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MULTILATERAL INVESTMENT FUND

**ARGENTINA**

**TERRITORIAL DEVELOPMENT PROGRAM IN THE  
CÓRDOBA METROPOLITAN AREA**

**(AR-M1042)**

**DONORS MEMORANDUM**

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## ABBREVIATIONS

ADEC	Agencia para el Desarrollo Económico de la Ciudad de Córdoba [City of Córdoba Economic Development Agency]
AWP	Annual work plan
ha	Hectares
INTA	Instituto Nacional de Tecnología Agropecuaria [National Agricultural Technology Institute]
INTI	Instituto Nacional de Tecnología Industrial [National Industrial Technology Institute]
MAC	Mercado de Abasto de Córdoba [Córdoba wholesale fruit and vegetable market]
MSMEs	Micro, small, and medium-sized enterprises
OR	Operating Regulations
PEU	Project execution unit
PSR	Project status report
R+D+i	Research+Development+innovation
SENASA	Servicio Nacional de Sanidad de Alimentos [National Food Health Service]
SICOFHOR	Sistema de Control de Frutas y Hortalizas Frescas [Fresh Fruits and Vegetables Control System]
SIMPLEd	Sistema de Monitoreo de la Familia de Proyectos de Promoción de la Competitividad Local [Monitoring System for the “Promotion of Local Competitiveness” Cluster]

**TERRITORIAL DEVELOPMENT PROGRAM IN THE  
CÓRDOBA METROPOLITAN AREA**

**(AR-M1042)**

**I. EXECUTIVE SUMMARY**

<b>Beneficiary and executing agency:</b>	Agencia para el Desarrollo Económico de la Ciudad de Córdoba [City of Córdoba Economic Development Agency] (ADEC)	
<b>Beneficiaries:</b>	The project beneficiaries will be principally the small and medium-sized enterprises that produce primary and industrial goods and services, operating in, and with, the major sectors of the province of Córdoba. Additional beneficiaries will be public institutions, particularly the Municipality of Córdoba, as well as universities, technical schools, boards of trade and business, and public and private research centers, which will be better able to coordinate with the local productive system, and better educated about the sectors covered by the project.	
<b>Financing:</b>	MIF <sup>1</sup>	US\$1.8 million (50%)
	Local counterpart	<u>US\$1.8 million (50%)</u>
	Total	US\$3.6 million (100%)
<b>Objectives:</b>	The project's <b>goal</b> is to contribute to the competitive development of the Córdoba metropolitan area in economic, social and environmental terms. Its <b>purpose</b> is to make the business sector more competitive in the Córdoba metropolitan area through an integrated local development process driven by productive and organizational innovation and institutional capacity-building.	
<b>Execution schedule:</b>	Execution: 36 months Disbursement: 42 months	
<b>Special contractual conditions:</b>	As conditions precedent to the first disbursement, the executing agency will provide the following, to the Bank's satisfaction: (i) appointment of the Project Coordinator; (ii) membership of the Steering Committee and the Management Oversight Committee; (iii) the annual work plan and procurement plan for year one of the project; and (iv) the project Operating Regulations.	
<b>Exceptions to Bank</b>	None.	

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<sup>1</sup> The MIF contribution includes 0.5% of the MIF contribution subtotal for the ex post impact evaluation, and US\$25,000 for "Promotion of Local Competitiveness" cluster activities.

**policies****Environmental and social review:**

The Environmental and Social Impact Review Secretariat (ESR) classified the project as category “C” at its 30 October 2008 meeting. The suggestion to introduce integrated pest management practices was incorporated into paragraph 3.4.

**Coordination with other donors:**

No other donors are working in this area in Córdoba.

## II. BACKGROUND AND RATIONALE

### A. Frame of reference

- 2.1 The Province of Córdoba is Argentina's third economic hub after Buenos Aires and Santa Fe, contributing 8.09% of the national GDP in 2006. In 2005, there were 1.4 million inhabitants in the city of Córdoba, which is the provincial capital (42% of the total population of the Province). The metropolitan area comprises 26 municipios. Micro, small, and medium-sized enterprises (MSMEs) are the principal players both in production (96%) and job creation (64%). Two key productive sectors stand out:
- 2.2 (i) **The fruit and vegetable sector.** The capital is the province's leading producer of vegetables. Its 560 square kilometers of communal farmland is crossed by two irrigation canals, North and South, that supply water to two fruit and vegetable growing areas. These areas—known as the “Green Belt”—account for 10% of the city's gross output (2005 data). They cover 33,000 hectares of cultivated land devoted to vegetable crops, fruits, feed grains, and animal husbandry. A total of 26,000 hectares are under irrigation, of which some 20,000 hectares are used for fruit and vegetable crops (more than 50%), managed by some 1,100 establishments employing more than 7,000 workers. In addition, more than 4,000 people work as wholesalers, retailers, and providers of loading, unloading and transportation services. These figures underscore the social importance of this labor-intensive production.
- 2.3 The largest group within the sector consists of some 370 growers of leaf vegetables requiring labor-intense farming on family plots of about 10 hectares. The institutional fabric of this group is the foundation for collective actions involving the municipal wholesale fruit and vegetable market (Mercado de Abasto Municipal), which supplies the city with fresh produce and controls food safety. There is also a root crop vegetable disinfection and bagging plant supplying the domestic and export markets, and a transport crate washing and disinfection facility. There are eight other entities ranging from federations to boards of trade, consortia, and cooperatives whose activities revolve around the market.
- 2.4 However, the sector is lagging, resulting in losses of about one third of the production, due to lack of processing activities, scant market data, and food safety problems caused by inadequate pre- and postharvest handling. In general, small farmers have no contact with researchers able to introduce improvements, diversify or apply new production criteria in keeping with international standards. Moreover, most farmers operate informally and, in general, do not comply with occupational safety standards.
- 2.5 (ii) **The technology sector and the Research, Development and Innovation (R+D+i) system.** Industrial production accounts for 27% of the gross output of the City of Córdoba, with two sectors—food and the heavy engineering industry—generating 80%. The spread of mechanical engineering technology has driven the expansion of local heavy capital goods plants that produce equipment for mining,



the food industry, transportation and power generation. Today, there are over 100 firms in the electronics sector, including producers of light capital goods such as equipment for electromedicine, telecommunications, telecontrol, industrial automation, security and power transmission. The information technology sector, comprising some 150 firms, has the capacity to support production-enhancing processes.

- 2.6 In addition to these two sectors, there are research groups at six universities, the National Agricultural Technology Institute (INTA), the National Industrial Technology Institute (INTI), the National Food Health Service (SENASA), and the 14 scientific institutes of the Argentine National Scientific and Technical Research Council (CONICET).

## **B. Rationale and opportunities**

- 2.7 Project feasibility was verified via a consulting engagement financed with resources from the Bank's Italian Cooperation Fund. The consultants confirmed that, although a city like Córdoba does possess advantages that rank it third in the nation, the various support initiatives have been uncoordinated, failing to leverage productive sector synergies. In particular, the transfer of knowledge from academia to producers is difficult to achieve because the work is not coordinated with the private sector, especially with smaller enterprises. It therefore makes sense to consider a cross-sector connection between the local technology sector and other productive sectors, in particular fruit and vegetable farmers, as a supplier of products and services capable of adding innovation through the development of more advanced machinery or management control systems adapted to MSMEs.
- 2.8 The challenges facing fruit and vegetable producers include: (i) promoting collective actions to enhance production and marketing processes by improving food quality, the health of rural workers, and environmental conservation; and (ii) increasing the export capacity for select products, involving the public sector, academia and other institutions able to help improve the quality of life of the population by increasing food security.
- 2.9 The public sector, for its part, under the direction of the municipal authorities, is launching a modernization process calling for civil servant training and management, information services for MSMEs, a municipal procurement program to promote local development, and a one-stop window for enterprise information and registration. Today, the licensing process for a business can take 6 to 18 months—clearly a bottleneck for the promotion of private sector competitiveness.
- 2.10 The MIF's intervention will support the process begun by Agencia para el Desarrollo Económico de la Ciudad de Córdoba [City of Córdoba Economic Development Agency] (ADEC) to improve territorial competitiveness in Córdoba through the development of successful industry clusters, and create a climate of innovation in areas of high economic and social impact. The existence of the Green Belt as an extensive undeveloped area offers Córdoba the opportunity to foster

productive activity with interspersed buffer areas and areas for cultural and environmental exchange. This project addresses priority issues for the city's development as described in its strategic plan, relating to: (i) direct support to a lower-income group of farmers with productive capacity but high levels of informality and losses in their marketing practices; (ii) improved municipal management of dealings with the business sector; and (iii) the use of territorial competitive advantages that stem from the existence of a potential stock of producers and the promotion of innovations in technology and machinery suited to farmers needs, through linkages between the productive sector and training, research and development centers.

