

CUSTOMS MEASURES FOR FACILITATING INTERNATIONAL BUSINESS IN LATIN AMERICA AND THE CARIBBEAN

(TC-00-05-00-8-RG)

EXECUTIVE SUMMARY

Executing agency:	Centro Interamericano de Administraciones Tributarias [Inter-American Center of Tax Administrations] (CIAT)	
Financing:	Modality:	Nonreimbursable
	MIF (Facility I)	US\$3 million (60%)
	Counterpart:	US\$2 million (40%)
	Total:	US\$5 million (100%)
Execution timetable:	Execution period:	24 months
	Disbursement period:	30 months
Objectives:	The project aims to promote international business in Latin America and the Caribbean through the coordinated adoption of eight selected customs measures for expediting international business. As a result, the project will contribute to the economic integration of Latin America and the Caribbean, and that of the region with the rest of the world.	
Description:	<p>The facilitation measures seek to streamline procedures for persons traveling to other countries for business purposes and for the urgent clearance of goods involving express delivery and receipt or goods the low value of which would not justify more exhaustive and costly customs procedures. Through the project, electronic communications among customs agencies and between them and the business operators in the respective countries will be encouraged, codes or rules will be established to promote the ethical behavior of officials, and methods will be developed to better target inspection procedures on operations and/or persons presenting well-founded indications of risk.</p> <p>The project will have four components: (i) project coordination and dissemination (US\$280,000 from the MIF and US\$280,000 in counterpart funds); (ii) assistance in the evaluation of needs and application preparation (US\$240,000 from the MIF and US\$120,000 in counterpart funds); (iii) technical cooperation in each country for the adoption of customs measures (US\$2.4 million from the MIF and</p>	

US\$1.6 million in counterpart funds); and (iv) independent project evaluation and external audit (US\$55,000 from the MIF).

Given the large number of countries interested in the project and differences in the degree of implementation of measures for simplifying customs procedures as described above, it is difficult to know the specific technical assistance needs of each country. For this reason, the project is broadly structured, with the establishment of a unit within CIAT to which interested countries can turn with their specific requests for support tailored to their needs.

CIAT will manage the project, disseminate it among the countries in the region, assist in identifying needs and will receive, evaluate and approve requests for support. To assist CIAT in this regard, a high-level customs expert will be retained to serve as project coordinator. CIAT will also be responsible for procuring the goods and services necessary for the project, in consultation with the beneficiary countries, and will comply with the Bank's procurement rules, procedures and policies.

It is requested that the expenditures of the countries requesting technical assistance, incurred in adopting the customs measures to facilitate business, be recognized as counterpart expenditures of the beneficiary countries, retroactive to the date of the project request. The retroactive recognition of expenditures may not exceed 25% of the total counterpart expenditures of each country.

**Special
contractual
clauses:**

As requirements for the first disbursement, CIAT will present to the Bank's satisfaction: (i) evidence that the project coordinator has been selected and (ii) evidence that the project's operating regulations have been adopted.

**Exceptions to
Bank policy:**

None

I. COUNTRY AND PROJECT ELIGIBILITY

- 1.1 The project will benefit the countries in Latin America and the Caribbean that request support for the adoption of eight selected customs measures for facilitating international business. Article III, Section 5(a) of the Agreement Establishing the Multilateral Investment Fund (MIF) provides that all developing member countries of the Inter-American Development Bank (IDB) are potentially eligible recipients of MIF resources, subject to certain conditions. Having verified the fulfillment of such conditions, the MIF Donors Committee has declared 26 countries in Latin America and the Caribbean eligible for MIF financing.
- 1.2 The countries of the Organization of Eastern Caribbean States, who are members of the Caribbean Development Bank (CDB) but not members of the IDB, are a special case. Pursuant to Article III, Section 5(c) of the Agreement Establishing the MIF, financing will be granted to such countries in consultation and agreement with, and through, the CDB. Contact has been maintained with the CDB to ensure its interest and participation in the project. Similarly, the project has been conceived and the project regulations have been prepared so as to provide for the participation of these countries.
- 1.3 The project is eligible for MIF financing within the framework of its Technical Cooperation Facility (Facility I), since the adoption of customs measures to facilitate international business is consistent with the objectives of the MIF of promoting a favorable environment for private sector expansion in Latin America and the Caribbean, with particular attention to benefiting small enterprises, because their scarce resources and lack of experience make them more vulnerable to customs-related obstacles.

