds 85%.</li> <li>- The usage rate for online services is at least 5% (of total demand, for each type of service) during the first six months of OBARC operation, and at least 20% by the end of the project.</li> </ul>	<ul style="list-style-type: none"> <li>- Consulting reports.</li> <li>- Surveys of entrepreneurs and business owners, potential OBARC users.</li> <li>- Surveys of entrepreneurs and business owners that have used OBARC to complete procedures.</li> <li>- Progress reports from the executing agency.</li> <li>- Midterm and final evaluations.</li> <li>- Inspection visits.</li> <li>- Statistics reported by formalization seminars planned in component IV.</li> <li>- Statistical reports on complaints and grievances filed by business owners and resolved.</li> <li>- Direct surveys of interested parties, after the complaint has been processed and resolved.</li> <li>- Automated webpage counters and intelligent measurement modules for online services.</li> </ul>	<ul style="list-style-type: none"> <li>- The private sector expresses an interest and participates in dissemination of the new system of advisory services for business registration, licensing, and start-up.</li> </ul>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>ACTIVITIES</b>			
<p><b>Component I.</b> Regulatory analysis of processes and design of the procedure simplification model.</p> <ul style="list-style-type: none"> <li>- Consulting assignment to identify and establish the program's baselines.</li> <li>- Regulatory and legal consulting assignment at the municipal level, with identification of determining factors at the national and provincial levels.</li> <li>- Process consulting assignment and design of the unit cost prototype.</li> <li>- Internal awareness-raising campaign.</li> <li>- Support for the executing agency.</li> <li>- Validation workshops for final proposals.</li> </ul>	<p><b>MIF: US\$137,500</b> <b>Counterpart: US\$21,000</b></p> <ul style="list-style-type: none"> <li>- Baseline developed by month 5.</li> <li>- Diagnostic of regulations and municipal administrative procedures, with identification of determining factors at the national and provincial levels by month 10.</li> <li>- Unit cost model, definition of the business establishment process by month 10.</li> <li>- Proposals for reengineering, optimization, automation, and streamlining of procedures, in order to have an impact on at least 80% of the business sector by month 12.</li> <li>- Proposals for reengineering, automation, and optimization of ex ante or ex post inspections of businesses are identified, financed, and defined by month 12.</li> <li>- An awareness-raising campaign is designed by month 3 and implemented during the first year.</li> <li>- Validation workshops for final proposals by month 12.</li> </ul>	<ul style="list-style-type: none"> <li>- Inspection visits.</li> <li>- Progress reports from the executing agency.</li> <li>- Disbursements.</li> <li>- Midterm and final evaluations.</li> <li>- Technical reports from consulting assignments.</li> <li>- Evidence from reports by international consultant.</li> <li>- Awareness-raising campaign brochure.</li> <li>- Videography and reports from validation workshops.</li> </ul>	<ul style="list-style-type: none"> <li>- Adequate articulation, integration, and unification of criteria and results from the various consulting assignments for the one-stop shop model.</li> <li>- The design of the proposed simplification model is consistent with the institutional, political, and business reality of the Municipio of Morón.</li> </ul>
<p><b>Component II.</b> Procedure simplification and start-up of OBARCs.</p> <p><u>Procedure simplification:</u></p> <ul style="list-style-type: none"> <li>- Consulting assignment to implement the procedure simplification model proposed in component I.</li> <li>- Training of employees and government officials on the new simplified procedure.</li> <li>- Integration of OBARCs into the processing system in the Municipio or Morón.</li> </ul>	<p><b>MIF: US\$270,250</b> <b>Counterpart: US\$368,150</b></p> <ul style="list-style-type: none"> <li>- Physical space for the central OBARC determined by month 10, remodeling and start-up by month 18.</li> <li>- Remodeling and start-up of decentralized OBARCs in the CMUs by month 24.</li> <li>- Equipment, lines, and furniture installed, software and information system developed and operating for the central OBARC by month 18, and for remaining OBARCs by month 24.</li> </ul>	<ul style="list-style-type: none"> <li>- Inspection visits.</li> <li>- Progress reports from the executing agency.</li> <li>- Audit reports.</li> <li>- Disbursements.</li> <li>- Midterm and final evaluations.</li> <li>- Consulting reports.</li> <li>- Post-training assessment of knowledge of new practices held by government officials.</li> <li>- ISO certification granted.</li> <li>- Technical reports from information system tests.</li> </ul>	<ul style="list-style-type: none"> <li>- Government officials from the Municipio are interested in collaborating on development of the project.</li> <li>- Prior success of the awareness-raising campaign planned in component I.</li> <li>- The profiles and skills of current staff in the Municipio of Morón are articulated with the needs of the simplified processes.</li> </ul>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<ul style="list-style-type: none"> <li>- Implementation.</li> </ul> <p><u>Start-up of OBARCs:</u></p> <ul style="list-style-type: none"> <li>- Remodeling and refurbishing of OBARC facilities.</li> <li>- Supply of the necessary IT equipment (networks, software, and hardware) to implement the simplified process.</li> <li>- Creation of a webpage to integrate OBARC-related services and procedures.