- 2.11 The project is part of the MIF "Promotion of Local Competitiveness" cluster, and as such adopts a concept of competitiveness that involves not only enterprises or systems of enterprises, but their territorial context in a more integrated manner. This calls for governance based on public-private cooperation and institutions possessing the knowledge and technology to conduct activities of a collective or "public" nature.
- 2.12 **The Bank's strategy.** The project is consistent with the objectives of the Bank's country strategy with Argentina, which seeks to create a more favorable climate for investment and productivity growth, enhancing the country's competitiveness, with a focus on support to the productive sector for a revival of investment, creation of positive incentives for a reduction in informality and job creation in the formal sector, and modernization of technological innovation and development systems.

### III. DESCRIPTION

#### A. Objectives

- 3.1 The project's **goal** is to contribute to the competitive development of the Córdoba metropolitan area in economic, social and environmental terms. Its **purpose** is to make the business sector more competitive in the Córdoba metropolitan area through an integrated local development process driven by productive and organizational innovation and institutional capacity-building.

#### B. Components

- 3.2 The project takes a territorial approach to promote integration of the productive sectors in Córdoba, and their integration with the public and private institutions supporting business development.

**Component 1. Sustainable development of the Fruit and Vegetable Production Park of the Córdoba metropolitan area, and of Green Belt products (MIF: US\$512,400; Counterpart: US\$424,800)**

- 3.3 This component has two key subcomponents. Subcomponent 1, *Development and promotion of a production park* in the Green Belt area, will undertake organizational, logistical and commercial activities to promote the city and producers alike, so that the area will become productive as well as attractive to

consumers and visitors. The following initiatives will be supported: (i) design and develop the Green Belt Production Park; (ii) develop a brand to identify Park products; (iii) train supply chain operators (from producer to consumer) to enhance the economic and social value of the Park and its products; and (iv) develop a recreational and educational promotion plan.

- 3.4 Subcomponent 2, *Green Belt products*, will aim to enhance production conditions and make small and medium-sized fruit and garden vegetable producers more competitive by adding value in production. A partnership approach will be adopted, working with associations of producers and technical institutions to support technical assistance and training: (i) identify and implement good agricultural practices enabling producers to meet the minimum productivity, quality and food safety standards, introducing integrated pest management practices; (ii) increase the variety of crops; (iii) design and develop a sustainable production residue and waste management plan on the farmland and at the Córdoba wholesale fruit and vegetable market; (iv) diversify products and create products deriving both from Park production and from recycled residue, entrusting this activity to gender-sensitive groups and associations of microentrepreneurs; (v) marketing of new products and derivatives both within and outside the Park; (vi) develop a pre- and postharvest treatment plan for producers; (vii) improve logistical and environmental management, as well as the product quality control bodies at the Córdoba wholesale fruit and vegetable market; (viii) identify new markets or marketing techniques at the local, national and international level; and (ix) promote vegetables and vegetable products. Producers should be able to help finance the technical assistance as of year two of project execution.
- 3.5 The expected outcomes will be: (i) city inhabitants recognize and visit the Green Belt Production Park; (ii) increased local/regional consumption of Production Park products; (iii) at least 10 new crops tested. Also expected: (iv) at least 100 producers adopt project-generated partnering practices; (v) at least three vegetable products are developed and marketed; and (vi) at least three residue-based products are developed. Upon project completion: At least 100 producers in the beneficiary Green Belt area will record 5% income growth with respect to the baseline; and 100% of beneficiary producers will have improved their farming, environmental and occupational safety practices in keeping with SENASA standards.

**Component 2. Promotion of product and process innovations to make companies in Córdoba more competitive (MIF: US\$761,000; Counterpart: US\$748,000)**

- 3.6 This component will promote production and organizational innovation through development, adaptation and adoption of new technologies for the region's competitive productive sectors. It includes development and experimentation with a sustainable system to link the technology sector with the productive sectors, in particular fruit and vegetable producers.

- 3.7 This component has two subcomponents. Subcomponent 1, *Intersector innovation*, will target Córdoba's territorial competitiveness through partnership projects for the development, adaptation and adoption of new technologies, involving at least three companies. A stable network will be established between traditional sector, frontier technology and established R+D+i companies, to help build an innovation system in Córdoba. The following initiatives will be supported: (i) identify the technological or organizational innovation needs for the relevant productive sectors in the region (jointly with boards of trade and associations of producers and/or groups of specialists); (ii) establish a cofinancing fund for innovation partnership projects among companies; (iii) select innovation partnership projects to be partially financed with fund resources through periodic public tenders. During the selection process, priority will be given to projects with intersector links that promote high impact innovations in the territory through technical assistance and training activities and small-scale equipment purchases. This fund will finance 50% of the total project amount, up to a maximum of US\$50,000. The companies proposing the project will finance the remaining 50% with their own resources or with funds from participating entities. This amount will not be regarded as a local counterpart contribution.
- 3.8 Subcomponent 2, *Innovation and human capital*, will address the problem of limited skilled labor, fostering closer integration between the academic system and the productive sectors. The following initiatives will be supported: (i) raise awareness in areas related to entrepreneurship and innovation among university and technical institute students; (ii) establish a cofinancing microfund to develop innovation projects at universities and/or technical schools in association with the productive sector through technical assistance, training, and small-scale equipment purchases; and (iii) select projects eligible for partial financing with microfund resources, through three public tenders. The microfund will finance 50% of the total project amount, up to a maximum of US\$2,000. The companies involved in the project will finance the remaining 50%. This amount will not be regarded a local counterpart contribution.
- 3.9 The expected outcomes will be: (i) identify and start implementation of at least 10 technological innovation opportunities through productive and technology sector cooperation; (ii) issue two cofinancing fund calls for tenders (the second by no later than month 30), with no fewer than 40 projects approved each time; and (iii) issue three fund calls for tenders with a total of no fewer than 75 projects approved (15, 30 and 30, respectively).

**Component 3. Modernization of public management in relation to businesses and land use management (MIF: US\$196,000; Counterpart: US\$375,000)**

- 3.10 This component will contribute to entrepreneurial development by making the municipality more efficient in its dealings with businesses and the territory. It has two subcomponents, to be executed by the municipality with support from the project execution unit.

- 3.11 Subcomponent 1, *Land use management*, will create the necessary policy and administrative conditions to manage the city's Green Belt and ensure urban sustainability of the Production Park created under Component 1. Support will be provided to review existing ordinances relating to the territory, and make minor corrections in keeping with the master plan being developed by the municipality.
- 3.12 Subcomponent 2, *Simplification of procedures*, will support the first steps toward making the Municipality of Córdoba an efficient and effective structure able to deliver services to businesses within reasonable timeframes, fulfilling a commitment made by the current administration. The simplification will target the procedures for licensing of new businesses. The following initiatives will be supported: (i) mapping of municipal and provincial procedures and laws (a mapping of the national laws will be made available through a MIF project for the simplification of procedures now in execution in Morón); (ii) proposal to eliminate procedures that do not require long-term legislative changes; (iii) design and implement a reengineering plan for business licensing and creation of a one-stop window; (iv) training for the personnel involved; and (v) dissemination of the experience and its outcomes.
- 3.13 The expected outcome will be the approval and start of implementation for the new simplified municipal system for business registration, licensing and operation. For licensing, businesses are expected to benefit from: (i) at least a 50% reduction in monetary costs; (ii) at least a 90% reduction in administrative steps; and (iii) at least a 90% reduction in the number of days required to complete the process. The intention is to reduce the number of license applications pending processing to a maximum of 10% of the total received per month.

