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ARGENTINA

SME PRODUCTS IN EAST ASIA

(AR-M1006)

DONORS MEMORANDUM

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ABBREVIATIONS

AWP	Annual work plan
CANE	Centro Asesor para la Nueva Empresa [New Business Advisory Center]
CESI	Committee on Environment and Social Impact
JETRO	Japan External Trade Organization
JICA	Japan International Cooperation Agency
PPMR	Project Performance Monitoring Report
SMEXs	small and medium-sized enterprises with export potential

GLOSSARY

Development model in the context of the Okita Report update (model):	Consists of a set of coordinated actions in a process that includes the following stages: (i) ranking of markets and/or products; (ii) establishment of eligibility criteria for small and medium-sized enterprises with export potential (SMEXs), based on ranked markets and products; (iii) administration of the export potential test on SMEXs to determine business potential in selected markets and challenges in entering these markets; (iv) performance of assessment to determine the current and potential status of participating SMEXs; (v) development by SMEXs of business plans to overcome the market access challenges identified in the assessment; (vi) performance of services of less than one year in duration and for an average cost of US\$10,000, as proposed in the business plan; (vii) continuous monitoring and measurement of the companies' results in terms of exports and/or export capacity.
East Asian markets:	Those markets proposed in the framework of the Okita Report update: Japan, South Korea, People's Republic of China (including Hong Kong), Indonesia, Thailand, Singapore, and Malaysia.
Barriers to East Asian market access:	Include three types of barriers: (i) technical, paratariff, or nontariff barriers to the entry of products (e.g., rules of origin, inspection requirements, environmental regulations); (ii) importer requirements (e.g., packaging, wrapping, design, post-sale services); (iii) complexities in logistics, distribution, and marketing channels (complex legal regulations, transportation, cold chains, shipping methods, etc.).
Areas of attention	Activities eligible for financing under the project are <i>short-term, low-investment</i> activities that fall into one of the following three areas: 1) adjustment of technical, tariff, and paratariff rules; 2) satisfaction of market requirements; and 3) development of appropriate logistics and marketing channels.
Short-term, low-investment services:	Services related to barriers in sophisticated or demanding markets that a company wishes to enter, which would help solve specific problems in the SMEXs. The parameters will be as follows: (i) short-term: a service that takes no more than one year to provide; and (ii) low-investment: a service costing an average of US\$10,000 per company.

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I. EXECUTIVE SUMMARY

Beneficiary country:	Argentina	
Executing agency:	Fundación CANE, in cooperation with Fundación Okita	
Beneficiaries:	<p>The beneficiaries of the project will be: 1) SMEs with export potential; 2) SMEs that are already exporting to other markets, but not to East Asia; 3) SMEs that already export to East Asia but are seeking to export new products; and 4) professionals who will be trained with a perspective on the markets previously found and/or selected for the project. The goal of the project will be to benefit 450 SMEXs during the three-year execution period, and at least 30% of these SMEXs are expected to be located outside Buenos Aires. By the end of the project, at least 60% of the companies that executed their business plans will have succeeded in gaining access to the target markets (new exporter, new product, or new market). The regions where the project will operate are: (a) Federal Capital and province of Buenos Aires; (b) provinces of Córdoba, Santa Fe, and Entre Ríos; and (c) two others yet to be determined. Furthermore, Fundación CANE and Fundación Okita will be indirect beneficiaries, since by the end of the project they will have tools and a new model to facilitate the provision of services. Lastly, about 75 consultants will acquire new skills and knowledge.</p>	
Financing:	Modality:	Nonreimbursable (Facility IIIA)
	MIF: ¹	US\$ 1,550,300 (50% ²)
	Executing agency:	US\$ 1,535,300 (50%)
	Total:	US\$ 3,085,600
Objectives:	<p>The goal of the project is to help Argentine SMEs become more competitive in the East Asian market. The purpose of the project is to develop and implement a standardized model that will help Argentine SMEs gain access to the East Asian market with products and in sectors and segments identified and/or selected by the project.</p>	

¹ The MIF contribution includes US\$15,000 for cluster coordination activities.

² Excludes cluster activities.

To this end, the project will include the following components: 1) awareness and dissemination; 2) design of tools and training of consultants; and 3) assistance to companies to gain market access.

Execution timetable:	Execution period: 36 months Disbursement period: 42 months
Special contractual clauses:	Conditions precedent to the first disbursement of Bank funds: (i) selection of the coordinator for the Coordinating Unit; (ii) signed agreement between Fundación CANE and Fundación Okita; and (iii) presentation of the Operating Regulations as agreed with the Bank.
Exceptions to Bank policy:	None.
Coordination with other official development finance institutions:	Currently there are no similar projects being financed by other official development institutions.
Environmental and social review:	The Committee on Environment and Social Impact (CESI) reviewed the project at its 25 February meeting. The responses to the CESI's observations were incorporated into the document (paragraph 8.1).

II. BACKGROUND

- 2.1 The Government of Japan, through the Japan International Cooperation Agency (JICA), submitted a report to the Government of Argentina in late 1996: "Hacia Una Mayor Interdependencia entre la Argentina y el Este Asiático: Una nueva Oportunidad para la Economía Argentina" [Toward Greater Interdependence between Argentina and East Asia: A New Opportunity for the Argentine Economy] (Okita Report II). This report explained that East Asia³ represents a competitive yet attractive market for Argentina, and that Argentina's natural resource-based products stand a good chance of penetrating the East Asian market. To achieve this, "Argentina needs export strategies in both the public and private sectors, activities

³ The countries of the Asia-Pacific region discussed here are those identified in the Okita Report II: Japan, Korea, People's Republic of China (including Hong Kong), Indonesia, Thailand, Singapore, and Malaysia.

to promote the development of manufacturing SMEs, and improvements in the quality of supplies and infrastructure.”⁴

- 2.2 After this report was released, Argentina entered into a period of institutional and economic crisis that precluded the implementation of many of its recommendations. As a result, an update of the Okita Report II⁵ was submitted to JICA in March 2003, affirming the importance of manufacturing SMEs and proposing a program of short-term actions and policies. According to the report, it is the private sector that should take the initiative to implement these specific strategies for entering East Asian markets.
- 2.3 **East Asia and SMEXs.**⁶ Argentine exports totaled US\$34.249 billion in 2004, and only 13% of those exports went to East Asia (US\$4.321 billion). Virtually all exports to East Asia are produced by large exporters (97%), while SMEs account for only US\$139 million of the total.⁷ Moreover, export capacity is not evenly distributed throughout the country: there are many more SMEXs in some regions than in others, and certain SMEXs are better able to penetrate foreign markets.
- 2.4 In 2004, a total of 9,400 SMEs exported, and of these 723 exported to East Asia. These companies exported an average of less than 5% of their production, which indicates an opportunity for export growth. Meanwhile, only 23% of SMEXs—2,162 companies, of which 166 export to East Asia—are successful and export regularly.⁸ In analyzing the successful companies, the following success factors were identified as common to SMEXs:⁹ (i) 70% incorporated new information technologies and trade management software; (ii) 80% incorporated new exportable products; (iii) 50% meet quality standards; (iv) 50% introduced changes in their work organization; (v) 75% provide ongoing training; (vi) more than one third conduct research and development; (vii) 80% have ties with other entrepreneurs (30% have formal cooperation agreements with Argentine and foreign companies);

⁴ Okita Report II.