II. BACKGROUND

- 2.1 Most of the customs administrations in the region have undertaken processes of modernization and reform during the 1990s. These reforms were aimed at: (i) restating the objectives of the customs agencies, helping to promote international trade in addition to the traditional objectives of revenue collection and social and economic protection; and (ii) improving the day-to-day operations of customs services. The driving factors for these changes include, on the one hand, revising the role of the State and the need to strengthen the effectiveness of public institutions, and on the other, the liberalization of international business. Basic improvements have been made, in many cases with the Bank's assistance, particularly within the framework of the modernization of customs legislation, the upgrading of customs procedures and organization of administrations, and human resources development. However, much remains to be done in the majority of countries to expand, deepen and consolidate this institutional transformation and to strengthen the role of customs administrations as promoters of international business. This project's objective is to support such efforts.

- 2.2 The region's ministers responsible for trade, within the framework of the creation of the Free Trade Area of the Americas, agreed to the coordinated implementation of a set of eight measures relating to various customs procedures, for purposes of facilitating international business. The eight facilitation measures, included in the project, are part of a list of measures prepared and presented to the ministers by the private sector, in the context of the Americas Business Forum.
- 2.3 The adoption of these eight measures by the countries in the region will represent a major improvement in the environment for private sector development and international business among Latin American and Caribbean countries and between these countries and the rest of the world, since the measures would be beneficial to enterprises in all the countries of the world that do business in Latin America and the Caribbean.
- 2.4 Now that the adoption of these measures has begun, a significant number of countries have expressed their need for external technical assistance, without which it would be impossible to apply such measures. This generally applies to the smaller and/or least developed countries in the region. The preliminary requests have been summarized in Annex II.

III. PROJECT OBJECTIVES AND MAJOR COMPONENTS

A. General objective

- 3.1 The general objective of the project is to strengthen international trade and business in Latin America and the Caribbean through the coordinated adoption of eight selected measures for facilitating customs procedures. As a result, the project will contribute to the economic integration of Latin America and the Caribbean, and that of the region with the rest of the world.

B. Specific objectives

- 3.2 The specific objectives are to provide support to countries that need it in order to implement the following eight customs measures to facilitate business:
- Allow for quick and simple temporary importation of certain merchandise carried into other countries by business travelers (samples, promotional materials, advertising brochures, etc.).
 - Establish streamlined procedures for urgent clearance of goods by express courier service companies. The goal is for such procedures not to exceed six hours from the arrival of the mode of transport to the country of destination.
 - Introduce procedures for simplified customs clearance of low value merchandise.

- Ensure that the customs houses have computer systems that allow private operators to send documents and information electronically prior to the arrival of the merchandise in the importing country. This measure will greatly accelerate foreign trade operations since the information on the merchandise and/or the transportation mode will be available in advance.
- Distribute and utilize the same version of the Commodity Description and Coding System in all the countries.
- Update and make available to private operators the information on customs rules and procedures applied by the countries in foreign trade transactions.
- Review, prepare and implement the national codes of conduct applicable to customs officials, taking as a reference the Arusha Declaration of the World Customs Organization.
- Develop risk assessment methods to help identify operations and persons on which customs monitoring and verification procedures will focus.

C. Components

3.3 To attain the above-mentioned objectives, the project will have the following components:

1. Program coordination and dissemination closure (US\$280,000 from the MIF; US\$280,000 from CIAT)

3.4 This component will cover the activities necessary to coordinate and manage the project. The project will be managed by the Centro Interamericano de Administraciones Tributarias [Inter-American Center of Tax Administrations] (CIAT), which will receive, evaluate and approve the countries' requests for technical assistance, as described in the project execution section.