**Component 4: Monitoring, evaluation and dissemination of outcomes  
(MIF: US\$105,000; Counterpart: US\$49,600)**

- 3.14 This component will introduce a system to monitor and evaluate the project's financial and technical outcomes. It will also provide for systematic documentation of lessons learned and their dissemination, as well as development of a model to facilitate replicability of the experience in other sectors or contexts. This component has two subcomponents.
- 3.15 The monitoring activities will follow the guidelines specified in the "Manual del Sistema de Monitoreo de la Familia de Proyectos de Promoción de la Competitividad Local (SIMPLEd)" [Manual of the Monitoring System for the "Promotion of Local Competitiveness" Cluster]: (i) set a baseline; (ii) introduce a monitoring and evaluation system; and (iii) contract international experts to provide project support, mentoring and supervision. The following project dissemination activities are included: (i) launch the project; (ii) create a website; (iii) promote project outcomes using graphical and audiovisual information materials; (iv) hold dissemination and project closing events; and (v) create and implement the instruments necessary to design a model for replication in other contexts and sectors.

- 3.16 The expected outcome will be the introduction of a monitoring and evaluation system and its baseline. In addition, ADEC is expected to have conducted: (i) at least three awareness-raising activities within the province, reaching at least 300 beneficiaries; (ii) at least eight activities to disseminate project outcomes, reaching at least 50 institutions; and (iii) one national event on local development with the participation of institutions from at least 12 provinces.

#### IV. COST AND FINANCING

- 4.1 The project cost will be US\$3.6 million, of which the MIF will contribute US\$1.8 million in nonreimbursable funds, equivalent to 50%. The remaining US\$1.8 million will be provided by ADEC, with contributions from the province and the municipio. The MIF resources allocated to each activity will be used principally to procure technical assistance and training services, in addition to cofinancing the innovation funds.

**Table 1**  
**Program Budget (in US\$)**

<b>Budget summary</b>		<b>Local counterpart</b>				
<b>Item</b>	<b>MIF</b>	<b>In cash</b>	<b>In kind</b>	<b>Subtotal</b>	<b>Total</b>	<b>%</b>
Component 1. Sustainable development of the Fruit and Vegetable Production Park of the Córdoba metropolitan area, and of Green Belt products	512,400	275,800	149,000	424,800	937,200	26%
Component 2. Promotion of product and process innovations to make companies in Córdoba more competitive	761,000	700,000	48,000	748,000	1,509,000	42%
Component 3. Modernization of public management in relation to businesses and land use management	196,000	291,000	84,000	375,000	571,000	16%
Component 4. Monitoring, evaluation and dissemination of outcomes	105,000	7,500	42,100	49,600	154,600	4%
Project execution unit	102,000	147,600	55,000	202,600	304,600	8%
Midterm and final evaluations	30,000	-	-	-	30,000	1%
Audits (3)	27,000	-	-	-	27,000	1%
Contingencies	22,600	-	-	-	22,600	0%
<b>TOTAL</b>	<b>1,756,000</b>	<b>1,421,900</b>	<b>378,100</b>	<b>1,800,000</b>	<b>3,556,000</b>	<b>0%</b>
Contribution to the Impact Evaluation Account	9,000	-	-	-	9,000	0%
“Promotion of Local Development” cluster	25,000	-	-	-	25,000	1%
Training in financial management and procurement	10,000	-	-	-	10,000	0%
<b>TOTAL</b>	<b>1,800,000</b>	<b>1,421,900</b>	<b>378,100</b>	<b>1,800,000</b>	<b>3,600,000</b>	<b>100%</b>
Percentages	50%			50%		

- 4.2 Although both public and private stakeholders have committed to the project, its **sustainability** will depend on ADEC's ability to encourage public-private relationships, and the commitment made by public institutions to create a positive context for long-term investments. Moreover, the innovation system created through the projects financed with matching grants will promote business competitiveness, encouraging innovation through imitation for the benefit of the environment.

## V. EXECUTING AGENCY AND MECHANISM

### A. Executing agency

- 5.1 The project executing agency will be Agencia para el Desarrollo Económico de la Ciudad de Córdoba [City of Córdoba Economic Development Agency] (ADEC), a nonprofit institution established in 1998 to promote economic and social development in the Córdoba metropolitan area by coordinating private and public actions. This public-private institution is chaired by the municipality and comprises local business associations. It serves as a think tank on policies to promote the development of the region, fostering entrepreneurial initiatives, innovation and management capacity, and proposing government strategies and policies.
- 5.2 ADEC has gained vast experience in the execution of projects to strengthen local capacity, including some with MIF contributions, such as: (i) Program for On-the-Job Training (ATN/MH-6026-AR), executed jointly with the Enterprise Foundation, covering some 23,000 workers at 7,000 companies; (ii) Program for Supply Chain Development in the Province of Córdoba (ATN/ME-8112-AR); (iii) a project to train and help young people from low-income families find employment; (iv) creation of a labor microcredit entity; training and technical assistance to informal textile microenterprises; and (v) creation of an inquiry point for companies on national programs. The successful outcomes of these experiences were due to a combination of factors such as the competitive selection of staff, networking, business monitoring committees for each project, close monitoring, and the establishment of an impact evaluation system for each activity executed.

### B. Execution mechanism

- 5.3 Project administration will be entrusted to: (i) a **Steering Committee**, the project's highest decision-making authority, comprising two representatives for the province, two for the municipality, one for ADEC, and four entrepreneurs (two for the fruit and vegetable sector and two for the industrial sector); (ii) a **Management Oversight Committee** comprising three ADEC members appointed by its board of directors, responsible for overseeing financial and administrative matters; and (iii) a **Project Execution Unit** (PEU), responsible for administration of project activities and funds, consisting of a Director, a Coordination Assistant, and a secretary. The project will finance a **Technical Coordinator** for each component, who will report directly to the Director.

- 5.4 A **Technical Committee** will be established to provide monitoring and support for Component 1. Also reporting to the Director, it will comprise one representative each for the Córdoba branch of the Argentine Agrarian Federation, the Vegetable Producers Association, the Córdoba Board of Fruit and Vegetable Operators, and the Provincial Department of Agriculture, in addition to the Municipality's Director for Fairs and Markets and the Technical Coordinator for the component. The duties of the coordination bodies and their staff are described in the Operating Regulations (OR).
- 5.5 **Disbursements.** In addition to compliance with the General Conditions of the technical cooperation agreement and the Bank's standard disbursement procedures for nonreimbursable technical cooperation operations, project disbursements will be contingent upon the achievement of milestones, which will be agreed between the executing agency and the MIF during the semiannual work plan approval process, along with their means of verification. Resources will be disbursed using the advance of funds procedure (revolving fund of up to 15% of the MIF contribution), based on project expenditure needs related to programmed activities and costs in the semiannual plan. Achievement of milestones does not exempt the executing agency from responsibility to meet the project's objectives specified in the logical framework. The executing agency may ask the Bank to modify the milestones, provided they are not overdue. The first advance of funds to the executing agency will be subject to the conditions precedent stated in the executive summary.
- 5.6 **Procurement.** The executing agency will procure the goods, services, and consulting services required for the project in accordance with Bank policies (documents GN-2349-7 and GN-2350-7, or their revised versions) and the MIF guidelines, as well as the Procurement Plan. Before proceeding with project contracting and procurement, the executing agency will submit a procurement plan for consideration by the Bank, which will be reviewed and updated semiannually. Given the executing agency's institutional risk rating of *medium risk*, the procurement of goods and services will be subject to ex post review on a semiannual basis. Furthermore, the Bank/MIF will commission a consulting engagement with project resources to provide fiduciary support and training to the executing agency.

