

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND
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DOMINICAN REPUBLIC

PROMOTING YOUTH ENTREPRENEURSHIP IN SANTO DOMINGO

(DR-M1003)

DONORS MEMORANDUM

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CONTENTS

EXECUTIVE SUMMARY

I.	BACKGROUND AND JUSTIFICATION.....	1
A.	Assessment of entrepreneurship in the Dominican Republic	1
B.	Project justification and focus	3
C.	MIF and Bank strategy	3
II.	PROJECT OBJECTIVES AND DESCRIPTION.....	4
A.	Objectives	4
B.	Description and components	4
1.	Component 1: Entrepreneur training.....	4
2.	Component 2: Support service development and selection of business plans for creating new companies.....	5
3.	Component 3: Access to financing for new businesses	6
4.	Component 4: Promotion, public policy proposals and management information system	6
III.	COST AND FINANCING	7
A.	Cost.....	7
B.	Project sustainability	8
IV.	EXECUTING AGENCY AND EXECUTION MECHANISM	9
A.	Executing agency	9
B.	Execution mechanism	9
C.	Project Readiness	10
D.	Execution and disbursement periods	10
E.	Procurement and contracting.....	11
V.	MONITORING AND EVALUATIONS	11
A.	Monitoring.....	11
B.	Evaluations	11
VI.	BENEFITS AND RISKS OF THE PROJECT.....	12
VII.	ENVIRONMENTAL AND SOCIAL ANALYSIS.....	13

ANNEXES

Annex I	Logical framework
Annex II	Detailed budget
Annex III	Related projects in the Dominican Republic

APPENDICES

Proposed resolution

INFORMATION AVAILABLE IN SDS/MSN TECHNICAL FILES

- Approved project profile
- MIF Memorandum of Eligibility
- Guidelines for promoting entrepreneurship. By MIF and SDS/MSM, April 2003
- Entrepreneurship in emerging economies: creation and development of new firms in Latin America and East Asia. By Hugo Kantis et al., Inter-American Development Bank, March 2002
- The IDB and the promotion of entrepreneurship: lessons learned and recommendations for new programs. Working report, Micro, Small and Medium Enterprise Division, Inter-American Development Bank, March 2003, Washington D.C.
- Draft operating regulations and terms of reference

ABBREVIATIONS

AC	Advisory Committee
ADOPEM	Asociación Dominicana para el Desarrollo de la Mujer [Dominican Association for Women's Development]
APEC	Acción Pro Educación y Cultura [Action for Education and Culture]
CAJIR	Consejo Asesor Internacional de la Juventud Rural [International Rural Youth Advisory Council]
CD	Comité Directivo [Steering Committee]
CESI	Committee on Environmental and Social Impact
FIME	Fondo de Inversiones para el Desarrollo de la Microempresa [Microenterprise Finance Fund]
FondoMicro	Fondo para el Financiamiento de la Microempresa, Inc. [Fund for Microenterprise Finance]
GDP	Gross domestic product
INFOTEP	Instituto Nacional de Formación Técnico Profesional [Technical and Professional Training Institute]
INTEC	Instituto Tecnológico de Santo Domingo [Technological Institute of Santo Domingo]
MSEs	Micro and small enterprises
NGO	Nongovernmental organization
OIJ	Organización Iberoamericana de la Juventud [Ibero-American Youth Organization]
PROEMPRESA	Programa de Apoyo a las Pequeñas Empresas Privadas Dominicanas [Program to Support Dominican Private Small Enterprises]
SDS/MSM	Micro, Small and Medium Enterprise Division of the Sustainable Development Department
UASD	Universidad Autónoma de Santo Domingo [Autonomous University of Santo Domingo]
UC	Project Coordinating Unit
WB	World Bank

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EXECUTIVE SUMMARY

Executing agency:	Consejo Asesor Internacional de la Juventud Rural (CAJIR)		
Beneficiaries:	The direct beneficiaries of the project will be approximately 750 teams of young men and women entrepreneurs who have a technical or university education and are residents of Santo Domingo. The sectors in which the young entrepreneurs are most likely to start their businesses are tourism, trade, services, and the food industry. The selection of beneficiaries must ensure ethnic and gender equity. Other project beneficiaries will be approximately 50 educators, 50 mentors, 20 credit analysts to be trained in promoting entrepreneurship and microlending methodology, and five entrepreneur training institutions.		
Financing:	Modality:	Nonreimbursable	
	MIF Window II	US\$ 660,000	(54%)
	Local counterpart:	<u>US\$ 570,000</u>	<u>(46%)</u>
	Total:	US\$1,230,000	(100%)
Execution timetable:	Execution period:	48 months	
	Disbursement period:	54 months	
Project objectives:	The overall objective of the project is to help strengthen the entrepreneurial base in Santo Domingo. The specific objective is to develop a model that young people in the city can use to create sustainable, competitive businesses.		
Description:	The project is organized into four components, which will be carried out simultaneously and are designed: (i) to develop a model that will include methodology, training for trainers, and basic skills for starting a business; (ii) to strengthen support and monitoring services for the initial development of new businesses and transferring a methodology for the holding of three business plan competitions; (iii) to strengthen the financial services market for access of new businesses to financing; and (iv) to publicize good practices for promoting entrepreneurship and developing a management information system and proposals for improving areas of public policy that represent an obstacle to starting new businesses in the Dominican Republic.		

Special contractual clauses:	As a condition precedent to the first disbursement, CAJIR must demonstrate to the Bank's satisfaction, that: (i) a project coordinator has been selected, pursuant to Bank procedures; and (ii) the Operating Regulations have been approved by the Project Executive Committee. Also, six months after signing the agreement with the Bank, CAJIR must present, to the Bank's satisfaction, the annual work plan for the first year of the project.
Exceptions to Bank policy:	None.
Environmental and social review:	The Committee on Environment and Social Impact (CESI) reviewed and approved the project abstract on 16 July 2004, and its recommendations were incorporated into this document.
Coordination with other donors:	World Vision signed an agreement with CAJIR to make a contribution of up to US\$30,000 to cover part of the startup costs for the 50 new businesses to be created under the project. World Vision is a nonprofit organization operating in the Dominican Republic and is part of World Vision International.

