

E-COMMERCE PILOT PROJECT FOR SMALL-SCALE ARTISANAL AND AGRICULTURAL PRODUCER GROUPS

(TC-00-07-04-1)

EXECUTIVE SUMMARY

Beneficiary:	Fondo Ecuatoriano Populorum Progressio (FEPP)	
Executing agency:	CAMARI (FEPP marketing agency)	
Beneficiaries:	Small-scale artisanal and agricultural producer groups throughout Ecuador with previous business experience, interested in using the new e-commerce tools.	
Objectives and specific components	<p>The general objective is to enhance the marketing of craft and agricultural products of small-scale grass-roots producer groups and organizations, helping to improve their competitiveness, optimizing existing commercial relationships, and diversifying their markets. The specific objectives are: (i) operation of a pilot program to introduce new commercial tools based on digital images and electronic catalogues that allow for more profitable marketing; and (ii) strengthening the beneficiaries' entrepreneurial capacity and improving the quality and presentation of the products to be marketed.</p> <p>The project is organized into the following two components: (i) a pilot program for introducing an e-commerce platform that will make it possible to implement modern marketing systems, and the training needed for the executing agency and participating grass-roots organizations/producer groups to use those systems effectively, and (ii) advice on business management and improvements in product quality and presentation, including technical assistance and training services for beneficiaries in the areas of production and technological innovation, business management, and product processing and packaging, among others.</p>	
Financing:	Local counterpart:	US\$175,680 (30%)
	MIF (Window III-A):	US\$409,920 (70%)
	Total:	US\$585,600
Terms	Execution period:	42 months
	Disbursement period:	48 months

Exceptions:	An exception to Bank policy on hiring consulting firms will be required to allow for direct contracting of the U.S. company PEOPLink to develop and install an e-commerce platform and conduct the producer training required for its use, as per the executing agency's specifications.
Special contractual clauses:	Before the first disbursement, FEPP shall demonstrate, to the Bank's satisfaction, that: (i) an Executing Unit has been established and a Supervisory Committee formed, and (ii) a separate account has been created to administer the project funds; and (iii) the Advisory Committee has approved the project's operations manual.
Environmental review:	The Committee on Environment and Social Impact issued its non-objection to the project on 4 August 2000.