## VI. MONITORING AND EVALUATION

### A. Monitoring

- 6.1 **Project status reports.** The executing agency will be responsible for delivering project status reports (PSRs) to the MIF within 30 days after the end of each semester, or more frequently, on dates determined by the MIF with 60 days advance notice to the executing agency. These reports will follow a format previously agreed upon with the MIF and will contain information on project execution, milestones met, project outcomes, and their contribution to achievement of project objectives, as stated in the logical framework and other operative



planning instruments. The PSR will also describe project issues encountered during execution and outline possible solutions. Within 90 days after the end of the execution period, the executing agency will deliver a final PSR to the MIF that highlights results achieved, project sustainability and lessons learned.

- 6.2 **Financial supervision.** The executing agency will establish and assume responsibility for maintaining effective financial accounts, internal control mechanisms, and record-keeping systems for the project, consistent with Bank/MIF accounting and auditing rules and policies. Considering the finding of medium risk by the institutional assessment of the executing agency's financial management, and the high rating given for its monitoring capabilities, independent auditors will be contracted to conduct annual audits of the financial statements. Auditors also will perform periodic ex post reviews of supporting documents for disbursement requests on a six-monthly basis. The application and frequency of these reviews may be modified by the MIF based on the findings of reviews and/or subsequent risk analyses performed during project execution.

## **B. Evaluation**

- 6.3 The project calls for two external evaluations, one midterm and one final, based on the SIMPLEd system (see paragraph 3.16), to be conducted by an external auditor selected jointly with the Bank. The midterm evaluation will be done once 50% of the resources have been disbursed, or after 18 months of project execution, whichever occurs first, and will address: (i) the degree to which outcomes have been achieved, and their consistency with the indicators established in the logical framework; (ii) the project execution capacity of the PEU and executing agency in regards to their respective roles and responsibilities; (iii) lessons learned; (iv) beneficiary satisfaction; and (v) recommendations to improve the project. The final evaluation will be performed 90 days before the end of the execution period and will contain, in addition to the above elements: (i) an analysis of the success factors pertaining to the execution mechanism, problems encountered and measures identified to address them; (ii) an impact and sustainability analysis of project outcomes and benefits; and (iii) an analysis of the execution mechanism adopted and its potential application in other contexts.

## **VII. BENEFITS AND RISKS**

- 7.1 The project **beneficiaries** will be principally the small and medium-sized enterprises that produce primary and industrial goods and services, operating in, and with, the major sectors of the province. Additional beneficiaries will be public institutions, particularly the Municipality of Córdoba, which will benefit from the modernization of its administration, management and organization, in addition to the availability of a public recreational area that can also supply quality food for the city. Also benefiting will be universities, technical schools, boards of trade and business, and public and private research centers, which will be better able to coordinate with the local productive system, and better educated about the sectors

- covered by the project as a result of the planned activities, especially the innovative partnership projects financed through the matching grant mechanism.
- 7.2 The following **risks** were identified: (i) the need to foster close cooperation relationships and partnering between small producers (Component 2) at different links of the supply chain and with other institutions with which they do not customarily work (universities, technical schools, hospitality training centers, the municipality for land use issues, etc.); (ii) active participation by the R+D+i institutions and technical schools under Components 1 and 2 in new types of activity for the territory; and (iii) a major role for public institutions, especially the municipality under Component 3, as it will be engaging in a coordinated administrative modernization effort for the first time.
- 7.3 Specific measures have been incorporated to mitigate these issues: (i) training and monitoring of all stakeholders involved in the project, and the use of flexible execution mechanisms such as matching grants and micro matching grants to execute actions designed by the stakeholders themselves; in addition to requiring a partnership approach, these instruments can also be adapted to suit the capabilities of the stakeholders; (ii) marketing of all project outputs and outcomes, raising awareness among consumers so that they feel directly involved as beneficiaries in the development of the Production Park; and (iii) the Municipality's modernization process will take advantage of the lessons learned by the city of Morón, with which agreements have already been established.

## **VIII. SOCIAL AND ENVIRONMENTAL IMPACT**

- 8.1 The project will give priority to the dissemination of good practices concerning clean production and environmental management, viewed as key factors for sustainable development and quality of life in the metropolitan area of the city of Córdoba. To this end, activities include support for the implementation of integrated pest management and efficient use of land and water.
- 8.2 The project is also expected to have positive social impacts as it will increase the quality and quantity of jobs by making young secondary school graduates more employable, and by providing training, technical assistance and improved infrastructure and equipment. Classified as category C.

**TERRITORIAL DEVELOPMENT PROGRAM IN THE  
CÓRDOBA METROPOLITAN AREA  
(AR-M1042)  
LOGICAL FRAMEWORK**

Summary of objectives	Indicators	Means of verification	Assumptions
<b>Goal</b>			
To contribute to the competitive development of the Córdoba metropolitan area in economic, social and environmental terms.	Two years after project completion, the Córdoba metropolitan area will show: <ol style="list-style-type: none"> <li>1. A 5% increase in average annual income for companies operating in the Green Belt</li> <li>2. A 5 percentage point decrease in the poverty rate in the territory (proportion of population below the poverty line to income)</li> <li>3. A 10% increase in ecosustainable crops in the Green Belt</li> </ol>	<ul style="list-style-type: none"> <li>- Impact evaluation (subject to selection process if applied by the MIF)</li> <li>- Regional statistics published by the national, provincial or municipal authorities and by economic research centers in the country</li> <li>- Project baseline</li> </ul>	<ul style="list-style-type: none"> <li>- Macroeconomic indicators remain stable</li> <li>- Climate conditions remain stable</li> </ul>
<b>Purpose</b>			
To make the business sector more competitive in the Córdoba metropolitan area through an integrated local development process driven by productive and organizational innovation and institutional capacity-building.	By project end, with respect to the baseline: <ol style="list-style-type: none"> <li>1. There is a 20% increase in the number of fruit and vegetable farmers whose products meet the required quality standards</li> <li>2. There is a 10% increase in the volume sold of fruits and vegetables produced in the Córdoba Green Belt</li> <li>3. At least 4 technological institutes/universities work regularly on productive innovation projects jointly with enterprises and/or business associations</li> <li>4. Annual sales for the beneficiary companies have increased on average, attributable to the innovations</li> <li>5. The local business community have a better perception of the productive potential of the Green Belt and the administrative improvements of the municipio</li> </ol>	<ul style="list-style-type: none"> <li>- Final project evaluation</li> <li>- Final project status report (PSR)</li> <li>- Provincial and municipal statistical records</li> <li>- Project documents regarding formal institutional agreements</li> <li>- Statistical records of the Córdoba wholesale fruit and vegetable market (Mercado de Abasto de Córdoba, MAC)</li> <li>- Surveys of business people at project start and end</li> </ul>	<ul style="list-style-type: none"> <li>- The participating entities and stakeholders confirm their support for project initiatives</li> </ul>

Summary of objectives	Indicators	Means of verification	Assumptions
Components / Outputs			
<b>Component 1. Sustainable development of the Fruit and Vegetable Production Park of the Córdoba metropolitan area, and of Green Belt products.</b> Includes 2 subcomponents:			
<b>Subcomponent: Production Park</b>	<ol style="list-style-type: none"> <li>1. Work plan for Production Park development approved by consensus by the municipality, the province and relevant associations by month 12</li> <li>2. Park brand developed by month 18</li> <li>3. At least three new crops have been tested (at least 6 within 2 years)</li> </ol> <p>By project end:</p> <ol style="list-style-type: none"> <li>4. City inhabitants recognize and visit the Green Belt Production Park</li> </ol> <p>Increased local/regional consumption of Production Park products</p> <ol style="list-style-type: none"> <li>5. At least 10 new crops tested</li> </ol>	<ul style="list-style-type: none"> <li>- Final PSR</li> <li>- Consultant reports</li> <li>- Monitoring system records</li> <li>- Midterm and final project evaluation reports</li> </ul>	<ul style="list-style-type: none"> <li>- The participating entities and stakeholders confirm their support for project initiatives</li> <li>- The existing water supply system maintains or increases the flow of water</li> <li>- Municipal legislation remains compatible with the Park project</li> </ul>
<b>Subcomponent: Green Belt products</b>	<p>By month 24:</p> <ol style="list-style-type: none"> <li>1. Participating producers record, on average, a 20% reduction in costs compared to their baseline</li> <li>2. At least 100 producers adopt project-generated partnering practices</li> <li>3. At least three vegetable products are developed and marketed</li> <li>4. At least three residue-based products are developed</li> </ol> <p>Upon project completion:</p> <ol style="list-style-type: none"> <li>5. At least 100 producers in the beneficiary Green Belt area record a 5% income growth compared to their baseline</li> <li>6. 100% of the beneficiary producers improve their farming, environmental and occupational safety practices in keeping with SENASA standards (SICOFHOR).</li> </ol>		