</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness is raised among 330 government officials from different specialized areas in the Municipio of Morón, who are trained in the new service model, simplified processes, and new technologies between months 13 and 18.</li> <li>- At least 50 government officials are trained in customer service between months 13 and 18.</li> <li>- Training and support is given in the ISO certification process for the simplified procedure by month 30, and certification is obtained by month 36.</li> <li>- The skill-based human resource management model is in place by month 36.</li> <li>- Technological platform for file management, inspection monitoring, and online services by month 16, and pilot tests by month 18.</li> <li>- IT equipment is supplied by month 16.</li> <li>- An incentive system is designed by month 18 and applied over the remaining 18 months of the project.</li> </ul>	<ul style="list-style-type: none"> <li>- Evidence of manuals designed.</li> <li>- Performance evaluations of government officials who have been trained and are participating in the simplified processes.</li> </ul>	<ul style="list-style-type: none"> <li>- The online mechanisms and complementary IT developments delegated to the Municipio of Morón are completed in a timely manner.</li> </ul>
<p><b>Component III.</b> Design of the private sector business information and advisory model integrated with OBARCs:</p> <ul style="list-style-type: none"> <li>- Feasibility studies for integration of chambers of commerce or other business or union organizations into OBARC operations.</li> <li>- Training of chamber of commerce staff.</li> <li>- Design and printing of a procedures manual for the decentralized units in the chambers.</li> </ul>	<p><b>MIF: US\$3,000</b> <b>Counterpart: US\$35,000</b></p> <ul style="list-style-type: none"> <li>- Feasibility studies on integration of chambers of commerce or other business organizations are completed by month 18.</li> <li>- By month 24, at least two people from a minimum of three chambers of commerce or selected organizations are trained to provide updated information on procedures and regulations in the Municipio of Morón.</li> <li>- Three chambers are equipped, remodeled, and interconnected in order to operate the decentralized system, and the procedures manual is implemented by month 24, and two additional chambers by month 36.</li> </ul>	<ul style="list-style-type: none"> <li>- Inspection visits.</li> <li>- Progress reports from the executing agency.</li> <li>- Audit reports.</li> <li>- Disbursements.</li> <li>- Midterm and final evaluations.</li> <li>- Consulting reports.</li> <li>- Evidence of structured manuals.</li> </ul>	<ul style="list-style-type: none"> <li>- Chambers of commerce demonstrate an interest in signing agreements.</li> <li>- Chambers of commerce or other participating organizations have adequate technological conditions (this aspect will not be financed with project resources), and provide the necessary infrastructure for connectivity and operation of the system.</li> </ul>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p><b>Component IV.</b> Promotion and dissemination of OBARCs.</p> <ul style="list-style-type: none"> <li>- Consulting assignment to design and implement an OBARC Promotion and Dissemination Campaign.</li> <li>- Specialized seminars for entrepreneurs.</li> <li>- 2 best practice workshops.</li> <li>- 2 technical workshops.</li> <li>- 1 project dissemination event.</li> <li>- Business formalization plan, through university interns.</li> <li>- Consulting assignment to design and implement protection and grievance mechanisms for business owners.</li> </ul>	<p><b>MIF: US\$108,000</b> <b>Counterpart: US\$107,000</b></p> <ul style="list-style-type: none"> <li>- The campaign is outsourced by month 12, running from month 18 to the end of the project.</li> <li>- Informational and promotional materials at OBARC offices are printed and circulated from month 18 to the end of the project.</li> <li>- Specialized campaigns for entrepreneurs are designed by month 20 and launched in month 24.</li> <li>- Formalization seminars targeting the formal sector are offered from month 20 to the end of the project.</li> <li>- 100 interns are trained by month 20.</li> <li>- 2,500 unlicensed businesses and industries are visited by interns by month 36.</li> <li>- 2 local technical workshops are held during the first 18 months.</li> <li>- 1 dissemination event takes place between months 34 and 36.</li> <li>- 2 best practice workshops are held between months 24 and 34.</li> <li>- Regional and national campaigns to promote and disseminate the model are designed by month 18 and launched by month 24.</li> <li>- The protection and complaint system for business owners is operational starting in month 18.</li> <li>- Large-scale event to mark the end of the program and to announce its results.</li> </ul>	<ul style="list-style-type: none"> <li>- Inspection visits.</li> <li>- Progress reports from the executing agency.</li> <li>- Audit reports.</li> <li>- Disbursements.</li> <li>- Midterm and final evaluations.</li> <li>- Consulting reports.</li> <li>- Reports and statistics from entrepreneur seminars.</li> <li>- Reports and statistics from formalization seminars.</li> <li>- Reports and statistics on complaints and grievances filed and resolved through the tool.</li> <li>- Videography and reports from the five events.</li> </ul>	<ul style="list-style-type: none"> <li>- The specialized seminars for entrepreneurs can be financed with the current installed capacity.</li> <li>- A sufficient number of interns have the required profile.</li> <li>- The informal segment can be identified and formalization efforts targeted on those businesses.</li> <li>- There are no barriers and the informal business owner presents no resistance to entering the formal economy.</li> <li>- The Municipio is committed to circulating information and promotional pieces after the project has ended.</li> </ul>

ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER (OBARC) FOR THE MUNICIPIO OF MORÓN (AR-M1013)  
DETAILED BUDGET

COST DETAIL								
ITEM	Unit cost	Quantity	Total	MIF	Municipio in kind	Municipio cash	Municipio Total	%
<b>Executing unit</b>								
<u>One-stop shop team</u>								
Project Director	700.00	42	29,400.00			29,400.00	29,400.00	2%
Executing Unit Coordinator - Consultant	1,600.00	42	67,200.00	67,200.00				4%
1 Administrative Assistant	1,000.00	42	42,000.00	42,000.00				3%
1 Secretary	700.00	42	29,400.00			29,400.00	29,400.00	2%
Participation in CLUSTER by Coordinator and municipal government official	5,000.00	3	15,000.00	15,000.00				1%
Coordinator internship in 2 successful experiences	6,000.00	1	6,000.00	6,000.00				0%
Visit to experiences by 1 senior municipal government official	4,000.00	1	4,000.00	4,000.00				0%
<b>Subtotal</b>			<b>193,000.00</b>	<b>134,200.00</b>	<b>0.00</b>	<b>58,800.00</b>	<b>58,800.00</b>	13%
<b>Subtotal</b>			<b>9,250.00</b>	<b>0.00</b>	<b>9,250.00</b>	<b>0.00</b>	<b>9,250.00</b>	1%
<u>Overhead</u>								
Office rent	1,000.00	42	42,000.00		42,000.00		42,000.00	3%
Telephone, electricity	300.00	42	12,600.00			12,600.00	12,600.00	1%
Stationery and office supplies	500.00	42	21,000.00			21,000.00	21,000.00	1%
Internet	100.00	42	4,200.00			4,200.00	4,200.00	0%
<b>Subtotal</b>			<b>79,800.00</b>	<b>0.00</b>	<b>42,000.00</b>	<b>37,800.00</b>	<b>79,800.00</b>	5%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>			<b>282,050.00</b>	<b>134,200.00</b>	<b>51,250.00</b>	<b>96,600.00</b>	<b>147,850.00</b>	19%
<b>COMPONENT I: REGULATORY ANALYSIS OF PROCESSES AND DESIGN OF PROCEDURE</b>								
<b>SIMPLIFICATION MODEL</b>								
BASILINE CONSULTING ASSIGNMENT	8,000.00	1	8,000.00	8,000.00				1%
LEGAL CONSULTING ASSIGNMENT	1,500.00	14	21,000.00			21,000.00	21,000.00	1%
PROCESS CONSULTING ASSIGNMENT	3,500.00	16	56,000.00	56,000.00				4%
CONSULTING ASSIGNMENT ON NATIONAL AND PROVINCIAL PROCEDURES	3,500.00	3	10,500.00	10,500.00				1%
INTERNATIONAL TUTOR	4,500.00	9	40,500.00	40,500.00				3%
AWARENESS-RAISING CAMPAIGN	15,000.00	1	15,000.00	15,000.00			0.00	1%
VALIDATION WORKSHOPS	2,500.00	3	7,500.00	7,500.00				1%
<b>TOTAL COMPONENT I</b>			<b>158,500.00</b>	<b>137,500.00</b>	<b>0.00</b>	<b>21,000.00</b>	<b>21,000.00</b>	11%

ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER (OBARC) FOR THE MUNICIPIO OF MORÓN (AR-M1013)  
DETAILED BUDGET

COST DETAIL								
ITEM	Unit cost	Quantity	Total	MIF	Municipio in kind	Municipio cash	Municipio Total	%
<b>COMPONENT II: SIMPLIFICATION ACTIONS AND OBARC INSTALLATION</b>								
Consulting assignment to implement reengineering proposal	7,000.00	1	7,000.00	7,000.00				0%
OBARC architectural design			12,000.00			12,000.00	12,000.00	1%
Office remodeling			100,000.00		100,000.00		100,000.00	7%
IT development			57,400.00	20,000.00		37,400.00	37,400.00	4%
Automated shift management systems			20,000.00			20,000.00	20,000.00	1%
Installation of networks and equipment			96,000.00	52,250.00		43,750.00	43,750.00	6%
Hardware			70,000.00		20,000.00	50,000.00	70,000.00	5%
Software			110,000.00	110,000.00				7%
Training of government officials								0%
Design	1,500.00	6	9,000.00	9,000.00				1%
Teachers			30,000.00	10,000.00		20,000.00	20,000.00	2%
Logistics	500.00	120	60,000.00		60,000.00		60,000.00	4%
Educational materials			12,000.00	12,000.00				1%
ISO certification for simplified procedures			20,000.00	20,000.00				1%
Development of a pilot experience in skill-based human resource management			15,000.00	15,000.00				1%
Design of incentive systems. Implementation.			20,000.00	15,000.00		5,000.00	5,000.00	1%
<b>TOTAL COMPONENT II</b>			<b>638,400.00</b>	<b>270,250.00</b>	<b>180,000.00</b>	<b>188,150.00</b>	<b>368,150.00</b>	<b>43%</b>
<b>COMPONENT III DESIGN OF THE PRIVATE SECTOR BUSINESS INFORMATION AND ADVISORY MODEL INTEGRATED WITH OBARCs</b>								
Chamber of commerce training	1,500.00	5	7,500.00			7,500.00	7,500.00	1%
Design of administrative manual	2,000.00	1	3,000.00	3,000.00				0%
Supply of IT equipment	2,500.00	5	12,500.00		12,500.00		12,500.00	1%
IT connections	100.00	60	6,000.00			6,000.00	6,000.00	0%
Physical infrastructure	150.00	60	9,000.00			9,000.00	9,000.00	1%
<b>TOTAL COMPONENT III</b>			<b>38,000.00</b>	<b>3,000.00</b>	<b>12,500.00</b>	<b>22,500.00</b>	<b>35,000.00</b>	<b>3%</b>

**ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER (OBARC) FOR THE MUNICIPIO OF MORÓN (AR-M1013)**  
**DETAILED BUDGET**