I. BACKGROUND AND JUSTIFICATION

A. Assessment of entrepreneurship in the Dominican Republic

- 1.1 Between 1993 and 2000, the number of Dominican microenterprises increased from 309,279 to 348,552, for an average annual growth rate of 1.7 percent. This period was characterized by high turnover rates: each year about one-third of these businesses ceased operations while a slightly higher number entered the marketplace. However, this revolving-door pattern has not led to an increase in the number of growth-oriented firms in the sector. Data for the year 2000 show that more than one half of all microenterprises are informal subsistence operations oriented toward the needs of neighborhood markets, while growth-oriented microenterprises are increasingly rare. In 1993 growth-oriented microenterprises from 4 to 10 employees represented 17 percent of the total; by 2000 this figure had decreased to 13 percent (Ortiz, M. and Castro O., 2003, “La microempresa dominicana a finales del siglo XX”). Although statistics are not available for 2000-2003, it is likely that the country’s recent macroeconomic instability and banking crisis have further reduced the number of growth-oriented microenterprises.
- 1.2 Factors that are restricting the creation of growth-oriented small enterprises may be grouped into four categories: (i) weaknesses in the education system and its lack of relevance to the business sector for motivating and training new entrepreneurs; (ii) nonfinancial and financial services for young companies are in short supply and inappropriate; (iii) a regulatory environment that discourages the creation of new businesses; and (iv) the weak role played by the media in disseminating an entrepreneurial culture.
- 1.3 **Weaknesses in the education system and its lack of relevance to the business sector.** Centers for technical training and higher education lack the methodologies and human resources to foster entrepreneurship. While some institutions, such as the Instituto Tecnológico de Santo Domingo (INTEC) and the Universidad Acción Pro Educación y Cultura (APEC), are beginning to work on this issue, their actions are limited in scope and are more experimental in nature. The Instituto Nacional de Formación Técnico Profesional (INFOTEP), which is dedicated to professional training, has been holding one-day workshops on an experimental basis for skills development and business plan development, but it has very few experienced educators. Compounding the lack of methodologies and human resources is the irrelevance of the training programs and the lack of ties to the local business community. This is a problem because business initiatives rely on the work experience of young people gained through internships and their contact with market opportunities. As a result of all these factors, only a small percentage (7%) of university graduates start their own companies.
- 1.4 **Nonfinancial services.** While there are numerous institutions in the Dominican Republic to support businesses, there are few that work with new entrepreneurs, especially in providing technical assistance during the company’s startup phase,

which is the most critical period for its survival. Isolated examples in this field are INTEC's Centro de Apoyo a la Micro, Pequeña y Mediana Empresa (CAMPE) and INCAE's Barna Institute, which are developing initiatives to help young entrepreneurs and executives to form business and cooperation networks with established businesspeople. However, other than these cases there are no other institutional opportunities to foster entrepreneurial networking.

- 1.5 **Financial services.** Companies less than a year old are not eligible for financing from Dominican financial institutions. As a result, entrepreneurs must resort to informal sources of financing, such as relatives, friends, and lenders. Even the older companies experience difficulties in obtaining credit. In 2000 only 5 percent of all micro and small enterprises gained access to credit from financial institutions. Also, a capital market has not been developed, and there are no financing mechanisms for new entrepreneurs, such as angel investors. Nevertheless, there are microfinance institutions such as the Asociación Dominicana para el Desarrollo de la Mujer (ADOPEM), which is beginning to provide credit to new entrepreneurs on a pilot basis. Similarly, the Fondo para el Financiamiento de la Microempresa, Inc. (FondoMicro), a private second-tier bank that channels financing to micro and small enterprises, is also considering ways to provide entrepreneurs with access to small loans through its network of microfinance institutions. Both of these institutions have agreed to support project activities through a participation agreement, under which new companies started as part of the project may gain access to financing. Also, the project will seek to involve other finance institutions such as the Programa para la Micro, Pequeña y Mediana Empresa (PROMIPYME). The latter is a government-run second-tier service that provides financial resources to entrepreneurs with no credit history on a pilot basis through the Reserve Bank.
- 1.6 **Regulatory environment.** First of all, bureaucratic procedures for starting a new business are time-consuming and costly. According to a World Bank report, formally starting a business requires up to 12 procedures that take as long as 78 days, at a cost of approximately US\$1,200. As a result, many businesses remain in the informal sector. In 1996, 70 percent of all entrepreneurs had not satisfied legal formalities, and less than 10 percent were registered for tax purposes. Another striking issue is a legal provision whereby seven people are needed to register and form a company, a requirement that fails to reflect the specific nature of micro and small enterprises. Also, the legal procedures associated with financial default are inefficient and extremely rigid, such that if a company falls into arrears, it remains on the record for a very long time, compromising its ability to access new sources of financing. Finally, the procedures for closing a business due to insolvency can take up to four years. All of these factors involve high costs and discourage the creation of new businesses.
- 1.7 **Media.** The mass media do not publicize business news and stories that could be critical for motivating and helping people in the Dominican Republic to start new

businesses. The country's most widely read newspapers could include special sections offering guidance to entrepreneurs on successful methods and techniques of business management. This could also be achieved through radio programs to discuss the major issues facing entrepreneurs, with educational messages produced from the actual perspective of business owners through their direct participation. INTEC's Centro de Apoyo a la Micro y Pequeña Empresa started an experimental radio program designed for this purpose, but the program was short-lived. Today the Dominican media lack spaces for reporting aimed at developing an entrepreneurial outlook.

B. Project justification and focus

- 1.8 Since the new administration took office in August of this year, a climate of confidence has emerged in the business sector (88%, according to surveys), and the economic outlook for 2005 is promising. In this context, the project is aimed at generating more favorable conditions for young people in Santo Domingo to start growth-oriented businesses, through actions to address coordination and market problems. Specifically, the project will facilitate the coordination and improvement of institutions involved in the entrepreneurial process, such as universities, technical training institutes, financial and nonfinancial service institutions, businesses and local authorities. The idea is to comprehensively promote entrepreneurship through these institutions, in order to develop support networks for entrepreneurs, with actions for each phase of the entrepreneurial process: (i) motivation and entrepreneurial skills development; (ii) preparation of a business plan; and (iii) launching and initial management of the company.
- 1.9 The project will focus its actions on young people in the city of Santo Domingo, which is the segment of the population from which new entrepreneurs emerge. Santo Domingo is home to 32 percent of people between 15 and 24 years of age in the country. Also, it offers a fitting environment for the project due to the market opportunities in the city as well as the presence of businesses and institutions expected to participate in the project. The project will focus on young people with a formal education (technical or university studies) and a minimum of work or business experience, two critical factors in the creation of growth-oriented businesses.

C. MIF and Bank strategy

- 1.10 This project is the fourth in a series of similar initiatives (projects have already been approved in Colombia, El Salvador and Peru) whose design is based on a number of MIF and SDS/MSM recommendations, including: (i) that the intervention area have the commitment of the public and private institutions involved in business development for network support purposes, an issue that has been borne out in the case of Santo Domingo; and (ii) that support for the process

of creating new businesses be comprehensive, including actions for motivating entrepreneurs and developing business plans, company startup and initial growth.