Summary of objectives	Indicators	Means of verification	Assumptions
<b>Component 2. Promotion of product and process innovations to make companies in Córdoba more competitive.</b> Includes 2 subcomponents:			
<b>Subcomponent: Intersector innovation</b>	By month 18: 1. At least 10 technological innovation opportunities identified and implementing through productive and technology sector cooperation  2. One cofinancing fund call for tenders  Upon project completion: 3. Two cofinancing fund calls for tenders (the second by no later than month 30), with no fewer than 40 projects approved each time	- Final PSR - Consultant reports - Monitoring system records - Midterm and final project evaluation reports	- The availability and qualifications of training and technical assistance experts remains stable or improve  - Business people of the relevant sectors participate actively in project activities
<b>Subcomponent: Innovation and human capital</b>	1. Three micro matching grant fund calls for tenders approved at months 8, 14 and 20 with a total of at least 75 projects approved (15, 30 and 30, respectively).		
<b>Component 3. Modernization of public management in relation to businesses and land use management.</b> Includes 2 subcomponents:			
<b>Subcomponent: Land use management</b>	By month 18: 1. Preliminary draft ordinances for the creation of the Production Park are prepared and under review  By project end: 2. Draft ordinances for the creation of the Production Park have been approved by the relevant municipios	- Final PSR - Draft municipal ordinance - Consultant reports - Monitoring system records - Midterm and final project evaluation reports	- Municipal staff are motivated by the project  - There are no major union issues impeding implementation of the one-stop window
<b>Subcomponent: Simplification of procedures</b>	By month 18: 1. The new simplified municipal scheme for business registration, licensing and operation is in effect  Upon project completion: 2. Compared to the baseline, the processing of authorizations in Córdoba and the business incorporations are benefitting from:		

Summary of objectives	Indicators	Means of verification	Assumptions
	(i) at least a 50% reduction in monetary costs; (ii) at least a 90% reduction in administrative steps (iii) at least a 90% reduction in the number of days (iv) the number of license applications pending processing is reduced to a maximum of 10% of the total received per month		
<b>Component 4: Monitoring, evaluation and dissemination of outcomes.</b> Includes 2 subcomponents:			
<b>Subcomponent: Monitoring and evaluation</b>	By month 6: 1. Baseline set 2. Monitoring and evaluation system implemented By project end: 3. Two consulting engagements held for support, mentoring and supervision	- Final PSR - Baseline reports - Monitoring system records - List of participants at dissemination events - Record of distribution of dissemination materials	- Other regions are interested and exploring possible replication based on dissemination/ acceptance of the model tested by the project
<b>Subcomponent: Dissemination</b>	By month 12: 1. At least three awareness-raising activities held within the province, reaching at least 300 beneficiaries 2. Project website is active By project end: 4. At least eight activities held to disseminate outcomes, reaching at least 50 institutions 5. Graphic and audiovisual material for the dissemination of outcomes distributed to at least 50 institutions and 300 individuals 6. National event on local development with the participation of institutions from at least 12 provinces		

Summary of objectives	Indicators	Means of verification	Assumptions
<b>Activities</b>			
<p><b>Component 1. Sustainable development of the Fruit and Vegetable Production Park of the Córdoba metropolitan area, and of Green Belt products</b></p> <p><b>Subcomponent: Production Park</b></p> <p><b>1.1 Park design</b></p> <ul style="list-style-type: none"> <li>- Determine the geographic area and its features, develop the work plan and make any necessary adjustments to municipal and provincial policies</li> </ul> <p><b>1.2 Promote the Park for its productive, recreational and sector merits</b></p> <ul style="list-style-type: none"> <li>- Develop a brand to identify Park products</li> <li>- Train supply chain operators (from producer to consumer) to give economic and social value to the Park and its products</li> <li>- Preliminary design and Park activities for a recreational and educational plan (demonstration area)</li> <li>- Promote recreational and education ventures at the Park</li> </ul>	<p><b>MIF: US\$512,400</b></p> <p><b>Counterpart: US\$424,800</b></p> <p>1.1.1 Work plan approved by consensus by the municipality, the province and relevant associations by month 12</p> <p>1.2.1 Park brand developed by month 12</p> <p>1.2.2 Training of supply chain operators started by month 12</p> <p>1.2.3 Training completed for 2,000 people by month 36</p> <p>1.2.4 By month 18: At least 30 professional or undergraduate and/or postgraduate students trained to provide technical assistance, and at least 10 of them able to provide services for the project</p> <p>1.2.5 The recreational and educational promotion plan design finished by month 18</p> <p>1.2.5 The recreational and educational promotion plan operational by month 36</p> <p>1.2.6 The promoter of the recreational and educational ventures hired by month 20</p>	<ul style="list-style-type: none"> <li>- Project monitoring system</li> <li>- Work plan document</li> <li>- Brand launch document</li> <li>- Record of training events</li> <li>- Educational promotion plan document</li> <li>- Promoter contracts</li> <li>- Producer training reports</li> <li>- SICOFHOR evaluations</li> <li>- Experimental crop consulting reports</li> <li>- Beneficiary technical assistance reports.</li> <li>- Study to identify markets and products</li> <li>- Recycling solutions study</li> </ul>	<ul style="list-style-type: none"> <li>- There is the will and cooperative capacity to implement partnering projects</li> <li>- Existence of opportunities for expansion into new markets</li> <li>- Availability of financial and operational capacity among the beneficiary enterprises to implement proposed solutions and absorb the technical assistance provided</li> </ul>

Summary of objectives	Indicators	Means of verification	Assumptions
<p><b>Subcomponent: Green Belt products</b></p> <p><b>1.3 Identify and implement good agricultural practices enabling producers to meet the minimum productivity, quality and food safety standards</b></p> <ul style="list-style-type: none"> <li>- Train 30 instructors in partnering and good agricultural practices</li> <li>- Promote and implement partnering practices for producers</li> <li>- Provide management training and technical assistance to producers</li> <li>- Train and provide technical assistance to producers in preparation for the productive reengineering using good agricultural practices and compliance with national and international pre- and postharvest standards for producers.</li> </ul>	<p>1.3.1 At least 30 professionals or undergraduate and/or post graduate students trained to provide technical assistance, and at least 10 of them able to provide services for the project by month 6</p> <p>By project end:</p> <p>1.3.2 At least 100 producers adopt project-generated partnering practices</p> <p>1.3.3 At least 90 producers have adopted management practices, and 45 implement business plans</p> <p>1.3.4 At least 90 producers trained, and 60 implement good agricultural practices</p> <p>1.3.5 At least 60 producers comply with SENASA quality standards (SICOFHOR)</p>		



Summary of objectives	Indicators	Means of verification	Assumptions
<p><b>1.4 Diversification and sector innovation</b></p> <ul style="list-style-type: none"> <li>- Compile studies on diversification possibilities</li> <li>- Collective experimentation plots for the production of new crops</li> <li>- Create strategic partnerships with technological research and development actors to prepare research proposals applicable to the sector</li> <li>- Develop and experiment with proposals for product diversification and creation of derivative products (processed, packaged, dried products, etc.)</li> <li>- Create gender-sensitive partnership groups of microenterprises to develop and produce derivative Park products under the supervision of relevant municipio agencies</li> <li>- Establish a revolving microfund to finance the startup operations of partnership groups of microenterprises</li> </ul>	<p>1.4.1 Diversification possibilities identified by month 6</p> <p>1.4.2 At least one collective plot operational with at least 5 test crops by month 12</p> <p>1.4.3 At least 10 new crops tested by month 36</p> <p>1.4.4 At least 5 strategic partnerships established for applied research proposals, that will consolidate during the life of the project by month 18</p> <p>1.4.5 At least 40 producers are involved in identifying 5 new derived products by month 18</p> <p>1.4.6 At least 30 farmers produce and/or experiment with new derived products by month 36</p> <p>1.4.7 At least 3 partnership groups of microenterprises market their products by month 36</p>		