COST DETAIL								
ITEM	Unit cost	Quantity	Total	MIF	Municipio in kind	Municipio cash	Municipio Total	%
<b>COMPONENT IV: PROMOTION, DISSEMINATION, AND CREATION OF A SELF-DIRECTED CULTURE OF FORMALIZATION IN THE BUSINESS SECTOR</b>								
Campaign design and execution			90,000.00	60,000.00		30,000.00	30,000.00	6%
Design of promotional and dissemination materials at OBARC offices			40,000.00	20,000.00		20,000.00	20,000.00	3%
Workshops on experiences in other countries	8,000.00	2	16,000.00	8,000.00		8,000.00	8,000.00	1%
Information seminars for entrepreneurs by sector	300.00	20	6,000.00			6,000.00	6,000.00	0%
Formalization seminars (interns)	150.00	200	30,000.00			30,000.00	30,000.00	2%
2 project dissemination events	5,000.00	2	10,000.00			10,000.00	10,000.00	1%
Design and implementation of a complaint and grievance system for business owners			20,000.00	20,000.00				1%
1 sustainability workshop	3,000.00	1	3,000.00			3,000.00	3,000.00	0%
<b>TOTAL COMPONENT IV</b>			<b>215,000.00</b>	<b>108,000.00</b>	<b>0.00</b>	<b>107,000.00</b>	<b>107,000.00</b>	<b>14%</b>
<b>PROGRAM MONITORING AND EVALUATION</b>								
<u>Program evaluation</u>								
Monitoring system			20,000.00	10,000.00		10,000.00	10,000.00	1%
Midterm and final evaluation			20,000.00	20,000.00		0.00	0.00	1%
Audit			10,000.00			10,000.00	10,000.00	1%
<b>TOTAL COMPONENT V</b>			<b>50,000.00</b>	<b>30,000.00</b>	<b>0.00</b>	<b>20,000.00</b>	<b>20,000.00</b>	<b>3%</b>
<b>CONTINGENCIES</b>								
Miscellaneous			98,050.00	57,050.00		41,000.00	41,000.00	7%
<b>TOTAL CONTINGENCIES</b>			<b>98,050.00</b>	<b>57,050.00</b>	<b>0.00</b>	<b>41,000.00</b>	<b>41,000.00</b>	<b>7%</b>
<b>SUBTOTAL PROGRAM</b>			<b>1,480,000.00</b>	<b>740,000.00</b>	<b>243,750.00</b>	<b>496,250.00</b>	<b>740,000.00</b>	<b>99%</b>
Cluster activity			20,000.00	20,000.00				1%
<b>TOTAL PROGRAM</b>			<b>1,500,000.00</b>	<b>760,000.00</b>				
<b>PERCENTAGE CONTRIBUTION/COUNTERPART</b>				<b>50.67%</b>			<b>49.33%</b>	
<b>PERCENTAGE CASH/IN KIND</b>					<b>32.94%</b>	<b>67.06%</b>		
<b>TOTAL PERCENTAGE</b>				<b>50%</b>			<b>50%</b>	

**SIMILAR AND RELATED PROJECTS**  
**ARGENTINA: ONE-STOP BUSINESS ADVISORY AND REGISTRATION CENTER FOR THE MUNICIPIO OF MORÓN**  
**AR-M1013**

**A. Administrative Procedure Simplification Cluster Projects**

<b>Project number/ date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of first disbursement, disbursement period, and extensions in months</b>	<b>Amount disbursed</b>	<b>Comments</b>
ATN/MT-7979-BO 07 Aug 02	<b>Program for the Modernization of the Business Registration Service</b>  CAINCO - FUNDEMPRESA  US\$914,000	29 Nov 2002  36 months  12 months	67%	The rate of advance of the program is satisfactory. FUNDEMPRESA has completed three components and making significant progress on the fourth. Also, it is demonstrating its commitment to completing this operation by the new deadlines for execution and disbursement, which have been extended to enable FUNDEMPRESA to implement the Procedures Simplification Strategy. If it goes further than originally envisaged for component IV, it would be well for it to be financed with the contribution's uncommitted resources.
ATN/MT-7186-CO 10 Oct 00	<b>Streamlining regulations for the entrepreneurial sector.</b>  Cámara de Comercio de Bogotá  US\$1,900,000	21 Feb 2002  36 months	100%	The project was completed and the expected outcomes fully attained.
ATN/MT-7408-CR 25 April 01	<b>One Stop Shop for Micro &amp; Small Enterp.</b>  PROEMPRESA  US\$660,000	9 May 2002  36 months  7 months	83%	After initial delays owing to institutional disagreements progress is now satisfactory, with a signed interagency agreement and a budgetary commitment by participating entities. The deadlines for execution and disbursement were extended to permit formal registration of consulting services contracts awarded.