⁵ The updated the Okita Report II “Toward Greater Interdependence between Argentina and East Asia: A New Opportunity for the Argentine Economy,” produced by Fundación Okita in 2003. To continue the updating process and given that the agreements may undergo changes as a result of the negotiations between the countries, the Fundación Okita, as part of the Japan-MERCOSUR Task Force, will be in a position to provide feedback on the project whenever important changes are observed. The signing of a free trade agreement will enhance the relevance of the fact that businesses export based on an increase in competitive capacity.

⁶ These are small and medium-sized enterprises with export potential and annual sales of up to US\$5 million, the target segment for the project. The acronym SMEX is used to differentiate these firms from the usual definition of small and medium-sized enterprises in Argentina (to denote those that have export potential or are on the verge of becoming exporters).

⁷ Statistically speaking, SME exports have greater added value than those of large companies.

⁸ In 2004, there were 2,500 new exporting SMEs.

⁹ Documented in the Okita Report II update.

- (viii) almost all of them have a formal or informal structure dedicated to foreign trade; (ix) most of them carry out business promotion activities; (x) most of them know their competition, the market, and its general requirements; and (xi) most of them monitor their products' performance in foreign markets.¹⁰
- 2.5 According to the Okita Report II update, successful SMEs work in the following sectors: food, beverages, and tobacco (40%); leather goods and footwear (17%); textiles and garments (12%); chemicals and plastics (12%); machine tools (10%); machinery and equipment (7%); and lumber and paper (1%). The report identified a number of products with potential for export to East Asia, including beef and beef by-products, fresh fruit, fruit juices, processed tomatoes, and squid-based products. The update also recommended new products for export: fresh citrus, organic products, nontransgenic grains, chicken-based products, nonmetallic minerals, and furniture.¹¹
- 2.6 **The problem.** The biggest difficulties facing Argentine SMEXs are: lack of awareness about their product's potential in the East Asian market and the perception of the complexities involved in entering that market; elimination of paratariff and nontariff barriers; adaptation of exportable supply; and development of appropriate logistics, distribution, and marketing channels.¹²
- 2.7 Also, Argentina has no tools to systematically promote or facilitate access to the East Asian market through: (i) the availability of information and prioritization of markets and products; (ii) a determination of export potential and an assessment of the current and potential trade position of SMEXs; (iii) the use of specialized consulting services to gain access to the markets targeted in this project; (iv) availability of an efficient system of financial incentives to mitigate the risk involved in setting export goals and hiring consultants; and (v) a system of continuous monitoring and measurement of results that contributes to the sustainability of a support model for SMEXs that would like to export to East Asia.
- 2.8 **Project rationale.** The **additionality** of the MIF project lies in designing and implementing a **model** that takes on the challenge of increasing SMEX exports to East Asia in a systematic and targeted manner¹³, providing customized services for companies with real prospects of becoming successful exporters to a specific market in the short term. Also, the proposed model will be based on the technical

¹⁰ Source: Las PyMEs Exportadoras Argentinas Exitosas – Hacia la Construcción de Ventajas Competitivas. [Successful SME exporters in Argentina—Towards the Development of Competitive Advantages], FUNDES, Argentina 2004.

¹¹ Ibid.

¹² A World Bank study included an analysis of this issue in Argentina, Chile, Honduras, Panama, Bulgaria, the Czech Republic, Poland, Iran, Jordan, India, Pakistan, Kenya, Mozambique, Nigeria, Senegal, South Africa, and Uganda (Wilson and Otsuki, 2004).

¹³ See the Glossary for the definition of “development model.”

requirements of the destination market, using filters to target the intervention to companies ready to export, thereby maximizing the impact of services. These filters will consist of tools that already exist in other Latin American countries, which will be adapted and arranged in order to build a model that may be replicated.

- 2.9 The expertise of Fundación CANE in assisting SMEs, combined with Fundación Okita's expertise in exporting and the East Asian market, represent another aspect of **additionality**. Also, throughout project execution, Japanese technical experts from JICA will be available through Fundación Okita, and market information will be supplied by the Japan External Trade Organization (JETRO). The synergy among Fundación CANE, Fundación Okita, JICA, and JETRO represents an unprecedented **additionality**.
- 2.10 Currently under execution in Argentina are four initiatives that are complementary to this project: the business restructuring program, financed by the Bank, is supporting the restructuring of SMEs throughout the country; the tax credit program, financed by the government, supports the development of SMEs through human resource training; Fundación Exportar, an agency of the Foreign Ministry, supports trade shows and missions; and the Office of SMEs and Foreign Trade provides services through three lines: ProArgentina, Primera Exportación, and Redes Empresariales. This project will be complemented by these initiatives, and duplication of effort will be avoided and project impact maximized by disseminating results and seeking explicit coordination agreements. Given that these institutions will participate in different areas that complement this project, they will be able to channel resources based on the results achieved in the context of implementation, on the dynamic of the project, and on the needs of the enterprises.
- 2.11 The proposed project is in line with the objectives of the MIF's Facilitation of International Trade and Investment cluster, which seeks to support SMEs in developing their technical capacity to capitalize on trade opportunities.
- 2.12 One of the main objectives of the Bank's country strategy with Argentina 2001-2006 (GN-2328-1 and GN-2250-2) is to help companies become more competitive and to reduce social and regional inequalities. In terms of competitiveness, the country strategy aims to support initiatives that, among other things, improve the country's positioning in foreign markets. This project is consistent with that strategy, and also helps indirectly to reduce regional inequalities. No donors have been identified as having similar projects under preparation and/or execution.

III. OBJECTIVES AND COMPONENTS

- 3.1 The **goal** of the project is to help Argentine SMEs become more competitive in exporting to the East Asian market. The **purpose** of the project is to develop and implement a standardized model to help Argentine SMEXs gain access to the East Asian market with products and in sectors and segments identified and/or selected by the project.
- 3.2 Through its three components, the project will seek to promote the participation of SMEXs and disseminate results and lessons/good practices; to design tools to evaluate a company's export potential to East Asian markets, as well as a system for measuring the results in the SMEXs; to train consultants to assist in the implementation of business plans; and to provide SMEXs with the technical assistance and training necessary to execute business plans designed to gain access to East Asian markets in the framework of the Okita Report II update.