Summary of objectives	Indicators	Means of verification	Assumptions
<p><b>1.5 Córdoba wholesale fruit and vegetable market (Mercado de Abasto de Córdoba, MAC), marketing of products</b></p> <ul style="list-style-type: none"> <li>- Design and provide assistance to implement a pre- and postharvest treatment plan (cold chain, packaging, etc.) for producers (including support for managing funds for the procurement of capital goods)</li> <li>- Study to improve logistical and environmental management at the MAC</li> <li>- Study product quality control alternatives at the MAC</li> <li>- Identify new markets or marketing techniques at the local, national and international level</li> <li>- Design and conduct the promotion campaign for vegetables and vegetable products</li> </ul>	<p>1.5.1 Design for a pre- and postharvest treatment plan started by month 12</p> <p>1.5.2 45 producers receive technical assistance by month 22</p> <p>1.5.3 Survey of sources of financing for the procurement of capital goods completed by month 12</p> <p>1.5.4 Three partnership efforts to obtain financing conducted by month 22</p> <p>1.5.5 20 producers have started to implement pre- and postharvest treatment by month 36</p> <p>1.5.7 Logistics study initiated by month 18</p> <p>1.5.8 Logistics study completed and implementation started by month 36</p> <p>1.5.9 Study of product quality control alternatives completed by month 12</p> <p>1.5.10 First phases of the study's quality proposal implemented by month 18</p> <p>1.5.11 Study to identify new market or marketing approaches initiated by month 12</p> <p>1.5.12 Application of the study to identify new markets or marketing approaches, with trials for at least 3 new opportunities from month 18 through end of project</p> <p>1.5.13 Participation in no fewer than 3 national and 2 international fairs by month 36</p> <p>1.5.14 Campaign designed and implementation of its productive components started by month 14</p> <p>1.5.15 Campaign evaluated and optimized by month 24</p> <p>1.5.15 Campaign finalized by month 36</p>		

Summary of objectives	Indicators	Means of verification	Assumptions
<b>1.6 Sustainable production residue and waste management plan on the farmland and at the MAC</b>  - Technical assistance to identify and implement organic production waste recycling solutions - Technical assistance to develop new products using production residues	1.6.1 Study to identify recycling solutions for the MAC started by month 6 1.6.2 Study to identify farmland recycling solutions started by month 12 1.6.3 First recycling trials at the MAC and on the farmland started by month 18 1.6.4 At least three residue-based products developed by month 36		
<b>Component 2. Promotion of product and process innovations to make companies in Córdoba more competitive</b>  <b>Subcomponent: Intersector innovation</b>  <b>2.1 Identify the technological or organizational innovation needs for the relevant productive sectors in the region (jointly with boards of trade and associations of producers and/or groups of specialists)</b>	<b>MIF: US\$761,000</b> <b>Counterpart: US\$748,000</b>  2.1.1 Methodology to identify needs and opportunities prepared, and 4 technological dissemination events in mature sectors held by month 3	- Project monitoring system - Document describing the methodology - Record of event participants - News releases launching the calls to tenders - Record of project submissions - Documentation of selected projects - Reports on implementation of productive projects and micro matching grants	- There is local capacity to develop viable proposals for the funds - There are sufficient funds to cofinance the selected projects - There is local capacity for the successful and coordinated implementation of the selected projects

Summary of objectives	Indicators	Means of verification	Assumptions
<p><b>2.2 Design and implement a cofinancing fund for innovation in the priority productive sectors of the region</b></p> <ul style="list-style-type: none"> <li>- Matching grant for projects targeting SMEs and micro producers based on partnering among enterprises prioritizing: (a) intersector and interdisciplinary links, and (b) high impact innovation in the territorial context (through periodic calls for tenders)</li> </ul>	<p>2.2.1 First cofinancing fund call for tenders issued by month 10</p> <p>2.2.2 Ten projects approved out of no fewer than 20 submitted by month 14</p> <p>2.2.3 Second cofinancing fund call for tenders issued by month 20</p> <p>2.2.4 Thirty projects approved out of no fewer than 50 submitted by month 24</p>		
<p><b>Subcomponent: Innovation and human capital</b></p> <p><b>2.3 Linkage with the educational sector through innovation proposals</b></p> <ul style="list-style-type: none"> <li>- Entrepreneurship and innovation training/awareness raising for technical institute and university students (undergraduate and postgraduate)</li> <li>- Micro matching grants to develop innovation projects at universities in association with the productive sector</li> </ul>	<p>2.3.1 At least 10 university departments are formally involved by month 4</p> <p>2.3.2 First matching grants microfund call for tenders issued by month 6</p> <p>2.3.3 At least 15 projects approved by month 8</p> <p>2.3.4 Second matching grants microfund call for tenders issued by month 12</p> <p>2.3.5 At least 30 projects approved by month 14</p> <p>2.3.6 Third matching grants microfund call for tenders issued by month 18</p> <p>2.3.7 At least 30 projects approved by month 20</p>		

Summary of objectives	Indicators	Means of verification	Assumptions
<p><b>Component 3. Modernization of public management in relation to businesses and land use management</b></p> <p><b>Subcomponent:</b> <b>Land use management</b></p> <p><b>3.1 Design a proposed land use plan for the Production Park (in each of the affected municipios)</b></p> <p><b>Subcomponent:</b> <b>Simplification of procedures</b></p> <p><b>3.2 Program to simplify business licensing procedures in the Municipality of Córdoba</b></p> <ul style="list-style-type: none"> <li>- Consulting services to map municipal and provincial procedures and laws, and design a reengineering plan for the licensing of businesses and creation of a one-stop window. 8 months: 6 for mapping and 2 for reengineering</li> <li>- Proposal to eliminate procedures that do not require long-term legislative changes (quick hits): 6 months</li> </ul>	<p><b>MIF: US\$196,000</b></p> <p><b>Counterpart: US\$375,000</b></p> <p>3.1.1 Proposed ordinances for the creation of the Production Park drafted, presented and approved by the relevant municipios by month 36</p> <p>3.2.1 Baseline set by month 5</p> <p>3.2.2 Simplified process for the incorporation of a business conceptualized, delineated and defined by month 8, together with proposed reforms, simplification and automation</p> <p>3.2.3 Quick hits proposal by month 6</p> <p>3.2.4 Diagnostic assessment of municipal policies and administrative procedures, identifying provincial and national requirements by month 10</p> <p>3.2.5 One-stop window model and process for incorporation of a business defined by month 10</p> <p>3.2.6 Identification of one-stop window site by month 10, remodeling and start of operations by no later than month 18</p> <p>3.2.7 Action plan and strategy for the simplification of procedures structured and approved by month 12</p>	<ul style="list-style-type: none"> <li>- Project monitoring system</li> <li>- Proposed reform documents</li> <li>- Proposed strategy document to simplify processing</li> <li>- Diagnostic assessment of policies</li> <li>- Record of awareness-raising events</li> <li>- Onsite verification of the technology platforms and customer care systems</li> <li>- Operational reports of the new system</li> <li>- Publication of customer satisfaction indexes</li> </ul>	<ul style="list-style-type: none"> <li>- The local government has the political will and technical and financial capacity to implement the simplified system</li> </ul>