II. PROJECT OBJECTIVES AND DESCRIPTION

A. Objectives

- 2.1 The overall objective of the project is to help strengthen the entrepreneurial base in Santo Domingo. The specific objective is to develop a model that young people in the city can use to create sustainable, competitive businesses.
- 2.2 The company profile that is to be promoted through the project has the following characteristics: (i) the company is made up of at least two entrepreneurial young people with formal education and complementary experience; (ii) the company has the potential to achieve capital formation and sales growth; and (iii) the company can generate jobs for individuals other than the entrepreneurs' family members.

B. Description and components

- 2.3 The project is organized into four components, which will be carried out simultaneously and will address shortcomings in coordination and the market that restrict the creation of growth-oriented enterprises in Santo Domingo. The first component will deal with weaknesses in the educational system and its lack of relevance to the business sector. The second component will address the lack of business development services and will provide support for transferring a methodology for selecting business plans. The third component will strengthen the financial services market for access of new companies to financing. Finally, through the fourth component a management information system will be developed for project monitoring and oversight, public policy proposals will be prepared for improving the regulatory environment, and project services and results will be publicized and promoted.

1. Component 1: Entrepreneur training (FOMIN US\$221,100; counterpart US\$81,000)

- 2.4 The purpose of this component is to strengthen ties between training centers and businesses. It is expected that training institutions will improve their ability to foster the development of entrepreneurs, and that young people will gain access to training that will motivate them and help them develop skills to start new businesses. During project execution, a mechanism will be developed for young entrepreneurs to pay for at least a portion of the technical assistance services to ensure project continuity. For the selection of instructors, the executing agency will develop minimum terms of reference and will create a registry of at least 15 companies offering internships.

- 2.5 Through this component financing will be provided for technical assistance and training to help: (i) prepare a program and handbook for a course on entrepreneurial spirit and business creation; (ii) train five trainers from CAJIR to teach this course, so that these trainees may take their experience to other instructors in Santo Domingo training institutions that have signed an agreement to participate in the project; (iii) train 30 instructors from 5 training institutions; (iv) train 750 young people in entrepreneurial spirit and business creation; and (v) design and implement an internship program at private companies so that potential business people can acquire practical business experience.
- 2.6 At the end of the project, the following outcomes are expected to have been achieved: (i) a methodology and teaching materials on entrepreneurial spirit and business creation appropriate for the Dominican Republic will be available; (ii) five CAJIR facilitators will have been trained in the use of the methodology and materials; (iii) at least five training institutions will have implemented the new methodology and will have at least 30 trained educators; and (iv) 750 young people will have taken the course and participated in an internship of at least one month in a private company.

2. Component 2: Support service development and selection of business plans for creating new companies (MIF US\$199,500; local counterpart US\$309,000)

- 2.7 The purpose of this component is to develop a support service through tutoring and mentoring to facilitate the startup and initial development of companies. This component will seek to encourage young people in Santo Domingo to develop business ideas and plans for the creation of growth-oriented companies. Also, it will seek to improve coordination and specialization at institutions providing support services to entrepreneurs and private sponsors for development of a network.
- 2.8 Through this component, financing will be provided for technical assistance and training to help: (i) identify institutions that have developed a methodology for holding business plan competitions and transfer this methodology to CAJIR; (ii) support 300 entrepreneurs in developing their business plans; and (iii) present awards for the winning business plans. Three business plan competitions will be held, and at the end of each competition, an entrepreneurs' fair will be organized and will serve as the setting for the awards ceremony. These fairs serve the double purpose of facilitating the exchange of business information between young entrepreneurs and established entrepreneurs and serving as a training mechanism for entrepreneurs to market their products or services.
- 2.9 At the end of the project, the following outcomes are expected to have been achieved: (i) a methodology will be in place for developing business plan competitions; (ii) 50 consultants will have been chosen and accredited to provide

tutoring to entrepreneurs; (iii) 50 businesspeople will have been chosen and trained to offer mentoring to entrepreneurs; and (iv) 50 teams of young entrepreneurs with winning business plans will have received, as a part of their award, tutoring and mentoring services for up to a one-year period.

3. Component 3: Access to financing for new businesses (MIF US\$15,000; local counterpart US\$100,000)

- 2.10 The purpose of this component is to improve access to financing for new companies through microfinance institutions and private sponsors using finance mechanisms suited to the needs of entrepreneurs.
- 2.11 Through this component, financing will be provided for technical assistance and training to help: (i) train 20 credit officers in financing new businesses for the development of new financial products; and (ii) support young entrepreneurs in identifying public and private microfinance institutions to complement their financing needs in the initial growth stage of their enterprises. Also, 50 teams of entrepreneurs with winning business plans will be awarded up to US\$1,000, and this amount will be allocated to cover part of the startup costs for their companies. The project has estimated the average investment need for the new businesses at somewhere between US\$3,000 and US\$4,000. The entrepreneur will contribute one-third of this total, with the difference to be provided by participating financial institutions that have expressed interest in complementing the financing needs for the initial development of the new businesses.
- 2.12 At the end of the project, the following outcomes are expected to have been achieved: (i) 150 teams of entrepreneurs will have accessed microloans from at least two microfinance institutions; (ii) there will be 20 loan officers who specialize in financial services for entrepreneurs from new companies; (iii) there will be a guidebook describing the financing methods available to entrepreneurs at microfinance institutions; and (iv) at least 50 entrepreneurs' business plans will have been awarded up to US\$1,000 to cover part of the startup costs of their businesses.

4. Component 4: Promotion, public policy proposals and management information system (MIF US\$63,000; counterpart US\$13,000)

- 2.13 The purposes of this component are to publicize the project among its beneficiaries; to identify, document, and publicize good practices for promoting entrepreneurship and developing proposals to change areas of public policy that compromise the creation of new businesses in the Dominican Republic. Also, a management information system will be implemented to evaluate the performance of the project.