Project number/ date of approval	Project title, executing agency, and amount	Date of first disbursement, disbursement period, and extensions in months	Amount disbursed	Comments
ATN/MT-6952-ES  31 May 00	<b>Micro &amp; Small Enterprises Development</b>  Comisión nacional de la micro y pequeña empresa  US\$850,000	23 Feb 2001  36 months  29 months	100%	Comp. 1.b. Administrative procedures simplification: One-stop shop is now functioning, and a promotion campaign was financed with program resources. Uncommitted and undisbursed funds in an amount of US\$1,973.07 were cancelled in December 2005.
ATN/MT-8457-NI  1 Oct 03	<b>Simplified Business Registration System</b>  MIFIC  US\$980,000	15 Mar 2004  36 months	45%	The project has made significant progress. The executive branch approved a decree creating the one-stop shop and the decree is now under review by the Supreme Court and the Managua City Corporation (with approval expected in late May 2006). Component II, the core element of the project, has been consolidated and training for staff of the one-stop shop and related organizations has been completed.
ATN/MT-8083-PR  05 Dec 02	<b>Program to Streamline Export Procedures</b>  Ministerio de Industria y Comercio  US\$640,000	03 Sep 2003  36 months	71%	The rate of advance of the program is satisfactory. Progress has been made on the final design of the one-stop shop and in September 2005 the system was technically operational and the simplified procedure had been tested as per the pilot plan. The one-stop shop system required legal adjustments to become effectively operational. Accordingly, a decree was issued creating the simplified export system known as the "One-stop shop export system", which has already reached the appropriate ministerial level for enactment.
ATN/MT-8030-VE  25 Sep 02	<b>Integrated Services Program for Citizen Entrepreneurs in the State of Zulia</b>	09 Jul 2003  36 months	19%	Yellow flag. The rate of advance is unsatisfactory. The project has been delayed because of problems with the startup of the executing unit stemming from policy differences

Project number/ date of approval	Project title, executing agency, and amount	Date of first disbursement, disbursement period, and extensions in months	Amount disbursed	Comments
	FUNDACION SIACE  US\$800,000	24 months		between authorities at the regional, local, and national level. The executing agency has also encountered a number of hitches in the selection of consulting firms. In additions, the appointment of counterpart officials in national institutions participating in the project was delayed. Fundación SIACE recently appointed the officials of the main institutions taking part in the project. As a result, it was possible to launch the consulting assignment. The deadline for execution expired on 9 July 2005. As the outlook now appears more promising, COF/CVE granted an extensión of 24 months to allow enough time to complete the project activities.

**B. Similar or related MIF projects in Argentina**

None

**C. Similar or related IDB projects to the project in Argentina**

None

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK  
MULTILATERAL INVESTMENT FUND

PROPOSED RESOLUTION

Argentina. Nonreimbursable Technical Cooperation ATN/---AR for a  
One-Stop Business Advisory and Registration Center for the Municipio of Morón

The Donors Committee of the Multilateral Investment Fund

RESOLVES:

1. That the President of the Inter-American Development Bank or such representative as he shall designate is authorized, in the name and on behalf of the Bank, as Administrator of the Multilateral Investment Fund, to enter into such agreements as may be necessary with the Municipio de Morón, Provincia de Buenos Aires, and to take such additional measures as may be pertinent for the execution of the project proposal contained in document MIF/AT- with respect to a technical cooperation for a one-stop business advisory and registration center for the Municipio of Morón.
2. That up to the amount of US\$760,000, or its equivalent in other convertible currencies, shall be authorized for the purpose of this resolution, chargeable to the resources of the Technical Cooperation Facility of the Multilateral Investment Fund.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.