3.5 To support CIAT in the customs area, the MIF will provide financing for a customs expert to serve as project coordinator for two years. The terms of reference for this coordinator have been agreed with CIAT. A travel budget for the coordinator for project dissemination and monitoring will also be financed, and direct administrative expenses incurred by the coordinator will also be covered. The remaining project administrative expenditures will be assumed by CIAT.

2. Support for evaluation of needs and preparation of requests (US\$240,000 from the MIF; US\$120,000 from beneficiary countries)

3.6 Technical assistance needs vary greatly from one country to another within the region. As a general rule, the needs expressed simply involve a preliminary estimate of actual technical assistance requirements. In addition, certain countries

have problems identifying the actions necessary to be able to execute the agreed measures. In short, the project will have many more possibilities for success to the extent that the countries' technical assistance needs are clearly identified.

- 3.7 This component will assist requesting countries in evaluating their technical assistance needs and in structuring their financing requests. For this purpose, the specialized short-term consulting expenditures will be cofinanced up to a maximum of US\$20,000 from the MIF for each requesting country, plus the corresponding counterpart funds.

3. Individualized technical assistance (US\$2,400,000 from the MIF; US\$1,600,000 from beneficiary countries)

- 3.8 The project's principal component will finance technical assistance to implement the eight customs measures described above in the countries that request it and to fulfill the requirements for eligibility set forth in the project execution chapter below, as well as the regulations governing execution (Annex V in the technical files), in particular, the contribution of the required counterpart funds. The assistance to be financed with the project funds will consist of consulting services, training of customs personnel and procurement of the necessary equipment (in particular customs software applications), up to a maximum of US\$200,000 from the MIF for each requesting country, plus the corresponding counterpart funds. In any event, the software and equipment may not exceed 30% of total technical assistance funds assigned to a given country. Several countries may group together to receive assistance, if it is more effective to do so.

IV. PROJECT EXECUTION

A. Executing agency

- 4.1 CIAT will be responsible for execution of this project. It is a nonprofit, public international organization established in 1967, to offer comprehensive service for the modernization of the tax administrations of its member countries, paving the way for their social acceptance and consolidation. CIAT currently has 33 member countries, 28 regional and 5 nonregional. CIAT headquarters are located in Panama City, Republic of Panama; it also has a network of offices in all the countries in the region. CIAT has assets of approximately US\$2.5 million and its 1999 operating budget was US\$1.7 million.
- 4.2 CIAT has wide experience in technical cooperation projects in the region, since it has participated in close to 40 tax modernization projects in several Latin American and Caribbean countries with the World Bank, the IDB, the UNDP and Spain. In 1999, CIAT managed projects valued at US\$54 million. CIAT has been successful as a specialized agency for the IDB in projects in Barbados, Ecuador, El Salvador,

Guatemala, Haiti, Honduras, Nicaragua, Panama, Peru, Dominican Republic, Uruguay, Suriname and Venezuela.

- 4.3 CIAT also has had experience in nine customs projects, in general when the customs area formed an integral part of a tax project. CIAT has also cited the support for customs reform in Latin America and the Caribbean as one of its priorities in its new strategic plan for the first decade of the 2000s.
- 4.4 CIAT will be assisted in the customs area, with MIF financing, by a high-level customs expert who will serve as project coordinator for the term of the project. In this regard, the project would have the positive effect of strengthening CIAT's presence in this area, helping to create regional customs-related institutional capacity in Latin America and the Caribbean. The terms of reference for the project coordinator are now available and the selection of the coordinator will be a condition precedent to the first disbursement.
- 4.5 CIAT will manage the project, publicize it in the countries of the region, and assist in identifying needs, receive, will evaluate and approve requests for support, and will contract, in consultation with the beneficiary countries, the necessary technical assistance to address the requests received.

B. Beneficiaries

- 4.6 The project will provide an immediate benefit to the customs administrations of the participating countries, although the ultimate beneficiaries will be the business community and persons who promote and carry out trade operations. In particular, small enterprises or enterprises with little experience in international business will benefit, since they have fewer resources and less information and experience to comply with customs formalities.