- 2.14 Through this component, financing will be provided for technical assistance and training to help: (i) design and implement a project communication strategy involving major media outlets in the city of Santo Domingo; (ii) develop visual aids on model entrepreneurs in Santo Domingo; (iii) organize eight summer school seminars on entrepreneurial spirit; (iv) develop, based on the project experience, a proposal for government authorities to facilitate business creation; and (v) organize 4 one-day workshops at the national level to discuss the issue mentioned in the previous item with the actors representing each area. Technical assistance will also be financed in order to develop: (i) a management information system for project monitoring and oversight; and (ii) a baseline study.
- 2.15 At the end of the project, the following outcomes are expected to have been achieved: (i) 10,000 young people will have the business creation handbook; (ii) 4,000 young people will have attended the seminars to be offered in the summer schools, and 750 of these young people will participate in a ten-month course on entrepreneurial spirit and business creation; (iii) there will have been an increase in the dissemination of issues related to entrepreneurship in the local media; (iv) project outcomes will have been posted on the executing agency's website; (v) a proposal to improve public policy areas related to business creation will have been presented to the government and financial institutions; (vi) project outcomes will have been disseminated at an entrepreneurs' event with the participation of representatives from the business and finance sectors and government authorities; (vii) a management information system will have been implemented to monitor and oversee project performance; and (viii) a control group will have been designed in order to establish a baseline to compare the impact achieved in at least 20 companies created under the project. The business creation handbook will be translated and published in English and Portuguese. The component was increased by US\$10,000 for this purpose.

III. COST AND FINANCING

A. Cost

- 3.1 The total budget for the project is US\$1,230,000. The MIF will contribute US\$660,000 of this amount on a nonreimbursable basis and the remaining US\$570,000 will come from the local counterpart, as shown in the budget below.

Table 1: Project budget (in US\$)

Description		MIF	Local contribution	Total	%
I.	Entrepreneur training	221,100	81,000	302,100	24
II.	Support services and selection of business plans for new businesses	199,500	309,000	508,500	41
III.	Support for new businesses and access to financing	15,000	100,000	115,000	10
IV.	Promotion and dissemination of public policy and public policy proposals	63,000	13,000	76,000	5
V.	Project coordination	120,400	67,000	187,000	15
VI.	Evaluations and audits	26,000	0	26,000	2
VII.	Unforeseen expenses	15,000	0	15,000	2
Total		660,000	570,000	1,230,000	100%
%		54	46	100	

- 3.2 Fifty percent of the counterpart funds will be contributed in cash and will come from the following institutions involved in the project: (i) CAJIR (US\$154,000); (ii) World Vision (US\$30,000); (iii) Banco ADOPEM (US\$50,000); and (iv) Young Entrepreneurs (US\$50,000). The remaining 50 percent will be contributed in kind by private sponsors in the form of internships and mentoring services for the young entrepreneurs.

B. Project sustainability

- 3.3 The sustainability of the project is based on the following factors: (i) companies with growth potential will have been formed and will be supported by a network that will increase the chances of long-term survival and growth in the marketplace; (ii) the development of a service market will have been encouraged through the transfer of CAJIR-validated methodologies to service providers and promotional entities, which will continue after the MIF contribution has ended; (iii) a fund will have been established from the recovery of costs from the project services; (iv) an educational curriculum will have been established at least one university with entrepreneurship as a required course; and (v) the environment for starting new companies will have been improved with the involvement of the municipal government, financial entities, universities, training service providers, mentors, tutors, and the business community.
- 3.4 At the end of the project there will be providers of training services who have gained solid work experience and tested the skill development model with new entrepreneurs. On the demand side, the young people who attend the project training courses will cover 20 percent of the costs with their own funds; they will

learn to value its benefits and will know how and where to purchase them in the future. One year before project completion, a workshop will be held with CAJIR and the project's Executive Council to discuss the project's sustainability strategy, which will include, among other aspects, a cost recovery analysis for project services and a pricing policy for technical assistance and monitoring services from mentors and tutors.

IV. EXECUTING AGENCY AND EXECUTION MECHANISM

A. Executing agency

- 4.1 The program will be executed by the Consejo Asesor Internacional de la Juventud Rural (CAJIR), a nongovernmental organization founded in 1979 and based in Santo Domingo, Dominican Republic, under an agreement signed with the Dominican government on 18 April 1989. Noteworthy is the institution's proven experience in developing productive business models and organizing six groups of small and medium-sized business for competitiveness. The institution has developed a sociocultural outreach strategy and a methodology for working with rural youth in the various facets of their development and growth. The institution seeks to consolidate its rural experience with urban youth by developing an entrepreneurship strategy through this project. Its actions are designed to strengthen and aid in the comprehensive development of young people, with the help of specialized national institutions, in the following areas: (i) technical assistance and training; (ii) access to financing; (iii) promotion of new ventures created mainly by young people; and (iv) coordination of owners of small and medium-sized enterprises in order to direct efforts to the export of agroindustrial products.
- 4.2 CAJIR possesses the technical and operational capacity to execute the project. It is currently developing several projects at a total cost of approximately US\$500,000 which are supported by World Vision, the Spanish Agency for International Cooperation (AECI), the W.K. Kellogg Foundation, and the Japanese Embassy. The institution's total annual budget is around US\$300,000. The institution's executive director is a strong leader, and its Board of Directors consists of 10 members from the private sector, including the current chairman who is involved in the Junior Achievement program in the Dominican Republic. The institution also has a strong ability to enlist support, involving a significant group of local businesspeople who have made a commitment to support the entrepreneurs, a key factor in the success of the project.

B. Execution mechanism

- 4.3 For the purpose of executing the program, an **Executive Committee (EC)** will be formed within CAJIR. The EC will consist of three members of the CAJIR board

of directors, three representatives from the private business sector and the Program Coordinator. The EC will be responsible for ensuring the proper operation and management of the program. The CAJIR Board of Directors will designate a professional as Program Coordinator, to be hired with Project funds, who will be responsible for developing the program and will serve as the primary liaison with the Bank. The Program Coordinator will have the operational support of an accounting/administrative assistant. CAJIR will provide an office as a base of operations and a team of mentors, promoters, and trainers who will carry out program activities. The EC will hold monthly meetings during the first six months and thereafter on a quarterly basis for coordinating planned actions and evaluating progress toward the project objective. The Executive Committee will approve the project's Operating Regulations, setting out the functioning of this structure and the duties of the EC and Program Coordinator. The Operating Regulations must cover the partial recovery of costs for technical assistance services provided by the project, and goals for the partial recovery of costs for each year of project execution. Also, the Operating Regulations must clearly indicate how the funds obtained through cost recovery will be used.

- 4.4 Three **advisory committees** will be formed on a horizontal basis. One will consist of nonfinancial service organizations, another will be made up of businesspeople serving as mentors and tutors, and the third will consist of providers of financial services for new companies. The Project Coordinator will hold quarterly meetings with the delegate from each advisory committee to articulate the various activities planned as part of the project.

C. Project Readiness

- 4.5 The project is at an advanced stage of readiness because: (i) the availability of local counterpart funding, in cash and in kind, was mostly negotiated and documented by the executing agency and the project team; and (ii) the executing agency has gone some way to establishing cooperation agreements with the support organizations that will participate in executing the project in Santo Domingo.