Component 1. Awareness and dissemination (MIF: US\$83,300; Counterpart: US\$328,180)

- 3.3 The objective of this component is to promote participation by SMEXs in the "SMEX Products in East Asia" project, and to disseminate the project's results and lessons/good practices. The main activities to be financed in this component include: (i) awareness events to get SMEXs to participate in the project; (ii) administration of an export potential test to SMEXs expressing interest in participating; (iii) design of a marketing strategy; and (iv) events to disseminate results.
- 3.4 As a result of this component, 1,500 SMEs will be made aware of the project, and at least 450 of them will be eligible for the export potential test (based on the criterion that they would require *short-term, low-cost interventions*) to penetrate new markets. Also, at least 10 events will be held in selected regions¹⁴ to disseminate the model and its results midway and at the end of the execution period.
- 3.5 Any interested SMEX may take the export potential test, which will determine its potential to export a given product to the target market. The SMEXs that pass the export potential test will qualify for an assessment as part of Component 3 of this project.

¹⁴ It should be kept in mind that the project focuses on assisting SMEXs that are already exporting or are on the verge of doing so, of which there is a critical mass in the Federal Capital and in the provinces of Buenos Aires, Córdoba, Santa Fe, and Entre Ríos. The selection of other regions will be closely related to this concept. The possible inclusion of less developed regions will be considered when there is a sufficient critical mass of SMEs that are exporting or on the verge of doing so.

- 3.6 Ranking of markets and products: prior to dissemination activities, and due to the rapidly changing nature of foreign trade, a *market and product ranking methodology* will be used and adjusted each year as necessary. This methodology will be developed as part of the activities to create the *development model in the context of the Okita Report II update*. The aim is to find foreign trade opportunities—taking into account at all times the recommendations of the Okita Report update—based on demand in East Asian markets and the Argentine exportable supply. Any information on markets and products for which there is potential demand will be part of the eligibility criteria and will be subsequently conveyed to the SMEXs.¹⁵

Component 2. Design of tools and training of consultants (MIF: US\$52,000; MIF and counterpart: US\$31,500)

- 3.7 The objective of this component is to develop the tools necessary to focus interventions on those companies with the best prospects of gaining access to the target markets, and to monitor the impact at the company level; and to train consultants who will provide training and technical assistance to the companies. The main activities to be financed under this component include: (i) design of a test and methodology for assessing export potential; (ii) design of tools to monitor and measure results at the company level; and (iii) training of consultants.
- 3.8 Under this component, a document on export potential assessment will be produced; a system for monitoring and measuring results at the level of the beneficiary SMEXs will be devised; 75 consultants will be trained to assist companies in the execution of the business plan; and a document will be published describing how the model works and is implemented.

Component 3. Assistance to companies for market access (MIF: US\$1,165,200; Counterpart: US\$658,800)

- 3.9 The objective of this component is to provide SMEXs with the technical assistance they need to execute business plans designed to gain access to East Asian markets. The main activities to be financed under this component include: (i) cofinancing for the development of the export potential assessment and the corresponding business plans; and (ii) cofinancing for the technical assistance and training¹⁶ provided by local and international experts to companies to assist them in their market access objectives.¹⁷

¹⁵ In the interest of having up-to-date information on demand, in addition to the Japan-MERCOSUR Task Force, in which the institutions of the project's Advisory Board participate, traditional channels such as the Embassies will also be made available to it.

¹⁶ Short-term, low-investment services, as defined in the Glossary, will be financed.

¹⁷ The Operating Regulations will set out functional and strategic selection criteria that will be applied in the evaluation of business plans.

- 3.10 As a result of this component, it is expected that: technical assistance will be cofinanced for at least 300 companies to undergo the export potential assessment; 120 business plans¹⁸ will be developed and executed; 70 SMEXs will be able to gain access to target markets; and at least 80% of the beneficiary companies will rate the services received in the implementation of the *model* as good or very good.

IV. PROJECT COST AND FINANCING

- 4.1 The cost of the project is estimated at US\$3,085,600. The MIF will contribute US\$1,550,300 through nonreimbursable funds from Facility IIIa. The executing agency will contribute the balance of US\$1,535,300, of which at least 50% would be in cash. The MIF will finance the costs of technical assistance and training and part of the administrative costs. As part of the logistics costs, US\$113,400 is included in counterpart contributions for the cost of the Japanese experts provided by JICA to Fundación Okita. The estimated project budget is given in the following table.

(in U.S. dollars)

Components/budget categories	MIF contribution	Local contribution	Total
Personnel	97,200	189,000	286,200
Logistics	6,000	235,200	241,200
Component 1	83,300	328,180	411,480
Component 2	52,000	31,500	83,500
Component 3	1,165,200	658,800	1,824,000
Subtotal	1,403,700	1,442,680	2,846,380
Contingencies	61,600	42,620	104,220
Baseline, monitoring and evaluation system, and evaluations	50,000	50,000	100,000
Audit	20,000		20,000
TOTAL	1,535,300	1,485,300	3,020,600
Cluster coordination activities ¹⁹	15,000		15,000
GRAND TOTAL	1,550,300	1,535,300	3,085,600
Percentages (excluding cluster activities)	50%	50%	

¹⁸ A menu of technical assistance and training activities necessary to gain access to the target market of each SMEX, and organized into three areas: (i) compliance with rules to surmount technical, tariff, and paratariff barriers; (ii) adjustment of exportable supply; and (iii) development of appropriate logistics, distribution, and marketing channels. The Operating Regulations give examples of activities in each of these three areas.

¹⁹ This amount will be deducted from the total MIF contribution to the beneficiary when the technical cooperation agreement is signed, and will be used by the Bank for cluster coordination activities.

- 4.2 At the project level, sustainability is based on two factors: (i) the “model” to be used in all of the project components will generate a precedent that may be replicated in other regions of Argentina outside Buenos Aires by combining resources from the public and private sectors;²⁰ and (ii) from a financial sustainability perspective, the project will focus its attention on the annual rate of growth in sales revenues for services, which at the end of the execution period should equal the sum of 100% of the service costs plus 50% of the structural costs. The remaining 50% of the structural costs will be contributed by Fundación CANE.²¹ In this regard, Fundación CANE should present its sustainability strategy at a **sustainability workshop**, featuring the participation of Bank and executing agency representatives, one year prior to the end of the project. The objective of this workshop will be to examine the possibilities that the project may continue to be managed autonomously after MIF support has concluded.