C. Request for Funds

- 4.7 No specific amounts are allocated individually to the project's facilitation measures, so that each country can request funds under the program for one or more of the measures for an amount commensurate with its assistance needs.
- 4.8 The countries will submit their requests, either directly to CIAT or through its network of offices. In the case of the OECS countries that are not IDB members, such requests will be submitted to CIAT through the Caribbean Development Bank.
- 4.9 For countries that need assistance in evaluating their needs and structuring their requests, CIAT will contract, with the project's resources, the necessary technical assistance for such an evaluation, up to a maximum funding of US\$20,000 in MIF funds, plus the corresponding counterpart funds.
- 4.10 The following must be included in the requests submitted to CIAT:

- Detailed description of activities for which technical and financial assistance is being requested, as well as the terms of reference for the necessary consulting services. The direct relationship between the assistance being requested and the implementation of the facilitation measures described in this project must be established, indicating the objectives that will be attained with the technical and financial assistance being requested.
- A statement that the country is not receiving any technical or financial assistance for the requested activities from any bilateral or multilateral source.
- Technical assistance budget, separating the items for which financing is being requested from the MIF from those to be financed with local funds. In a first round of requests, the amount to be financed may not exceed US\$200,000 of the MIF funds for each country.
- Description of items financed with local in-kind contributions, indicating their value equivalents in U.S. dollars. In-kind contributions may not exceed one half of the total of the counterpart contribution.
- Commitment to make monetary contributions to the project until the total amount of the required counterpart funds is reached.

D. Request approval

4.11 The procedure for approval of the requests will be as follows:

- A Selection Committee will be established in CIAT, with the project coordinator as rapporteur and secretary thereof.
- The coordinator will analyze the requests and electronically send a brief report to the Selection Committee. A copy of the request will be sent to the Fiscal Division of the Integration and Regional Programs Department of the IDB, together with the coordinator's report.
- The Selection Committee will make a decision on the request within a period not to exceed ten business days from the receipt of the coordinator's report.
- Within the same period, the Fiscal Division will make a decision on the request for assistance, notifying CIAT electronically of its nonobjection or, as the case may be, of any comments it deems pertinent. If the Bank does not issue its opinion within said period, it will be understood that there are no objections to the request.

E. Procurement of goods and services

- 4.12 CIAT will be responsible for procuring the goods and services necessary for the project, in consultation with the beneficiary countries, and will comply with the Bank's procurement rules, procedures and policies and the MIF's eligibility criteria for contracting.

F. Environmental and social impact

- 4.13 The project's activities do not have a direct impact on the environment or on the poor. The project was analyzed by the Committee on Environment and Social Impact (CESI) at its meeting (TRG 17-00) on 12 May 2000, which recommended that the customs measures include rules, procedures, risk analysis and performance requirements to improve: (i) plant and animal health controls; (ii) monitoring the sale of protected or endangered species of flora and fauna; (iii) marketing of hazardous materials; (iv) commercialization of cultural and artistic wealth; and (v) enforcement of international environmental protection agreements with customs implications. Such recommendations have been incorporated into the project regulations and will be taken into account at the time the technical assistance is formulated for the requesting countries.

G. Execution Period and Disbursement Schedule

- 4.14 The execution period for this project is 24 months from the signing of the financing agreement, with a disbursement period of 30 months from the same date.
- 4.15 Once the conditions precedent to the first disbursement have been fulfilled, a maximum of 10% of the project's resources may be advanced to establish a revolving fund to facilitate project execution. The resources used in said revolving fund may be replenished upon documented justification of the use of such resources.
- 4.16 After 50% of the funds have been committed, the Bank will commission an independent project evaluation. The disbursement of the remaining funds will be subject to the results of such evaluation and to the adoption by CIAT, to the Bank's satisfaction, of the corrective measures agreed between the Bank and CIAT as a result of that evaluation.

H. Monitoring and Evaluation

- 4.17 The principal project monitoring instrument will be the six-month reports sent by CIAT to the Bank. Such reports must include full information on the extent to which the objectives of the project have been attained, including the number of countries that have requested funds, the status of request processing, the status of technical assistance, the funds committed and disbursed, etc.