D. Execution and disbursement periods

- 4.6 The project will be executed over a period of 48 months and the financing disbursed over a period of 54 months. A rotating fund equivalent to as much as 10 percent of the MIF contribution will be set up, and administered in a separate account to permit timely access to funds for the various project activities. In the event of unfavorable deviations of more than 30 percent in the fulfillment of one or more of the indicators in the logical framework, CAJIR will have 30 calendar days to reach an agreement with the Bank on corrective measures. After this period has elapsed, or if the situation has not improved to the Bank's satisfaction, the Bank may suspend or cancel future disbursements.

E. Procurement and contracting

- 4.7 CAJIR will conduct the procurement of goods and services and the contracting of consulting services needed for project execution, in accordance with the standard procedures and policies of the Bank and the MIF.

V. MONITORING AND EVALUATIONS

A. Monitoring

- 5.1 CAJIR will be responsible for collecting and analyzing appropriate information for the continuous monitoring of the indicators in the logical framework (Annex I). To facilitate this task, component 4 includes funds for designing and implementing a management information system to oversee and monitor activities and indicators and for designing a control group to allow for the definition of a baseline against which the dynamism of new companies created with project support will be measured. CAJIR will use this oversight and monitoring system to supervise and manage the project and to prepare the semiannual progress reports and the midterm and final evaluations.
- 5.2 The Bank's Country Office in the Dominican Republic will be responsible for the supervision and oversight activities, for monitoring compliance with contractual conditions, for processing disbursement requests, and for receiving the audited financial statements. The executing agency will submit to the Country Office all project progress reports within 30 days following the end of each semiannual period, and a final report within 30 days following the last disbursement. These reports, which will follow a format previously agreed upon with the Bank, will include a work plan and disbursement schedule for the following six months, all activities and project financing carried out to date, a report on the recovery of costs for project services, as well as the outcomes measured in terms of the indicators and means of verification identified in the logical framework. The Bank will use these reports to monitor progress in project execution and to prepare the project completion report, to be prepared by a Bank specialist within 90 days following the date of the last disbursement.

B. Evaluations

- 5.3 Using funds included under evaluations and audits (Table 1), the Bank will engage the services of two consultants for the midterm and final evaluations of the project. The midterm evaluation will be conducted when at least 50 percent of the MIF funds have been disbursed or 24 months into project execution (50 percent of the total execution period), whichever occurs first. The objective is to verify the fulfillment of activities using the indicators in the logical framework as a reference, use of resources, delivery of products and services, and the

achievement of objectives in terms of the impact on beneficiaries and other stakeholders involved. Among other items, it will include an analysis of: (i) the statistics on the number of young people and entrepreneurs broken down by type of service received; (ii) the satisfaction levels of the young people and entrepreneurs in the project with the effectiveness and quality of the training, advising, and technical assistance provided; (iii) the level of cost recovery for project services in relation to the possibilities of project sustainability; (iv) the number of new growth-oriented companies started as a result of project support; and (v) the achievements of the project in terms of the strengthening of each institution that provided services to young people and entrepreneurs and in terms of the increase in the level of cooperation among these institutions.

- 5.4 The final evaluation will be prepared when 95 percent of the Bank's funds have been disbursed and will focus on: (i) the impact of the project on the creation of growth-oriented companies, based on failure rate, sales, employment, and access to financial and nonfinancial services of the companies supported under the project compared to a control group; (ii) the impact of the project on the improvement in quality and relevance of the financial, training, and technical assistance services for young entrepreneurs; and (iii) lessons learned and best practices identified.

VI. BENEFITS AND RISKS OF THE PROJECT

- 6.1 **Beneficiaries.** The project will benefit young people with a technical or university education residing in the city of Santo Domingo. The sectors in which the young people are most likely to start their businesses are tourism, trade, services, and the food industry. Other beneficiaries of the project will be approximately 50 educators and 50 mentors. Also, 20 credit analysts will be trained in order to provide access to financing for 150 new companies promoted under the project and five entrepreneur training institutions.
- 6.2 **Eligibility criteria.** The training courses described in component 1 will be open to individuals who have completed high school and who have at least one year of work experience and no more than one year of experience as entrepreneurs. The business plan competitions will be open to teams of at least two people who have completed high school, who have at least one year of work experience and no more than one year of experience as entrepreneurs, and who have a business idea. To qualify for support services the following conditions must be shown: (i) technical, economic, and financial viability of the business plan, (ii) capacity and complementarity of the team of entrepreneurs (at least two), (iii) growth potential of the business, in terms of both sales and jobs, (iv) a letter of intent from a potential client, (v) willingness to contribute one-third of the initial investment. The selection of project beneficiaries must ensure ethnic and gender equity.

- 6.3 **Risks.** *Two main risks* are associated with the project: (i) project activities are hampered by weak institutional coordination mechanisms; and (ii) there is a lack of creativity and/or an inability to identify new business opportunities with growth potential.
- 6.4 The *first risk* will be mitigated by: (i) CAJIR's ability to enlist support, with CAJIR forming an Executive Committee and supporting advisory committees led by the private sector and featuring support and commitments from private businesspeople, as evidenced through participation agreements, to develop project activities. As to the *second risk*, activities will be financed under components 1 and 2, which consist of the business plan competition for developing an inventory of business ideas and areas, including a portfolio of sector opportunities to be provided by the businesspeople sponsoring the project and a bank of small-scale projects in which the young people may start their new businesses.

VII. ENVIRONMENTAL AND SOCIAL ANALYSIS

- 7.1 The Committee on Environment and Social Impact (CESI) reviewed and approved the project abstract on 16 July 2004. As part of the training and technical assistance activities, awareness workshops and seminars will be held on environmental and gender issues in order to promote the use of clean technology and foster the participation of young female entrepreneurs in the project. Gender equity issues have been covered in the beneficiary eligibility criteria in paragraph 6.2.