V. EXECUTING AGENCY AND EXECUTION MECHANISM

- 5.1 The Fundación Centro Asesor para la Nueva Empresa [New Business Advisory Center Foundation] (Fundación CANE) is a nongovernmental, nonprofit organization founded in 1972 with a mission to make small and medium-sized enterprises more competitive. Fundación CANE will be the executing agency for the project. In the prior institutional analysis performed by the Bank, the foundation’s balance sheets were reviewed and reflected that it had the capacity to cover the project’s financial needs. In addition, it was determined that Fundación CANE has considerable experience in project management with international organizations and can gain access to the beneficiaries targeted in this project, but has limited experience in foreign trade, especially in East Asia. In order to ensure access to knowledge about the East Asian market, Fundación CANE will sign a cooperation agreement with Fundación Okita. Both institutions will sign the agreement with the Bank, Fundación CANE in its capacity as executing agency, Fundación Okita as its partner.
- 5.2 **Execution Mechanism:** The **Coordinating Unit** will be independent and will be based at Fundación CANE headquarters. A **Steering Committee** will be formed with representatives of Fundación CANE and a representative of Fundación Okita, and the main responsibility of this committee will be to select a project coordinator to be financed by the MIF, implement and comply with the project’s Operating Regulations, and supervise execution of the project through the approval of semiannual progress reports and annual work plans. Regular meetings of the Steering Committee will verify that the needs of the sector are being met through

²⁰ The feasibility of obtaining these resources will depend on achieving verifiable results and the access of participating SMEXs to target markets. In addition, the existing programs mentioned in paragraph 2.10 could supplement resources for activities that are necessary but ineligible under the project.

²¹ This is described in Document I in the technical files for the project.

the technical assistance activities included in the project design. Fundación CANE will contribute the counterpart funds as well as its experience with the SMEs that will be beneficiaries of this project. Fundación Okita will contribute the experience of its personnel and associated consultants²² in the East Asian market.

- 5.3 An **Advisory Board** will be formed, and renowned institutions with knowledge in this area will be invited to join it in order to ensure technical support with regard to exportable supply. Such institutions include Fundación Exportar, the Argentine Chamber of Export Companies, the Japan External Trade Organization (JETRO), the Argentine Association of Import-Export Companies, provincial organizations such as Promendoza and the Chamber of Export Companies of the Province of Córdoba, and other private sector organizations. Its main responsibilities will be: (i) to contribute domestic and international experience in foreign trade and the East Asian market as may be relevant to the project, and incorporate this experience into the initiatives being promoted; (ii) to provide advice and guidance on specific issues in this area; and (iii) to help identify, and eventually provide, additional technical assistance resources in support of the project.
- 5.4 **Execution period.** The project is expected to be executed in three years (36 months). The technical files for the project include a Gantt chart²³ to graph and monitor the 36-month execution period.
- 5.5 **Project readiness.** The project has been agreed upon in terms of its objectives, components, and activities. Also agreed upon are the main eligibility criteria for the various components and activities. The profiles of the members of the Coordinating Unit have been established, as well as a tentative schedule.
- 5.6 **Consulting services.** Consulting services will be selected and hired pursuant to pertinent Bank procedures (GN-2350-4, Policies for selection and contracting of consultants financed by the IDB). Four consulting firms and approximately 80 individual consultants are expected to be hired. Their selection will be based on quality and cost and any of the competitive methods set out in the aforementioned policy. The selection and contracting processes will be reviewed by the Bank on an ex post basis for contracts below US\$50,000. The procedures must ensure that all processes are transparent, competitive, and cost-effective, pursuant to applicable policies and procedures for MIF projects.²⁴
- 5.7 **Contracts for goods.** Fundación CANE will procure the goods provided for under the project in accordance with the provisions set out in document GN-2349-4,

²² Some of these consultants will be provided by JICA.

²³ Graphic representation of the project schedule.

²⁴ For the purpose of selecting and contracting consulting firms for amounts below the equivalent of US\$50,000, the selection and contracting procedures will be analogous to those used in the contracting of individual consultants.

Policies for the procurement of works and goods financed by the IDB. According to the policy, when the amounts involved fall below US\$100,000, limited bidding may be used for procurement and the Bank will review the procurement processes for goods involving amounts below US\$500,000 on an ex ante basis.

- 5.8 **Contracting plan.** Before the executing agency may issue any call for bids in the case of goods or request for proposals from consultants, it will submit the proposed project contracting plan to the Bank for review and approval. The plan is to include the estimated cost of each contract, the grouping of contracts, and the procurement or selection methods that apply pursuant to Bank policies. This plan will be updated every six months during project execution and every updated version will be submitted to the Bank for review and approval. The proposed contracting plan is attached as Annex V.

VI. MONITORING AND EVALUATION

- 6.1 The Bank's Country Office in Argentina will be responsible for supervision and control activities, for monitoring compliance with the terms of the contract, for processing disbursement requests, and for receiving the audited financial statements. Fundación CANE will submit semiannual status reports pursuant to the Bank's standard reporting requirements.²⁵ A **closing workshop** will be scheduled for the end of the execution period in order to evaluate the results achieved and the activities required to increase the project's impact.
- 6.2 Two annual audits and one final audit will be performed pursuant to applicable Bank policy. The Bank, in collaboration with the executing agency, will hire an expert at the beginning of the project to conduct the evaluations and to develop the baseline of indicators²⁶ and the system to monitor results; this consultant will also participate in the closing workshop. Two evaluations will be performed: the first when 50% of project funds have been disbursed, and the second one three months prior to the end of the project execution period. Based on the indicators in the Logical Framework and the project reports, the evaluations will determine whether there was any significant disparity in the execution of activities, recommend corrective actions, and emphasize the lessons learned and how these lessons can be shared among the projects in the Facilitation of International Trade and Investment cluster.

²⁵ Progress reports on 30 May and 30 November.

²⁶ The Japanese experts provided by JICA to Fundación Okita will work with this baseline consultant and this will be considered as counterpart contribution.

VII. BENEFITS AND RISKS

- 7.1 The project will help to develop and implement a standardized model that will help Argentine SMEXs gain access to the East Asian market for the products and in the sectors and segments identified and/or selected. The goal of the project will be to benefit 450 SMEs during the three-year execution period, and at least 30% of these SMEs will be located outside Buenos Aires. At the end of the project, at least 60% of the companies executing business plans will succeed in gaining access to the target markets (new exporter, new product, or new market). The regions where the project will operate are: (a) Federal Capital and province of Buenos Aires; (b) provinces of Córdoba, Santa Fe, and Entre Ríos; and (c) two others to be determined. About 75 consultants will acquire new skills and knowledge. Also, Fundación CANE and Fundación Okita will be indirect beneficiaries, since by the end of the project they will have tools and a new model to facilitate the provision of services.
- 7.2 **Risks.** One of the potential risks of the project is that a substantial change may occur in the markets identified in the Okita Report. A second risk is that there may not be a critical mass of companies that can supply the exportable products proposed in the Okita Report. A third risk is that the SMEXs may not have sufficient resources for cofinancing. These risks will be mitigated by the participation of the Japanese experts provided by JICA through Fundación Okita; by efforts to raise awareness among companies; and by the use of selection criteria and tools to target interventions to companies and sectors with good chances of success.