- 4.18 CIAT will submit to the Bank the project's annual financial statements, audited by a firm of independent auditors acceptable to the Bank, within 90 days following the end of each fiscal year. The cost of such audits will be funded with the project's resources (US\$15,000 from the MIF has been reserved for that purpose).
- 4.19 The Bank's Country Office in Panama will be responsible for monitoring and overseeing this operation, with support from the Fiscal Division of the Bank's Integration and Regional Programs Department.
- 4.20 Two independent project evaluations are provided for, one half way into the project and the other at the conclusion of the project. Specialized consultants will be hired to perform these evaluations and US\$40,000 have been reserved for that purpose. The midterm evaluation will be made when 50% of the project's funds have been committed, and will analyze the project and make the pertinent recommendations. The final evaluation will be made three months after the final disbursement and will determine whether the project's objectives have been fulfilled in terms of the indicators set forth in the logical framework (Annex I).

I. Degree of Project Readiness

- 4.21 Given the large number of countries interested in the project and differences in the degree of implementation of measures to simplify customs procedures as described above, it is difficult to know the specific technical assistance needs of each country. For this reason, the project is broadly structured, with the establishment of a unit at CIAT to which countries can turn with their specific requests. The degree of readiness is high, since: (i) CIAT has agreed to the terms of its management of the project; (ii) the terms of reference for the coordinator have been prepared; (iii) the countries have already expressed their initial support needs; (iv) an execution manual has been prepared; and (v) the Caribbean Development Bank has been contacted to include the participation of the OECS countries in the project.

V. COST AND FINANCING

- 5.1 The project will cost an estimated US\$5,000,000. The maximum financing from the MIF will be US\$3,000,000 (60% of the total project cost), by means of nonreimbursable funds from the Technical Cooperation Facility (Facility I). The counterpart funds are estimated to be US\$2,000,000 (40%), contributed by CIAT and the national counterparts.

PROJECT BUDGET SUMMARY (in US\$)				
COMPONENT	MIF	CIAT	COUNTRIES	TOTAL
1. Project coordination and administration	280,000	280,000	–	560,000
2. Assistance in evaluating needs and preparing requests	240,000	–	120,000	360,000
3. Individualized technical assistance	2,400,000	–	1,600,000	4,000,000
4. Midterm and final evaluations	40,000	–	–	40,000
5. External audit	15,000	–	–	15,000
6. Contingencies	25,000	–	–	25,000
TOTAL	3,000,000	280,000	1,720,000	5,000,000

- 5.2 The funds contributed by CIAT are based on the appraisal of its in-kind contributions to the project (offices, communications and materials made available to the coordinator, project management and administrative support, etc.). Most of the counterpart funds will come from the beneficiary countries. These counterpart funds will be a prerequisite for the receipt of MIF support. The local contribution will have the following minimum parameters:

A Countries: 50% of total technical assistance costs
B Countries: 40% of total technical assistance costs
C and D Countries: 30% of total technical assistance costs

- 5.3 It is requested that the expenditures of countries requesting technical assistance, incurred in adopting the above-mentioned eight customs measures be recognized as counterpart expenditures of the beneficiary countries retroactive to the date the project was requested (4 August 1999). This retroactive expenditure recognition may not exceed 25% of the total counterpart expenditures of each country.

VI. RATIONALE AND RISKS

A. Rationale

- 6.1 The project will support the coordinated modernization, simplification and streamlining of many customs procedures by the participating countries, deepening the economic integration of the region. It is expected to significantly improve the international business environment in the region, given the impact that a coordinated effort to improve customs administrations could have on such an environment. This impact will be greater among small enterprises that do business

abroad, since their scarce resources and lack of experience make them more vulnerable to customs-related obstacles.

- 6.2 The financing for this project is justified as it is consistent with the Bank's strategy in the areas of modernization of the State, regional economic integration, strengthening of international competitiveness, regional liberalization of trade and foreign investment flows and establishment of international connections to share information. It is also consistent with the MIF objective of improving the environment for private sector development and strengthening the competitiveness of small enterprises.