LOGICAL FRAMEWORK

PROMOTING YOUTH ENTREPRENEURSHIP IN SANTO DOMINGO (DR-M1003)

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GOAL			
To help strengthen the entrepreneurial base in Santo Domingo	<ul style="list-style-type: none"> ▪ Increase in the number of young, sustainable, growth-oriented companies. ▪ Fifty new sustainable growth-oriented companies started with positive growth rates in jobs and sales. 	<ul style="list-style-type: none"> ▪ Ex post program evaluation. 	<ul style="list-style-type: none"> ▪ The macroeconomic environment remains stable.
PURPOSE			
To develop the resources and a model for young people in Santo Domingo to create sustainable, competitive companies	<p>By project completion:</p> <ul style="list-style-type: none"> ▪ 20 companies, compared to a control group, show: <ul style="list-style-type: none"> – Two times the rate of formal registration as a company; – 1.5 times the rate of access to financial and nonfinancial services; and – 30% higher average income of owners/managers of their own businesses ▪ At least two microlending institutions provide financial services suited to the needs of young entrepreneurs. 	<ul style="list-style-type: none"> ▪ Baseline report. ▪ Control group report. ▪ Quarterly project management reports. ▪ Midterm and final project evaluations. ▪ Santo Domingo business records. 	<ul style="list-style-type: none"> ▪ There is a critical mass of young people with ideas for starting their own businesses. ▪ The interest of public, private, and financial institutions in promoting youth entrepreneurship is maintained.
COMPONENTS			
1. Entrepreneur training	<p>By project completion:</p> <ul style="list-style-type: none"> ▪ 50 educators from universities and training centers have been trained in applying the methodology for training young entrepreneurs. <p>During project execution:</p> <ul style="list-style-type: none"> ▪ A methodology (manual, CD, software) appropriate to the Dominican Republic for training young entrepreneurs has been developed, and five trainers from CAJIR have been trained in using this 	<ul style="list-style-type: none"> ▪ Consultant contracts and reports. ▪ Course evaluation results. ▪ Midterm and final program evaluations. ▪ List of participants. ▪ Photographic documentation. 	<ul style="list-style-type: none"> ▪ Favorable perception of young people regarding the information and materials they have received. ▪ Professional quality of trainers and curriculum. ▪ Young people perceive training as a means for

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	<p>methodology by the end of the first year.</p> <ul style="list-style-type: none"> 750 young people have been trained: 150 in the second year, 300 in the third year and 300 in the fourth. 		<p>improving their chances of success.</p> <ul style="list-style-type: none"> Institutions are prepared to provide project continuity through the creation of a support network for entrepreneurs.
<p>2. Business plan competitions for new companies</p>	<p>During project execution:</p> <ul style="list-style-type: none"> A methodology for the business plan competition has been developed by the sixth month. Three business plan competitions have been held in the final three years of the project. 1,500 entrepreneurial business plans have been submitted in the three contests. 50 small-scale business projects have been selected: 10 in the second year, 20 in the third year, and 20 in the fourth year. 300 teams of entrepreneurs from the courses, competitions, and promotional campaign receive assistance during the first year of their business. Entrepreneurs Day has been established. 	<ul style="list-style-type: none"> Consultant contracts and reports. Results of course evaluations Midterm and final program evaluations. Business plan database. Winning business plans. 	<ul style="list-style-type: none"> Young people's interest in starting companies is maintained. There is interest among the training institutions in establishing business initiative activities. The interest of financial and nonfinancial service institutions and established entrepreneurs in promoting youth entrepreneurship is maintained.
<p>3. Support services for new companies and access to financing</p>	<p>By project completion:</p> <ul style="list-style-type: none"> Two agreements signed with microlending financial institutions. 150 young entrepreneurs will have gained access to microloans from microfinance institutions. 50 consultants identified and certified to provide tutoring to entrepreneurs. 	<ul style="list-style-type: none"> Consultant contracts and reports. Midterm and final program evaluations. Database of assisted companies. 	<ul style="list-style-type: none"> Effectiveness in determining eligibility of winning business projects. Effectiveness in determining eligibility of projects financed by microfinance institutions.

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	<ul style="list-style-type: none"> 50 businesspeople trained to provide mentoring to entrepreneurs. 		<ul style="list-style-type: none"> Professionalization of tutoring.
4. Promotion, dissemination and proposals for public policy development	<p>By project completion:</p> <ul style="list-style-type: none"> 10,000 young people and the stakeholders from the business, financial, and public sectors have been informed of the project and the concept of entrepreneurship. More than 4,000 university students have attended the seminars to be offered at the summer schools for entrepreneurs, with the participation of renowned speakers from the business and financial worlds. A baseline for the control group has been designed. A monitoring system has been implemented. A proposal to improve areas of public and financial policy related to the creation of companies has been submitted to the government and financial institutions. <p>During project execution:</p> <ul style="list-style-type: none"> Report on business opportunities for young people in Santo Domingo has been published three times. Four workshops have been held with 50 young people and representatives of the business, financial, and political sectors. By the second year 10,000 university students will have the handbook for starting a new business. The business creation handbook will be translated and published in English and Portuguese. 	<ul style="list-style-type: none"> Consultant contracts and reports. Profiles of selected trainers. Results of course evaluations. Midterm and final program evaluations. Semiannual discussions and forums to raise awareness in coordination with the members of the appropriate advisory committee. Include attendance lists from these awareness discussions and forums. 	<ul style="list-style-type: none"> The interest of universities in promoting the creation of new businesses is maintained. The interest of young people in starting new businesses is maintained. Young people have a favorable perception of the information they have received. There are a large number of profiles eligible for project trainers.
ACTIVITIES			
Component 1	MIF US\$221,100 LOCAL US\$81,000 Year 1: first half		
<ul style="list-style-type: none"> Development of content, methodologies and materials for the entrepreneur training program 			

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<ul style="list-style-type: none"> ▪ Training for CAJIR trainers (5) ▪ Call for and selection of training institutions ▪ Transfer of methodology and extension to new trainers (50) ▪ Call to young people ▪ Development of entrepreneur training courses and internships at businesses (750) 	Year 1: first half Year 1: first half Year 1: second half Year 1: second half Year 1: first and second halves Year 2: first and second halves Year 3: first and second halves		
Component 2 <ul style="list-style-type: none"> ▪ Development of methodology for business plan competitions ▪ Development of agreements with institutions promoting the business plan competition (universities, businesspeople, sponsors) ▪ Formation of the evaluating committee ▪ Organization of 3 business plan competitions <ul style="list-style-type: none"> ○ Launching ○ Receipt and evaluation of ideas ○ Receipt and evaluation of business plans ○ Distribution of awards ▪ Organization of 3 entrepreneur fairs on Entrepreneurs Day 	MIF US\$199,500 LOCAL US\$309,000 Year 1: second half Year 1: first and second halves Year 3: first half Year 4: first half Year 2: first half Year 3: first half Year 4: first half Year 1: second half Year 2: second half Year 3: second half Year 1: second half Year 2: second half Year 3: second half		