VIII. SOCIAL AND ENVIRONMENTAL IMPACT

- 8.1 Due to the nature of this operation, no direct social or environmental impact is anticipated. Based on the recommendation of the Committee on Environment and Social Impact (CESI), participation by women and ethnic minorities will be promoted by including these two variables in the criteria for selecting consultants and companies to participate in the project and in the design of the tools. Also, the export potential test will include considerations related to environmental management, clean production, and social impact. In addition, the business plans will require companies to commit to compliance with the Bank's environmental guidelines.

**SME PRODUCTS IN EAST ASIA
(AR-M1006)**

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GOAL			
To help Argentine SMEs become more competitive in exporting to the East Asian market.	Three years after the project is completed: <ul style="list-style-type: none"> – The value of exports by Argentine companies to these markets increases; – the number of companies exporting to these markets increases; and – the number of products and markets served by these companies increases. 	Ex post project evaluation. Customs information systems.	The macroeconomic environment and sector policies promoting the pro-exports reactivation of production are maintained. A competitive exchange rate is maintained. The recommendations in the Okita report update remain valid.
PURPOSE			
Model developed and systematically implemented, providing access for Argentine SMEXs products, sectors, and segments identified and/or selected by the project in the East Asian market.	By the end of the project, at least 70 companies (60%) that executed the business plans succeed in reaching the target markets (new exporter, new product, or new market). By the end of the project, at least 360 (80%) of the beneficiary companies believe that the services received as part of the project were satisfactory for creating export capacity to target markets. By the end of the project, there is a methodological document (model) detailing the model designed as a support and reference tool for exporting to the target markets.	Baseline. ¹ Midterm evaluations and final evaluation by outside consultant. Project completion report. Inspection visits by the sector specialist. PPMR. Progress and final reports by executing agency. Final survey conducted by the executing agency. Documentation of model design.	Argentine SMEXs are interested in the project and in exporting to target markets using the proposed model and in the framework of the Okita report update.

¹ To be developed according to the terms of reference of the evaluating Consultant/Consulting Firm for development of the baseline, design of the project monitoring system, and midterm and final evaluations.

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
COMPONENTS			
<p>1. Awareness and dissemination</p> <p>The “SME Products in East Asia” project promoted participation by SMEXs, and the results and lessons/good practices of the project were disseminated.</p>	<p>1.1 At least 1,500 SMEs participate in activities to disseminate the model throughout the country.</p> <p>1.2 At least 450 of the companies participating in the events are eligible for the export potential test, based on the criterion that they require short-term, low-cost interventions to penetrate new markets.</p> <p>1.3 Results are disseminated in at least 10 events midway and at the end of the project execution period.</p>	<p>Progress reports.</p> <p>Final report by the executing agency.</p> <p>Project completion report.</p> <p>PPMR.</p> <p>Inspection visits by the sector specialist.</p> <p>Midterm and final evaluations.</p> <p>Lists of companies participating in the awareness and dissemination activities (events, workshops, seminars, workshops, etc.) in a database.</p>	<p>A critical mass is maintained of companies related to the proposed exportable products in the framework of the Okita report update.</p>
<p>2. Design of tools (for assessing export potential, monitoring, and measurement); and training of consultants</p> <p>Two tools (assessment and measurement system) designed; consultants trained; and the model developed for the project, documented.</p> <p><i>Tools: (a) assessment (to evaluate a company’s export potential to East Asian markets); and (b) a system for measuring results in the SMEXs.</i></p> <p><i>Training: to assist in the implementation of business plans.</i></p>	<p>2.1. There is a document for assessing export potential.</p> <p>2.2. There is documentation from the system for monitoring and measuring results for the beneficiary SMEXs.</p> <p>2.3. Seventy-five consultants are trained (two courses).</p>	<p>Baseline report.</p> <p>Course attendance records in the project database.</p> <p>Reports on assessment of export potential per SME.</p> <p>Database with ratings of participating consultants.</p> <p>Inspection visits by the sector specialist.</p> <p>Progress reports.</p> <p>Project completion report.</p> <p>PPMR.</p>	<p>There are enough instructors to teach the courses.</p>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>3. Assistance to companies for market access</p> <p>Technical assistance necessary to execute business plans provided to the SMEXs to execute business plans designed to gain access to East Asian markets.</p>	<p>3.1 At least 300 companies perform assessment.</p> <p>3.2. Up to 50% of the technical assistance projects of 120 SMEs are cofinanced.</p> <p>3.3. At least 240 (80%) of the beneficiary companies rate the services rendered as good or very good.</p>	<p>Cofinancing record.</p> <p>Record of services and documentation of consultants hired.</p> <p>Consulting contracts.</p> <p>Progress reports and final report by executing agency.</p> <p>Midterm and final evaluations by outside consultant.</p> <p>Audit report.</p> <p>Project completion report.</p> <p>Inspection visits by sector specialist.</p> <p>PPMR.</p> <p>Service satisfaction survey.</p> <p>Model developed and available.</p>	<p>The SMEs in question participate and provide timely and appropriate information.</p> <p>Participating SMEs have sufficient resources for cofinancing.</p> <p>The conditions described in the Okita report remain unchanged.</p>
ACTIVITIES			
<p>1. Awareness and dissemination</p> <p>1.1 Events to raise awareness among SMEXs.</p> <p>1.2 Administration of export potential test.</p> <p>1.3 Marketing strategy.</p> <p>1.4 Events to disseminate results.</p>	<p>(i) 100 events to raise awareness among SMEXs (40/50/10) in years 1/2/3.</p> <p>(ii) 450 companies complete the export potential test in years 1/2/3.</p> <p>(iii) 30 workshops (12/18) in years 1 and 2.</p> <p>(iv) 20 courses to raise awareness and provide general training on markets (7/10/3) in years 1/2/3.</p> <p>(v) Telemarketing activities conducted continuously for the three years of the project.</p>	<p>Report on events and attendance records of beneficiaries in each region.</p> <p>Inspection visits by the sector specialist.</p> <p>Semiannual and final reports by the executing agency.</p> <p>Midterm and final evaluations by outside consultant.</p> <p>PPMR.</p> <p>Project completion report.</p>	<p>Qualified experts are available.</p> <p>A critical mass is maintained of companies related to the exportable products identified in the Okita report update.</p>