Summary of objectives	Indicators	Means of verification	Assumptions
<ul style="list-style-type: none"> <li>- Implement the reengineering plan to create a one-stop window for business registrations</li> <li>- Training for municipal staff in the relevant departments to ensure sustainable functioning of the one-stop window</li> <li>- Promote the one-stop window to the business sector. Post information about the one-stop window on the municipality's website</li> <li>- Documentation of the one-stop window</li> <li>- Dissemination to other municipios in the Province</li> </ul>	<p>3.2.8 Proposals for the reengineering, optimization, automation and elimination of procedures to have an impact on at least 80% of the business sector ready by month 12</p> <p>3.2.9 Proposals for the reengineering, automation and optimization of pre and post business inspections identified, priced, and designed by month 12</p> <p>3.2.10 Municipal personnel apprised of the design no later than by month 3, and first phase executed in the remaining 9 months of year 1</p> <p>3.2.11 By month 30, the process to incorporate a business may be completed in 5 days for lower-risk ventures, and a maximum of 15 days for high risk companies</p> <p>3.2.12 One-stop window equipment, lines, furniture installed, software and data processing system, developed and operating properly by month 18</p> <p>3.2.13 Personnel in different fields of specialization within the municipio are made aware and trained to handle the new service model, simplified processes and new technologies, between months 13 and 18</p> <p>3.2.14 At least 30 staff trained in customer care between months 13 and 18</p> <p>3.2.15 One-stop window technology platform and website up and running by month 24</p> <p>3.2.16 Technology platform to administer files, control inspections and virtual services ready by month 16, and pilot tests conducted by month 18</p> <p>3.2.17 Delivery of computer equipment by month 16</p> <p>3.2.18 Automated programming model and inspection controls integrated in the one-stop window by month 24</p>		

Summary of objectives	Indicators	Means of verification	Assumptions
	<p>By month 36:</p> <p>3.2.19 90% of companies and entrepreneurs in Córdoba know about the one-stop window services and have access to information concerning registration processes</p> <p>3.2.20 System to receive, administer and manage complaints and claims filed by business people concerning the one-stop window operation available by month 18</p> <p>3.2.21 Satisfaction index from customers who filed complaints or claims higher than 85%</p>		
<p><b>Component 4: Monitoring, evaluation and dissemination of outcomes</b></p> <p><b>Subcomponent: Monitoring and evaluation</b></p> <p><b>4.1 Establish a baseline</b></p> <p><b>4.2 Introduce a monitoring and evaluation system</b></p> <p><b>4.3 Consulting engagement for support, mentoring and supervision</b></p> <p><b>4.4 Project evaluations</b></p> <p><b>4.5 Project audit</b></p>	<p><b>MIF: US\$105,000</b></p> <p><b>Counterpart: US\$49,600</b></p> <p>4.1.1 Baseline set by month 3</p> <p>4.2.2 Monitoring and evaluation system introduced by month 3</p> <p>4.3.1 First consulting engagement for support, mentoring and supervision conducted by month 12</p> <p>4.3.2 Second consulting engagement for support, mentoring and supervision conducted by month 24</p> <p>4.4.1 Midterm evaluation performed by month 19</p> <p>4.4.2 Final evaluation performed by month 37</p> <p>4.5.1 Midterm audit performed by month 19</p> <p>4.5.2 Final audit performed by month 37</p>	<ul style="list-style-type: none"> <li>- Project monitoring system</li> <li>- Consultant and mentor reports</li> <li>- Audit evaluation documents</li> <li>- Record of event participants</li> <li>- Project website</li> </ul>	<ul style="list-style-type: none"> <li>- Regional institutions and individual are interested in learning about and replicating project activities</li> </ul>

Summary of objectives	Indicators	Means of verification	Assumptions
<b>4.6 Program promotion among the different stakeholders in the territory, the province, and nationwide</b> <ul style="list-style-type: none"> <li>- Workshops for project launch and dissemination</li> <li>- Create a project website</li> <li>- Design and conduct publicity campaigns focusing on project outcomes: informational materials and communication campaigns</li> <li>- Training seminar for local development</li> <li>- Project dissemination and closing workshop</li> </ul>	4.6.1 Activity to launch the project in month 2 4.6.2 At least three awareness-raising activities held within the province by month 6 4.6.3 At least 8 actions to disseminate outcomes by month 36 4.6.4 Website up and running by month 6, showing statistical data 4.6.5 Brochure presenting the project available by month 12 4.6.6 Start recording audiovisual materials for dissemination of the project and its outcomes in month 12 4.6.7 The dissemination brochure and audiovisual materials on project outcomes are ready by month 36 4.6.8 Project information is sent out weekly in the executing agency's newsletter and other instruments as of month 8 4.6.9 An event on local development policies held by month 18 4.6.10 Project closing workshop held by month 36		



**TERRITORIAL DEVELOPMENT PROGRAM FOR THE CÓRDOBA METROPOLITAN AREA (AR-M1042)**

**ITEMIZED BUDGET**

Categories	Qty.	Unit price US\$	TOTAL				
			MIF	Local contribution			Total
				In cash	In kind	Subtotal	
<b>Component I. Sustainable development of the Fruit and Vegetable Production Park of the Córdoba metropolitan area, and of Green Belt products</b>			<b>512,400</b>	<b>275,800</b>	<b>149,000</b>	<b>424,800</b>	<b>937,200</b>
Coordination and consulting engagement for Component I (\$2,800 x 36 months)	36	2,800		100,800		100,800	100,800
Physical space for the Project Coordinator					10,000	10,000	
<b>Activity 1.1: Design of Production Park</b>			<b>30,000</b>	<b>10,000</b>	<b>10,000</b>	<b>20,000</b>	<b>50,000</b>
Study to determine the geographic area of the Park and develop a work plan	1	30,000	30,000	10,000	10,000	20,000	50,000
<b>Activity 1.2: Promote the Park for its productive, recreational and sector merits</b>			<b>67,000</b>	<b>5,000</b>	<b>57,000</b>	<b>62,000</b>	<b>129,000</b>
Develop a brand to identify Park products			1,000		10,000	10,000	11,000
Design training program for supply chain operators	4	1,000	4,000		1,000	1,000	5,000
Train instructors to train supply chain operators (20 instructors)			3,000		5,000	5,000	8,000
Training workshops for supply chain operators	150		5,000	5,000	15,000	20,000	25,000
Design a recreational and educational promotion plan for the Park and its principal architectural elements			5,000		1,000	1,000	6,000
Conduct the recreational and educational promotional campaign for the Park			25,000		25,000	25,000	50,000
Promoter for recreational and educational ventures at the Park	24	1,000	24,000			0	24,000
<b>Activity 1.3: Identify and implement good agricultural practices enabling producers to meet the minimum productivity, quality and food safety standards</b>			<b>245,400</b>	<b>0</b>	<b>16,000</b>	<b>16,000</b>	<b>261,400</b>
Train instructors (30 university students or recent graduates)			10,000		10,000	10,000	20,000
Workshops for 25 producers in good practices	4	3,000	10,000		2,000	2,000	12,000
Technical assistance	200	1000	200,000			0	200,000
Management courses	4	2,500	10,000		4,000	4,000	14,000
Senior mentoring on training and technical assistance for producers	70	220	15,400			0	15,400
<b>Activity 1.4: Diversification and sector innovation</b>			<b>25,000</b>	<b>60,000</b>	<b>26,000</b>	<b>86,000</b>	<b>111,000</b>
Consultant for research and introduction of new crops	30	1,000		30,000		30,000	30,000
Lease of testing plot					15,000	15,000	15,000
Grants for crops				5,000		5,000	5,000
Experts in product development and experimentation (cold, vacuum and packaging)	5	3,000	15,000			0	15,000
Develop and test products (grant recipients, cooking school for tests, and university for assistance)	15	2,000		25,000	5,000	30,000	30,000
Awareness-raising and technical assistance in partnering for production-oriented microenterprises			5,000			0	5,000
Technical assistance in business for production-oriented microenterprises					3,000	3,000	3,000
Establishment of a revolving microfund for production-oriented microenterprises			5,000			0	5,000
Administration of the revolving microfund for productive microenterprises					3,000	3,000	3,000
<b>Activity 1.5: Córdoba wholesale market (Mercado de Abasto de Córdoba, MAC), marketing of products</b>			<b>135,000</b>	<b>85,000</b>	<b>15,000</b>	<b>100,000</b>	<b>235,000</b>
Design and assistance for implementation of pre- and postharvest treatment plan			10,000			0	10,000
Study to improve logistical and environmental management at the MAC			10,000	30,000		30,000	40,000
Study and begin implementation of product quality control alternatives at the MAC			35,000	35,000		35,000	70,000
Study to identify new national and international markets			10,000			0	10,000
Participate in local, national and international fairs.			10,000	10,000	5,000	15,000	25,000
Design and conduct campaign to promote consumption of fruits and vegetables	1	140,000	60,000	10,000	10,000	20,000	80,000
<b>Activity 1.6: Sustainable production residue and waste management plan on the farmland and at the MAC</b>			<b>10,000</b>	<b>15,000</b>	<b>15,000</b>	<b>30,000</b>	<b>40,000</b>
Study to identify production and nonproduction waste recycling solutions at the MAC and on farmland			5,000		5,000	5,000	10,000
Technical assistance to develop new products using production residues			5,000	15,000	10,000	25,000	30,000