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<ul style="list-style-type: none"> Development of small-scale project bank and release of a publication of a list and analysis of the 20 best projects submitted Selection of teams of entrepreneurs to be assisted by the project Selection and accreditation of consultants to serve as tutors Selection and training of businesspeople to serve as mentors 	Year 2: second half Year 3: first and second halves Year 4: first and second halves Year 2: second half Year 3: second half Year 4: second half Year 1: first half Year 2: first half Year 3: first half Year 1: second half Year 3: first half Year 4: first half		
Component 3 <ul style="list-style-type: none"> Establishment of agreements with financial institutions and training of credit analysts Assistance for entrepreneurs through mentoring, tutoring and credit management support 	MIF US\$: 15.000 LOCAL US\$100.000 Year 1: first and second halves Year 2: first half Year 2: second half Year 3: first and second halves Year 4: first and second halves		
Component 4 <ul style="list-style-type: none"> Design of program communication strategy Development of promotional material and visual aids (including 10 case studies of model businesspeople in Santo Domingo) Development of partnerships with media outlets Launching of the project 	MIF US\$: 63,000 LOCAL US\$: 13,000 Year 1: first half Year 1: first and second halves Year 1: first and second halves Year 1: first half		

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<ul style="list-style-type: none"> ▪ Holding of eight summer school seminars ▪ Holding of 4 one-day workshops at the national level to discuss issues and reach conclusions for developing proposals ▪ Establishment and development of the monitoring system ▪ Performance of project baseline study ▪ Translation and publication of business creation handbook in English and Portuguese 	<p>Year 2: second half Year 3: second half Year 4: second half</p> <p>Year 2: first half Year 3: first half Year 4: first half</p> <p>Year 1: entire period Year 2: entire period Year 3: entire period Year 4: entire period</p> <p>Year 1: first half Year 2: second half</p>		

Description	Hours	MH / Amount	Cost	Total	MIF	Local	%	Product	Observations on costing
Component I Entrepreneur training									
1. Development of content, methodologies and materials for the entrepreneur training program									consultant and materials target middle to lower middle-class youth with a technical or university education; methodology development in association with one or two training institutions
a. Consultant		4	2,500	10,000	10,000				
b. Publication and printing of materials		750	15	11,100	11,100				
2. Training for CAJIR trainers (5)									consultant and physical space
a. Consultant		2	2,500	5,000	5,000				
b. Rooms		2	300	600		600			
3. Call for and selection of training institutions									coordinator
4. Transfer of methodology to create further trainers (30)									physical space
a. CAJIR facilitators		6	1,500	9,000		9,000			
b. Rooms		4	300	1,400		1,400			
5. Call for young people									coordinator and partners
6. Development of entrepreneur training courses and internships in companies (750)									
a. Educators	200	25	20	100,000	90,000	10,000			200 hours per course, \$20 per instructor hour, 30 students per course
b. Rooms		200	300	60,000		60,000			
c. Incentives for internships		750	140	105,000	105,000				\$140 per intern, 1 month per internship, 10 to 15 medium-sized or large partnering companies
1. Subtotal				302,100	221,100	81,000	24.6%		
Component II Support services and business plan competition									
1. Transfer of methodology for business plan competitions									adaptation of existing methodology 1 consultant month
a. Consultant		2	2,500	5,000	5,000				
2. Development of agreements with institutions promoting the business plan competition (universities, businesspeople, sponsors)									coordinator
3. Formation of the evaluating committee									coordinator (the EC will consist of businesspeople and instructors of business management - some notables and others to do the work)
4. Organization of 3 business plan competitions									
a. Consultant		18	2,500	45,000	45,000				18 consultant months (see interest of McKinsey) Bibi to verify
b. Instructors and businesspeople		30	1,500	45,000		45,000			
5. Organization of three entrepreneur fairs on Entrepreneurs Day									
a. Organization of fairs (disaggregated)		3	5,000	15,000	10,000	5,000			\$5000 per fair (define concept of fair) (something larger can be held the final year) (project-ending event)
6. Development of small-scale project bank and release of a publication that lists and analyzes the 20 winning projects									
a. Consultant		4	1,500	6,000	6,000				4 consultant months
b. Publication, diagramming, and printing		1,000	10	10,000	10,000				more diagramming and printing \$2 diagramming per page \$8 per printed copy
7. Selection of teams of entrepreneurs to be assisted by the project									
a. Consultant		8	2,500	20,000	20,000				9 consultant months
8. Selection and accreditation of consultants to serve as tutors									
a. Consultant		3	2,500	7,500	7,500				3 consultant months
9. Selection and training of businesspeople to serve as mentors									
a. Facilitator		1	5,000	5,000		5,000			resort weekend plus a two- or three-day course
b. Physical space		1	5,000	5,000		5,000			
10. Entrepreneurs monitored through mentoring and tutoring									
a. Mentors	30	300	25	225,000		225,000			tutoring 30 hours per team at \$25
b. Tutors	8	300	50	120,000	96,000	24,000			mentoring 8 hours per team at \$50
2. Subtotal				508,500	199,500	60,000	41.3%		
Component III Support and access to financing for new companies									
1. Financing for entrepreneurs									
a. Seed capital		50	1,000	50,000		50,000			\$1000 x 150 __ counterpart from partnering financial institution
b. Contribution of partnering financial institution		50	1,000	50,000		50,000			
2. Establishment of agreements with financial institutions and training of cred analysts			10,000	10,000	10,000				coordinator plus 60-hour course for analysts 2 times
3. Support for development of financial services for new companies		1	5,000	5,000	5,000				
3. Subtotal				115,000	15,000	100,000	9.3%		
Description	Hours	MH / Amount	Cost	Total	MIF	Local	%	Product	Observations on costing

Component IV Promotion, public policy proposals and information system									
1. Design of program communication strategy									
a. Consulting company		1	15,000	15,000	15,000				up to \$15,000 a local business
2. Development of promotional material and visual aids									
a. Consultant		2	2,500	5,000	5,000				(including 10 case studies of model businesspeople in Santo Domingo)
b. Diagramming and printing of materials		1,000	10	10,000	10,000				
c. Translation and publication of business creation manual			10,000	10,000	10,000				
3. Development of partnerships with media outlets									coordinator
4. Launching of project									
a. Speaker		1	3,000	3,000		3,000			at university with buffet invite public figure (Félix Sánchez, Sammy Sosa, El Merengero...) \$4000
b. Organization, physical space and others		1	2,000	2,000		2,000			
5. Four one-day workshops held for institutional network development									
Workshops		4	4,000	16,000	8,000	8,000			\$4000 per one-day workshop
8. Establish and develop the management information system									For this and following item \$15000
a. Consultant		3	2,500	7,500	7,500				
9. Perform project baseline study									
a. Consultant		3	2,500	7,500	7,500				
4. Subtotal				76,000	63,000	13,000	6.2%		
Project coordination									
1. Coordinator		48	1,700	81,600	81,600			Program planning, coordination and direction	
2. Tutoring for project startup		4	3,000	12,000	12,000				
3. Accounting/administrative assistant		48	500	24,000		24,000		Program accounting and quarterly and semiannual reporting	
4. Communications		48	700	33,600	16,800	16,800			
5. Office		48	400	19,200		19,200			
6. Equipment				10,000	10,000				
7. Travel expenses and per diems				7,000		7,000			Includes travel expenses and per diems for 5 trips abroad
5. Subtotal				187,400	120,400	67,000	15.2%		
Evaluations				18,000	18,000		1.5%		
Audits				8,000	8,000		0.7%		
Contingencies				15,000	15,000		1.2%		
Total (in US\$)				1,230,000	660,000	321,000	100.0%		
%					54%	26%			
Source of funding					MIF	Local			