B. Risks

- 6.3 Three risks have been identified that may affect the project:

- Insufficient participation of the countries: The main risk is in opening the assistance unit at CIAT and the expected demand does not exist. Although currently there are preliminary requests from more than 20 countries, this risk has been minimized by establishing some reasonable requirements in order to access the technical assistance, incorporating a travel budget for the coordinator for project dissemination and designing a component to assist the countries in submitting requests.
- Budget: The countries have formulated their assistance needs on a very preliminary basis. Once their requests are specified, they may exceed the operation's budget. To minimize this risk, various caps have been established for MIF assistance for each country in the evaluation of needs component (US\$20,000) and the individualized assistance component (US\$200,000), to avoid having a small number of requests take up all the available financing. In a second round, if financing is available, the requests not accommodated because they exceeded the specified limits would then be supplemented.
- Coordination: Other activities of a bilateral and/or multilateral nature in the area of customs modernization are under way which need to be coordinated in order to avoid a duplication of efforts and the inefficient use of funds. Since the objectives of this project are quite specific, the risk of duplication is minimal. In any event, three coordination mechanisms have been planned: (i) the nonobjection of the Bank to the requests will have the function, among other things, of ensuring that there is no available Bank financing for similar purposes; (ii) as a requirement for each request, the countries must certify that they do not have financing for similar purposes; (iii) the project coordinator may participate in the Ad Hoc Committee of Customs Experts or other pertinent FTAA proceedings in which support for customs modernization is discussed, thus coordinating with other potential technical assistance donors.

The fact that the FTAA Secretariat is moving to Panama, where CIAT headquarters are located, greatly facilitates this coordination.

VII. EXCEPTIONS TO BANK POLICY

- 7.1 No exception to the Bank's policies is contemplated.

VIII. SPECIAL CONTRACTUAL CONDITIONS

- 8.1 As conditions precedent to the first disbursement, CIAT will submit, to the satisfaction of the Bank: (i) evidence that the project coordinator has been selected in accordance with the terms and conditions previously agreed with the Bank, and (ii) evidence that the project's operating regulations have been adopted.

**IMPLEMENTATION OF CUSTOMS-RELATED MEASURES TO FACILITATE BUSINESS
LOGICAL FRAMEWORK**

OBJECTIVES	ACTIVITIES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
business in Latin America and the Caribbean / customs	Execution of the activities established by the TC.	<p>Upon termination of the program:</p> <ol style="list-style-type: none"> 1. In five countries chosen as a sample, the determination of reduced delivery times of merchandise by air, land and maritime transport. 2. Number of projects completed successfully with broad representation of the countries in the region. An expected target is: (a) 12 months, 6 projects; (b) 18 months, 8 projects; and (c) 24 months, 10 projects. 3. Number of requests submitted and financing proposals approved by CIAT. The minimum indicative targets proposed are as follows: (a) 12 months, 10 approved proposals; (b) 18 months, 14; and (c) 24 months, 18 of proposals submitted. 	<ol style="list-style-type: none"> 1. Survey of entrepreneurs and/or Chambers of Commerce of the selected countries. 2. Progress reports and program evaluation reports. 3. Disbursements from the MIF contribution and local counterparts. 4. CIAT Selection Committee minutes 5. Final reports from the specialized consultants. 6. Establishment of a roster of consultants classified by specialties, skills, experience and country of origin. 	<p>Current economic conditions and the countries' efforts in strengthening the effectiveness of customs systems are maintained.</p> <p>There is political will to adopt the necessary changes in the laws and regulations to implement the program.</p>
countries identified in the FTAA / customs / shipments	<ol style="list-style-type: none"> 1. Specialized consulting services on customs systems for the training and development of customs officials. 2. Procurement of computer hardware and/or communications equipment to supplement the respective systems. 	<p>Most beneficiary countries can verify, upon termination of the program, the following for each measure:</p> <ol style="list-style-type: none"> 1. Number of customs administrations that have implemented effective procedures for temporary imports, express shipments and risk analysis. 2. Number of customs administrations that utilize simplified procedures, including electronic submission of documents and inquiries. 3. Codes of conduct are in effect for customs officials in at least 90% of customs administrations. 	<p>For each indicator, several means of verification can be used. The following are suggested for each indicator:</p> <ol style="list-style-type: none"> 1. Surveys of business travelers and importers. 2. Information to be collected from courier companies. 3. Consultations with each customs administration and evaluation reports from the consultants. 4. Publications and dissemination of customs procedures to importers. 	<p>Creation and implementation of monitoring mechanisms for the FTAA member countries and/or procedures by the customs services.</p> <p>There is sufficient information for promotion and dissemination of the program, especially for disadvantaged countries.</p>