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	(vi) A project webpage as of month 6, continuously updated. (vii) Strategy and publication of publicity tools designed by month 6. (viii) 10 events in specific regions to disseminate results (5/5) in month 24 and upon completion of the project.		
2. Design of tools (for assessing export potential, monitoring, and measurement); and training of consultants 2.1 Design of test and methodology for assessing export potential. 2.2. Design of tools for monitoring and measuring results at the company level. 2.3. Training of consultants.	(i) Export potential test form prior to month 6. (ii) Export potential assessment form prior to month 6. (iii) Monitoring and measurement system report prior to month 6. (iv) Design of consultant training. (v) Consultant training manual published prior to month 6. (vi) Call for proposals from consultants issued prior to month 6. (vii) Preselection of consultants prior to month 6. (viii) Consultants selected and approved prior to month 9.	Consulting contracts. Manual published. Inspection visits by the sector specialist. Semiannual and final reports by the executing agency. Midterm and final evaluations by outside consultant. PPMR. Project completion report.	Qualified experts are available. There is a sufficient number of SMEs from which to choose.

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
3. Assistance to companies for market access 3.1. Cofinancing for the development of the export potential assessment and corresponding business plans. 3.2. Cofinancing for consulting by international experts for providing technical assistance and training to companies for market access.	(i) Cofinanced technical assistance provided to at least 300 companies for assessing export potential (50 by the end of the first year, 150 by the end of the first six months of the second year, and 100 by the end of the first six months of the third year). (ii) 120 business plans developed (year 2) and under execution in years 2 and 3. (iii) 70 SMEs gain access to target markets by the end of the project. (iv) At least 80% of beneficiary companies rate the services they received as good or very good.	Financial reports. Semiannual and final reports by executing agency. Inspection visits by the sector specialist. Midterm and final evaluations by the outside consultant. Satisfaction surveys. PPMR. Project completion report.	Qualified experts are available. A sufficient number of SMEs has been obtained to provide cofinancing. The SMEs maintain their interest. The macroeconomic conditions and the conditions described in the Okita report remain unchanged.

**SME PRODUCTS IN EAST ASIA
AR-M1006**

	MIF US\$	Local contribution US\$	TOTAL US\$
Executing agency and logistics	103,200	424,200	527,400
Executing agency	97,200	189,000	286,200
Project coordinator (36 months, general coordination)	97,200		97,200
Project director (42 months)		147,000	147,000
Administrative/accounting support (42 months)		42,000	42,000
Logistics and equipment	6,000	235,200	241,200
Equipment	6,000	16,800	22,800
Logistics		218,400	218,400
1. Project awareness and dissemination	83,300	328,180	411,480
Events to raise awareness among SMEs (100 events, four hours each)	35,500	141,000	176,500
Workshops (30 events, two hours each)	3,000	52,100	44,300
Dissemination and general training courses (20 courses, 16 hours each)	8,000	34,600	42,600
Marketing strategy	35,200	94,680	129,880
Events to disseminate results (10 events)	1,600	16,600	18,200
Component 2: Design of tools and training of consultants	52,000	31,500	83,500
I) Design of export potential assessment (includes test)	7,500		7,500
II) Design of company-level monitoring and measurement tool	7,500		7,500
III) Documentation of model	5,000		5,000
IV) Training of consultants (three courses, 80 hours each)	32,000	31,500	63,500

	MIF US\$	Local contribution US\$	TOTAL US\$
Component 3: Assistance to companies for market access	1,165,200	658,800	1,824,000
Training and assessment coordinator (36 months)	72,000		72,000
Export potential assessment (300)	90,000		90,000
Business plans			
50% cofinancing (120)	600,000		600,000
Consultants (24 professionals x 12 months x US\$1500)	403,200	28,800	432,000
International expert consultants provided by Fundación Okita through agreement with JICA (3)		630,000	630,000
SUBTOTAL	1,403,700	1,442,680	2,846,380
Contingencies	61,600	42,620	104,220
Baseline, M&E system and two evaluations	50,000	50,000	100,000
Audit	20,000		20,000
TOTAL	1,535,300	1,535,300	3,070,600
Cluster coordination activities	15,000		15,000
GRAND TOTAL	1,550,300	1,535,300	3,085,600
Percentages (excluding cluster activities)	50%	50%	100%

**RELATED PROJECTS
SME PRODUCTS IN EAST ASIA
(AR-M1006)**

A. Similar or related MIF projects

None.

B. Similar or related Bank projects

None.

C. Projects related to the same sector or beneficiaries

Project number and date of approval	Project title, executing agency, and amount	Date of signature and disbursement period in months	Amount disbursed	Comments
ATN/ME-7157-AR 4 October 2000	Export market diversification program for small enterprises Fundación Banco Credicoop US\$1,700,000 MIF contribution	18 December 2000 42 months (original) 54 (with 12-month extension)	63%	The project is rated satisfactory. So far, the program's progress, as set out in the "Current Status and Prospects" section, indicates that the performance indicators are being met. There have been no significant changes in the assumptions that could negatively affect achievement of the project's objectives.
ATN/MH-7355-AR 7 March 2001	Quality standards and certification program Organismo Argentino de Acreditación (OAA) US\$1,637,000 MIF contribution	18 September 2002 42 months	26%	The project is rated satisfactory. So far, the program's progress, as set out in the "Current Status and Prospects" section, indicates that the performance indicators are being met. There have been no significant changes in the assumptions that could negatively affect achievement of the project's objectives.

Project number and date of approval	Project title, executing agency, and amount	Date of signature and disbursement period in months	Amount disbursed	Comments
ATN/ME-8352-AR 25 June 2003	System for facilitating international market access by small and medium rural producers Fundación Fortalecer US\$1,490,000 MIF contribution	15 September 2003 42 months	19%	The project is rated satisfactory. There have been no significant changes in the assumptions that could negatively affect achievement of the project's objectives.

D. Projects in the trade and investment cluster

Project number and date of approval	Project title, executing agency, and amount	Date of signature and disbursement period in months	Amount disbursed	Comments
ATN/MT-7080-RG 11 July 2000	Implementation of custom procedures to expedite international business in Latin America and the Caribbean Inter-American Center of Tax Administration (CIAT) US\$3,000,000 MIF contribution	25 September 2000 60 months	100%	The project was completed satisfactorily.
ATN/MT-7123-RG 1 September 2000	Investment frameworks in the Caribbean Community: Towards a regionally harmonized best practice regime Caribbean Community (CARICOM) US\$410,000 MIF contribution	27 October 2000 47 months	81%	The project's disbursement period is over. A disbursement period extension was approved to complete payment for pending consulting services. The activities were carried out in a satisfactory way.
ATN/MT-7957-RG 24 July 2002	Support of agricultural trade through the harmonized regional application of sanitary and phytosanitary measures International Regional Organization for Plant and Animal Health (OIRSA) US\$1,510,000 MIF contribution	22 October 2002 48 months	54%	The project is rated satisfactory. The coordinators in the eight countries have been hired and the consulting services to identify services and review legislation have been contracted efficiently and transparently. It is worth noting that the assumptions have been confirmed in a positive way. The executing unit is operating efficiently and satisfactorily.