Categories	Qty.	Unit price US\$	TOTAL				
			MIF	Local contribution			Total
				In cash	In kind	Subtotal	
<b>Component II: Promotion of product and process innovations to make companies in Córdoba more competitive</b>			<b>761,000</b>	<b>700,000</b>	<b>48,000</b>	<b>748,000</b>	<b>1,509,000</b>
Coordination and consulting engagement for Component II (\$3,000 x 36 months)				108,000		108,000	108,000
<b>Activity 2.1: Identify technological or organizational innovation needs and opportunities for enterprises in relevant productive sectors in the region</b>			<b>40,000</b>	<b>40,000</b>	<b>20,000</b>	<b>60,000</b>	<b>100,000</b>
Identify technological and organizational innovation needs and opportunities for enterprises in relevant productive sectors in the region	1		40,000	40,000	20,000	60,000	100,000
<b>Activity 2.2: Design and implement a cofinancing fund for innovation in the relevant productive sectors of the region</b>			<b>548,000</b>	<b>500,000</b>	<b>18,000</b>	<b>518,000</b>	<b>1,066,000</b>
Training and technical assistance for potential cofinancing fund participants (bi or multisector)			8,000		8,000	8,000	16,000
Call for tenders, evaluation and monitoring of cofinancing fund projects			40,000		10,000	10,000	50,000
Cofinancing fund			500,000	500,000		500,000	1,000,000
<b>Activity 2.3: Linkage with the educational sector through innovation proposals</b>			<b>173,000</b>	<b>52,000</b>	<b>10,000</b>	<b>62,000</b>	<b>235,000</b>
Training and technical assistance for potential matching grants microfund partners (universities, technical schools)			1,000		10,000	10,000	11,000
Call for tenders and evaluation of matching grants microfund projects			12,000	12,000		12,000	24,000
Matching grants microfund			160,000	40,000		40,000	200,000
<b>Component III: Modernization of public management in relation to businesses and land use management</b>			<b>196,000</b>	<b>291,000</b>	<b>84,000</b>	<b>375,000</b>	<b>571,000</b>
Coordination and consulting engagement for Component III (\$2,500 x 36 months)	36	2,500		90,000		90,000	90,000
<b>Activity 3.1: Design a proposed land use plan for the Production Park (in each of the affected municipios)</b>	1	30,000	0	21,000	9,000	30,000	30,000
<b>Activity 3.2: Program to simplify business licensing procedures in the Municipality of Córdoba</b>			<b>196,000</b>	<b>180,000</b>	<b>75,000</b>	<b>255,000</b>	<b>451,000</b>
Consulting engagement to set baseline	3	2,000	6,000				6,000
Consulting engagement for the technical study on simplification of procedures, and preparation of a proposed Plan of Action	7	5,000	35,000		15,000	15,000	50,000
Consulting engagement to map municipal and provincial laws	5	4,000	20,000		5,000	5,000	25,000
Consulting engagement to map municipal and provincial procedures, and design a reengineering plan for the licensing of businesses and creation of a one-stop window	6	7,500	45,000		10,000	10,000	55,000
Implement the reengineering plan to create a one-stop window for business registrations	11	15,000	50,000	105,000	40,000	145,000	195,000
<i>a. Consulting engagement to support implementation of the One-stop Window Plan of Action</i>	10	5,000	50,000				50,000
<i>b. Architectural design for the one-stop window</i>				15,000			15,000
<i>b-d Remodeling of premises</i>				90,000	40,000		130,000
Documentation of the one-stop window (data processing system, hardware, software)	1	50,000	0	45,000	5,000	50,000	50,000
Training for municipal staff in the relevant departments to ensure sustainable functioning of the one-stop window	8	5,000	40,000			0	40,000
Promote the one-stop window to the business sector	1	30,000		30,000		30,000	30,000
<b>Component IV: Monitoring, evaluation and dissemination of outcomes</b>			<b>105,000</b>	<b>7,500</b>	<b>42,100</b>	<b>49,600</b>	<b>154,600</b>
<b>Activity 4.1: Establish a baseline</b>			<b>10,000</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>20,000</b>
Set baseline			10,000		10,000	10,000	20,000
<b>Activity 4.2: Introduce a monitoring and evaluation system</b>			<b>54,000</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>64,000</b>
Introduction of project monitoring and evaluation system					10,000	10,000	10,000
Monitoring and evaluation consultant	36	1,500	54,000			0	54,000
<b>Activity 4.3: Consulting engagement for support, mentoring and supervision</b>			<b>25,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>
Consulting engagement for support, mentoring and supervision			25,000			0	25,000
<b>Activity 4.4: Program promotion among the different stakeholders in the territory, the province, and nationwide</b>			<b>16,000</b>	<b>7,500</b>	<b>22,100</b>	<b>29,600</b>	<b>45,600</b>
Activity for project launch and project closing				2,000	2,000	4,000	4,000
Awareness-raising and dissemination of the project				1,000	5,000	6,000	6,000
Printing of material and project dissemination			3,000		2,000	2,000	5,000
Adaptation of website			1,000		1,600	1,600	2,600
Weekly dissemination of information				4,500	4,500	9,000	9,000
Audiovisual instruments to disseminate the outcomes			10,000		5,000	5,000	15,000
Organize an event on local development			2,000		2,000	2,000	4,000

Categories	Qty.	Unit price US\$	TOTAL				
			MIF	Local contribution			Total
				In cash	In kind	Subtotal	
<b>Project Execution Unit</b>			<b>102,000</b>	<b>147,600</b>	<b>55,000</b>	<b>202,600</b>	<b>304,600</b>
<b>A. Staff</b>							
Project Director	36	3,500		126,000		126,000	<b>126,000</b>
Coordination Assistant	36	1,500	54,000			0	<b>54,000</b>
Secretary	36	600	0	21,600		21,600	<b>21,600</b>
<b>B. Expenses</b>							
Domestic travel and per diems			18,000			0	<b>18,000</b>
International travel			20,000			0	<b>20,000</b>
Equipment			10,000			0	<b>10,000</b>
Office lease	36	1,300			30,000	30,000	<b>30,000</b>
Telephone, fax, Internet, and office maintenance	36				25,000	25,000	<b>25,000</b>
<b>SUBTOTAL</b>			<b>1,676,400</b>	<b>1,421,900</b>	<b>378,100</b>	<b>1,800,000</b>	<b>3,476,400</b>
Midterm and final evaluations	2	15,000	30,000				30,000
Midterm and final audits	3	9,000	27,000				27,000
Contingencies			22,600				22,600
<b>Subtotal</b>			<b>1,756,000</b>	<b>1,421,900</b>	<b>378,100</b>	<b>1,800,000</b>	<b>3,556,000</b>
Contribution to the Impact Evaluation Account			9,000	0	0	0	9,000
"Promotion of Local Development" cluster			25,000				25,000
Training in financial management and procurement			10,000	0	0	0	10,000
<b>TOTAL</b>			<b>1,800,000</b>	<b>1,421,900</b>	<b>378,100</b>	<b>1,800,000</b>	<b>3,600,000</b>
<b>Percentages</b>			<b>50%</b>			<b>50%</b>	