ACTIVITIES	ACTIVITIES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>and on g ity on and system ed ation of procedures conduct ysis</p>	<p>3. Dissemination of the program in general and support to disadvantaged countries in the identification of needs and formulation of proposals.</p>	<p>4. Use of the 1996 version of the Commodity Description and Coding System at all agencies. Publication and update of the Hemispheric Manual of Procedures in the second year.</p> <p>5. Implementation in at least 50% of customs agencies of risk parameters for the selection of declarations to be inspected.</p> <p>6. Number of customs officials receiving training broken down by type of training received, country of origin, level of authority and general topics. The goal is to train at least 100 customs officials within the 24-month execution period.</p> <p>7. Number of financing proposals from countries that receive financing. At least 10 proposals should receive financing.</p> <p>8. Purchase and installation of computer hardware, software and/or communications equipment, as well as the training of system operators.</p>	<p>5. Connection for consultation, on-site verification and interviews with importers and customs officials.</p> <p>6. Publication in official customs-related journals.</p> <p>7. Identification of the implemented rules and procedures.</p> <p>8. Percentages of declarations sent for physical inspection, and clearances without verification.</p> <p>9. Purchase documentation and verification of installation and operation of the system.</p> <p>10. Consultants' final reports.</p>	

**PRELIMINARY TECHNICAL ASSISTANCE NEEDS
EXPRESSED BY COUNTRIES**

MEASURE	APPLICANT COUNTRIES
Temporary importation of promotional items by business travelers	Barbados, Belize, Bolivia, Guatemala, Honduras, Jamaica, Suriname, Uruguay
Simplification and acceleration of procedures for express shipments	Barbados, Belize, Bolivia, Colombia, Costa Rica, Dominican Republic, Guatemala, Honduras, Jamaica, Nicaragua, Suriname, Trinidad and Tobago, Venezuela
Simplification of procedures for low-value merchandises	Bahamas, Barbados, Belize, Dominica, Dominican Republic, Guatemala, Guyana, Honduras, Jamaica, St. Lucia, Suriname, Trinidad and Tobago, Venezuela
Consultation and data submission in electronic form	Bahamas, Barbados, Belize, Bolivia, Costa Rica, Dominican Republic, Dominica, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Jamaica, Nicaragua, Panama, Peru, St. Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, Venezuela
Commodity Description and Coding System	Peru, Suriname, Trinidad and Tobago
Dissemination of customs information	Information on requests for support involving this measure is not yet available
Codes of Conduct	Belize, Dominican Republic, Guyana, Nicaragua, Suriname
Prior identification of high-risk shipments	Barbados, Belize, Bolivia, Costa Rica, Dominica, Ecuador, Guatemala, Guyana, Honduras, Peru, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, Venezuela

PROPOSED RESOLUTION

REGIONAL. NONREIMBURSABLE TECHNICAL COOPERATION FUNDING FOR THE
IMPLEMENTATION OF CUSTOMS PROCEDURES TO EXPEDITE INTERNATIONAL
BUSINESS IN LATIN AMERICA AND THE CARIBBEAN

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 Multilateral Investment Fund, to enter into such agreements as may be necessary with the Centro Interamericano de Administraciones Tributarias (CIAT), 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 funding for the implementation of customs procedures to expedite international business in Latin America and the Caribbean.
2. That up to the amount of US\$3,000,000, or its equivalent in other convertible currencies, shall be authorized for the purpose of this resolution, chargeable to 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.