Project number and date of approval	Project title, executing agency, and amount	Date of signature and disbursement period in months	Amount disbursed	Comments
ATN/MT-8026-RG 25 September 2002	Modernization of customs and border crossings Secretariat of the General Treaty on Central American Economic Integration US\$2,015,000 MIF contribution	22 August 2003 36 months	10%	With the exception of the delay with the CABI counterpart, project execution has been on schedule and consistent with the logical framework.
ATN/MT-8225-RG 19 February 2003	Overcoming technical barriers to trade through strengthening accreditation systems Mexican Accreditation Entity US\$495,000 MIF contribution	22 May 2003 30 months	35%	The project is rated unsatisfactory. While in terms of the activities, progress is around 50%, in terms of disbursements, the 35% progress is low because the main consulting activities have not been executed and the estimated costs for the project are higher than the costs actually being obtained.
ATN/ME-8352-AR 25 June 2003	System for facilitating international market access by small and medium rural producers Fundación Fortalecer US\$1,500,000 MIF contribution	15 September 2003 42 months	19%	The project is rated satisfactory. There have been no significant changes in the assumptions that could negatively affect achievement of the project's objectives.
ATN/ME-8533-RG 3 December 2003	Market access and integration through technical standards Colombian Institute of Technical Norms and Accreditation US\$2,790,940 MIF contribution	8 June 2004 42 months	6%	The project is rated satisfactory. The agreement was signed on 15 June 2004 and was eligible for disbursement in September 2004. So far, the program has been preparing the activities that will make it possible to reach the proposed targets in the time allotted. All the assumptions continue to be very likely to occur.
ATN/ME-8532-RG 3 December 2003	Market access and integration through technical standardization Uruguayan Institute of Technical Norms (UNIT) US\$2,498,120 MIF contribution	7 July 2004 54 months	20%	The program is rated satisfactory. Execution is getting started and involvement of all subexecuting agencies in the program is promising. Conditions precedent were fulfilled in five months, which is satisfactory, in view of the fact that this is a regional program being executed in four countries.

Project number and date of approval	Project title, executing agency, and amount	Date of signature and disbursement period in months	Amount disbursed	Comments
ATN/ME-8530-EC 3 December 2003	Program to mitigate market access barriers under the Andean Trade Preference Act Export and Investment Promotion Corporation (CORPEI) US\$1,323,492 MIF contribution	2 April 2004 36 months	2%	The program is rated satisfactory. The phytosanitary control aspects have been duly disseminated and the means to apply them have been established and are applicable through the direction of participating institutions. Maintenance of the inter-agency agreements reached and the participation and compliance on the part of the National Plant and Animal Health System of Ecuador (SESA) and CORPEI, with support from the Animal and Plant Health Inspection Service (APHIS), strongly guarantee their application for program execution and for achievement of targets and objectives.
ATN/MT-8694-RG 28 April 2004	Strengthening the private sector's role in the Caribbean Community's external trade negotiations Caribbean Community US\$1,060,500 MIF contribution	1 July 2004 42 months	12%	The project is rated satisfactory. The Caribbean Regional Negotiating Machinery (CRNM) has begun the activities necessary to comply with conditions precedent to the first disbursement.
ATN/ME-8950-UR 17 November 2004	Positioning of agricultural producer groups in export markets Asociación Empretec del Uruguay US\$890,000 MIF contribution	21 December 2004 42 months	0%	The conditions precedent to the first disbursement were expected to be met by the second half of January 2005, and actual execution of the program will begin through the work with the producers and groups already identified.
ATN/ME-8974-CH 1 December 2004	Helping SMEXs to capitalize on trade agreements ProChile of the Ministry of Foreign Relations and Santiago Chamber of Commerce (CCS) US\$2,075,000 MIF contribution	N/A 42 months	0%	Signature of agreement pending.
ATN/ME-8976-RG 1 December 2004	SME competitiveness through technical standardization in Central America, the Dominican Republic, and Panama Instituto de Normas Técnicas de Costa Rica (INTECO) US\$2,521,684 MIF contribution	21 de March 2005 42 months	0%	Fulfillment of conditions precedent is under way.

Project number and date of approval	Project title, executing agency, and amount	Date of signature and disbursement period in months	Amount disbursed	Comments
ATN/ME-8990-RG 8 December 2004	Strengthening market access for SMEs in Caribbean agri-food industry Caribbean Agribusiness Association (CABA) US\$2,648,772 MIF contribution	N/A 42 months	0%	Signature of agreement pending.
ATN/ME-8991-RG 8 December 2004	Promoting SME competitiveness through technical standards CARICOM Regional Organization for Standards and Quality (CROSQ) US\$1,276,635 MIF contribution	N/A 42 months	0%	Signature of agreement pending.