RELATED PROJECTS IN THE DOMINICAN REPUBLIC
PROMOTING YOUTH ENTREPRENEURSHIP IN SANTO DOMINGO
(DR-M1003)

A. Similar MIF projects, or other MIF projects related to this project. None

B. Similar or related Bank projects. None

C. MIF projects related to the same sector or beneficiaries

Project number and approval date	Project title, executing agency, and amount	Date of signing and disbursement period in months	Amount disbursed	Comments
ATN/ME-8455-DR 1 October 2003	Financial and Business Services for Remittance Recipients Asociación de Instituciones Rurales de Ahorro y Crédito (AIRAC) US\$840,000 MIF contribution	28 November 2003 42 months	10.00%	The project has a satisfactory rating. In may 2004 the project was declared eligible for the first disbursement, and the executing agency has progressed in carrying out the activities planned for the first year of execution.
ATN/ME-8456-DR 1 October 2003	Increasing the competitiveness of micro, small, and medium-sized enterprises in Santiago de los Caballeros Asociación de Industriales de la Región Norte (AIREN) US\$566,000 MIF contribution	16 October 2003 42 months	10.26%	The project has been in full execution for six months. It has a satisfactory rating, as it has carried out a series of preparatory actions for the scope of the objectives under the first component, such as regular meetings with entrepreneurs interested in forming clusters, design of a form for gathering information from companies interested in the project, preliminary design of an informational brochure for the project, preparation of the schedule of activities, and preliminary analysis of the strengths and weaknesses of the region's textile and lumber sectors.

MULTILATERAL INVESTMENT FUND
DOMINICAN REPUBLIC MIF PORTFOLIO

No.	Memo #	Project #	ATN #	Name	Exec.	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-62	TC9506116	ATN/MT-5065-DR	Strengthening Agricultural Commercialization	JAD	I	15-Nov-95	Completed	294,790	100.00
2	MIF/AT-63	TC9504467	ATN/MT-5075-DR	Strengthening of Rural Financial Intermediaries	AIRAC	I	29-Nov-95	Completed	109,231	100.00
3	MIF/AT-63	TC9504491	ATN/ME-5076-DR	Strengthening of Rural Financial Intermediaries	AIRAC	IIIa	29-Nov-95	Completed	1,034,865	100.00
4	MIF/AT-70	TC9505308	ATN/ME-5129-DR	Program to Raise Agricultural Competitiveness	JAD	IIIa	23-Jan-96	Completed	1,920,000	100.00
5	MIF/AT-85	TC9504417	ATN/ME-5237-DR	Capitalization of Banco de la Pequena Empresa, S.A.	BPE	IIIa	29-May-96	Completed	75,000	100.00
6	MIF/AT-85	TC9604241	EQU/MS-0007-DR	Capitalization of Banco de la Pequena Empresa, S.A.	BPE	IIIb	29-May-96	Completed	600,000	100.00
7	MIF/AT-117	TC9410507	ATN/MT-5522-DR	Energy Sector Reform	STP	I	9-Apr-97	Completed	1,218,003	100.00
8	MIF/AT-119	TC9509285	ATN/MH-5521-DR	Labor Mediation Training	SET	II	9-Apr-97	Completed	663,000	100.00
9	MIF/AT-162	TC9701097	ATN/MT-5910-DR	Program to Reform Public Enterprises	CREP	I	1-Apr-98	Completed	1,809,248	100.00
10	MIF/AT-279	TC9901005	ATN/MT-6661-DR	Regulatory Framework for Potable Water and Sewerage	STP	I	22-Sep-99	Completed	185,617	100.00
11	MIF/AT-324	TC9912023	ATN/ME-6947-DR	Institutional Strengthening ADOPEM	ADDM	IIIa	25-Apr-00	Completed	300,000	100.00
12	MIF/AT-325	TC9912024	ATN/ME-6948-DR	Institutional Strengthening Fondesa	FONDESA	IIIa	25-Apr-00	In execution	300,000	60.42
13	MIF/AT-379	TC9901019	ATN/MT-7252-DR	Program of Support for Banking Regulation and Supervision	BCRD	I	6-Dec-00	In execution	1,300,000	90.28
14	MIF/AT-531	DR0158	64/MS-DR	Improving Remittances Distribution Channels in Microenterprise		IIIb	30-Apr-03	Approved	2,500,000	0.00
15	MIF/AT-550	TC0303015	ATN/ME-8456-DR	Support to Small Industries Linkages in Santiago	AIREN	IIIa	1-Oct-03	In execution	546,000	10.26
16	MIF/AT-549	TC0304042	ATN/ME-8455-DR	Development of Financial and Business Services for Remittance Recipients	AIRAC	IIIa	1-Oct-03	In execution	840,000	10.00
17	MIF/AT-574	TC0201105	ATN/MT-8590-DR	Airport Security Improvments	DA	I	19-Dec-03	In execution	500,000	15.00
18	MIF/AT-634	DR-M1004	ATN/ME-8994-DR	Women's World Banking	ADOPEM	IIIa	8-Dec-04	Approved	1,000,000	0.00
19	MIF/AT-634	DR-M1004	91/MS-DR	Women's World Banking	ADOPEM	IIIa	8-Dec-04	Approved	70,000	0.00
							Total MIF Amount		15,265,754	

PROPOSED RESOLUTION

Dominican Republic. Nonreimbursable Technical Cooperation for the Promoting Youth Entrepreneurship in Santo Domingo

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 Consejo Asesor Internacional de la Juventud Rural, 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 the promoting youth entrepreneurship in Santo Domingo.
2. That up to the amount of US\$660,000, or its equivalent in other convertible currencies, shall be authorized for the purpose of this resolution, chargeable to the resources of the Human Resources Facility of the Multilateral Investment Fund.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.