E. MIF portfolio in Argentina

MULTILATERAL INVESTMENT FUND

ARGENTINA MIF PORTFOLIO

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-25	TC9406035	ATN/MT-4742-AR	Water Sector Reform for Mendoza	MMAUV	I	7-Dec-94	Completed	795,000	100.00
2	MIF/AT-25	TC9410218	ATC/MT-4743-AR	Water Sector Reform for Mendoza	MMAUV	I	7-Dec-94	Completed	464,647	100.00
3	MIF/AT-36	TC9404063	ATN/ME-4851-AR	Network of Business Services Centers Program	UIA	IIIa	15-Feb-95	Completed	7,009,931	100.00
4	MIF/AT-66	TC9410169	ATN/MT-5080-AR	Guarantee System for Small and Medium Enterprise	MEOSP	I	29-Nov-95	Completed	560,686	100.00
5	MIF/AT-106	TC9501421	ATN/ME-5441-AR	Program for Assistance to Small Rural Producers	FAA	IIIa	11-Dec-96	Completed	3,000,000	100.00
6	MIF/AT-114	TC9501413	ATN/ME-5489-AR	Microenterprise Support Services Program	CGEE	IIIa	5-Feb-97	Completed	1,900,000	100.00
7	MIF/AT-134	TC9609184	ATN/MT-5613-AR	Regulatory Agency for Water - Sante Fe	ENRESS	I	25-Jun-97	Completed	434,782	100.00
8	MIF/AT-150	TC9707053	ATN/ME-5765-AR	Advisory Center for New Businesses	FMAYO	IIIa	19-Nov-97	Completed	2,500,000	100.00
9	MIF/AT-174	TC9704059	ATN/MT-5976-AR	Water Regulatory Agency - Buenos Aires Province	ORBAS	I	27-May-98	Cancelled	0	0.00
10	MIF/AT-182	TC9704075	ATN/MH-6026-AR	Human Resource Management System	FUE	II	26-Jun-98	In execution	2,502,500	99.92
11	MIF/AT-195	TC9805188	ATN/MH-6096-AR	Institutional Strengthening for Consumer Protection	ADELCO	II	11-Aug-98	Completed	241,680	100.00
12	MIF/AT-213	TC9806326	ATN/MT-6261-AR	Strengthening Water & Sanitation Sector Privatization	ENOHSA	I	24-Nov-98	In execution	475,000	71.62
13	MIF/AT-263	TC9710163	ATN/MT-6574-AR	Strengthening Competition Protection	CNDC	I	7-Jul-99	Completed	14,315	100.00
14	MIF/AT-273	TC9812069	ATN/MH-6605-AR	Worker Skills Certification Program	MTSS	II	4-Aug-99	In execution	3,677,000	72.83
15	MIF/AT-274	TC9810202	EQU/MS-6633-AR	Equity Fund for Small Enterprises	BCOOBAB	IIIb	1-Sep-99	In execution	6,000,000	21.43
16	MIF/AT-274	TC9810210	ATN/ME-6632-AR	Equity Fund for Small Enterprises	BCOOBAB	IIIa	1-Sep-99	Completed	90,310	100.00
17	MIF/AT-299	TC9710197	ATN/NO-6737-RG	Support to Small Retail Industry	CAME	IIIa	5-Nov-99	Completed	7,033	100.00

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
18	MIF/AT-299	TC9710197	ATN/ME-6718-AR	Support to Small Retail Industry	CAME	IIIa	5-Nov-99	In execution	1,400,000	93.88
19	MIF/AT-314	TC9806269	ATN/MH-6958-AR	Regional Employment Program for the Blind	FAICA	II	26-Apr-00	In execution	626,900	84.60
20	MIF/AT-322	TC9812068	ATN/MT-6953-AR	National Network of Mediation and Arbitration Centers	CARCO	I	26-Apr-00	In execution	990,000	51.33
21	MIF/AT-335	TC9905056	ATN/MH-7046-AR	Training Program for Energy Regulators in MERCOSUR	CEARE	II	12-Jul-00	In execution	680,000	81.39
22	MIF/AT-338	TC9907008	ATN/MH-7063-AR	Occupational Health and Safety Program	FPSST	II	26-Jul-00	In execution	2,300,000	63.28
23	MIF/AT-360	TC9910075	ATN/ME-7157-AR	Market Diversification for Small Enterprises	BCOOBAB	IIIa	4-Oct-00	In execution	1,690,000	58.08
24	MIF/AT-396	TC9812067	ATN/MH-7355-AR	Quality Standards and Certification	OAA	II	7-Mar-01	In execution	1,024,000	56.98
25	MIF/AT-396	TC0102048	ATN/MH-7356-AR	Quality Standards and Certification	FNC	II	7-Mar-01	In execution	613,000	20.41
26	MIF/AT-423	TC0012079	ATN/ME-7514-AR	Support for Small Enterprises in Non-Traditional Sectors	LEATID	IIIa	18-Jul-01	In execution	836,000	34.27
27	MIF/AT-434	TC0103048	ATN/MH-7595-AR	Private Sector Labor Intermediation Program	AMIA	II	19-Sep-01	In execution	1,730,000	27.70
28	MIF/AT-479	TC0101063	ATN/ME-7925-AR	Local Development and Small Firm Competitiveness Program	FUNDES	IIIa	26-Jun-02	In execution	1,860,000	19.99
29	MIF/AT-511	TC0204019	ATN/ME-8112-AR	Development Production Chains Province Córdoba	ADEC	IIIa	20-Nov-02	In execution	1,082,640	15.84
30	MIF/AT-517	TC0110053	ATN/ME-8129-AR	Indust. Ecoefficiency Dev. Program	FEM	IIIa	4-Dec-02	In execution	940,000	9.80
31	MIF/AT-528-1	TC0205020	ATN/ME-8352-AR	System Facilitating International Market Access by Small Rural Producers	FORTALECER	IIIa	25-Jun-03	In execution	1,500,000	12.54
32	MIF/AT-555	TC0305019	66/MS-AR	Expansion and Strengthening of FIE Gran Poder S. A.	FIE	IIIa	19-Nov-03	Approved	2,000,000	0.00
33	MIF/AT-555	TC0305019	67/MS-AR	Expansion and Strengthening of FIE Gran Poder S. A.	FIE	IIIa	19-Nov-03	Approved	200,000	0.00
34	MIF/AT-555	TC0305019	ATN/ME-8510-AR	Expansion and Strengthening of FIE Gran Poder S. A.	FIE	IIIa	19-Nov-03	In execution	390,640	10.00

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
35	MIF/AT-595	AR-M1001	ATN/ME-8762-AR	Making SMEs in the metallurgical sector more productive through ICTs	ADIMRA	IIIa	7-Jul-04	Approved	885,000	0.00
36	MIF/AT-617-1	AR-M1003	EQU/MS-8917-AR	Small Loan Facility for SMEs in Argentina	FDLC	IIIb	27-Oct-04	Approved	5,000,000	0.00
37	MIF/AT-617-1	AR-M1003	ATN/ME-8916-AR	Small Loan Facility for SMEs in Argentina	FDLC	IIIb	27-Oct-04	Approved	500,000	0.00
38	MIF/AT-637-1	AR-M1007	ATN/ME-9076-AR	Government E-Procurement Support for SMEs - B2G	APYME	IIIa	2-Feb-05	Approved	696,281	0.00
39	MIF/AT-638-1	TC0305018	ATN/ME-9079-AR	Development of an Entrepreneurial Culture	FGP	IIIa	2-Feb-05	Approved	780,000	0.00
							Total MIF Amount		57,397,346	

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

PROPOSED RESOLUTION

Argentina. Nonreimbursable Technical Cooperation for SME Products in East Asia

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 Fundación CANE, 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 SME products in East Asia.

2. That up to the amount of US\$1,550,300, or its equivalent in other convertible currencies, shall be authorized for the purpose of this resolution, chargeable to the technical cooperation resources of the Small Enterprise Development Facility of the Multilateral Investment Fund.

3. That the above-mentioned sum is to be provided on a nonreimbursable basis.