

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REGIONAL

DESIGNING TRAINING COURSES ON LOCAL ECONOMIC DEVELOPMENT

(TC-03-03-03-1-RS)

PLAN OF OPERATIONS

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ABBREVIATIONS

CNC	Consejo Nacional de Competitividad [National Competitiveness Council]
SGCF	Spanish General Cooperation Fund

DESIGNING TRAINING COURSES ON LOCAL ECONOMIC DEVELOPMENT

(TC-03-03-03-1-RS)

EXECUTIVE SUMMARY

Requestor:	Bank initiative
Executing agency:	Micro, Small, and Medium Enterprise Division of the Sustainable Development Department (SDS/MSM)
Amount and source:	Spanish General Cooperation Fund (SGCF): €330,189
Terms:	Execution period: 36 months Disbursement period: 40 months
Objectives:	The objective of the project is to develop training products that meet the needs of individuals in charge of the design, management, and evaluation of local economic development programs at the subnational level.
Description:	The project is divided into three components. The first involves: (i) characterizing and quantifying the local economic development training market in Latin America and the Caribbean; and (ii) designing training courses. The second entails: (i) offering pilot courses in Peru; (ii) evaluating and fine-tuning the course design; (iii) implementing the second pilot test course; and (iv) final polishing of the courses. The third involves: (i) preparing electronic and printed materials for dissemination; and (ii) conducting dissemination activities in the region.
Environmental and social review:	The Committee on Environment and Social Impact (CESI) considered this operation on 5 September 2003; its recommendations are reflected in paragraphs 2.5, 2.7(ii), and 4.1.
Benefits:	The project would: (i) build knowledge of the demand for local economic development training in the region; (ii) strengthen training institutions in Peru and in the region, outfitting them with new training materials that are more targeted and better able to meet their demand; (iii) support Bank operations in this area, particularly the State decentralization and modernization program (PE-0217) and the competitiveness reform program (PE-0239) in Peru.

Risks:	Components 2 and 3 will depend on whether a local institution in Peru is interested in supporting the pilot courses. To mitigate this risk, Peru was selected, because it is in the middle of a decentralization process, which boosts interest among potential sources of demand. Peru also has five major universities and institutions with experience and capacity in local economic development training that could support the project.
Role of the project in the Bank's strategy with the country and in the region and sector:	The project fits in with the Bank's State modernization and competitiveness strategies and the country strategy with Peru. It is also in line with two Bank projects being prepared in Peru: (i) the competitiveness reform program (PE-0239); and (ii) the State decentralization and modernization program (PE-0217).
Coordination with other official development agencies:	The project was prepared bearing in mind local economic development training activities in the various actions and programs being implemented by multilateral organizations and bilateral donors. The Comisión Nacional de Descentralización [National Decentralization Commission] has expressed interest in this operation (see paragraph E 1.9).
Special contractual clauses:	Peru's nonobjection to implementing pilot training courses on local economic development will be a condition precedent to the first disbursement. For components 2 and 3, a positive assessment by the Bank of the results of component 1 will be a condition precedent to disbursement.
Exceptions to Bank policy:	None.

I. BACKGROUND

A. Local economic development training problems in Latin America and the Caribbean

- 1.1 The process of State modernization and the decentralization of functions and responsibilities from national to subnational governments, under way for a number of years now in several Latin American and Caribbean countries, has given regional and local public- and private-sector players new responsibilities in the area of economic development. Although different institution-strengthening and human resources training programs in subnational entities have accompanied these processes, they have been general in nature and are limited to issues such as resource management and administration of local finances, governance, civil society participation, and administration of social programs. In other words, they neither acknowledge that professionals have differing training needs, depending on their functions and level of responsibility, nor take account of important factors that drive local economic development, such as participation by micro-, small, and medium-sized enterprises, the business climate, private-sector leadership, and government-private sector relations. As a result, there is a dearth of training products for officials in the public and private sectors, aimed at designing and administering subnational competitiveness, business development, and local economic growth programs.
- 1.2 Several international organizations, including the Economic Commission for Latin America and the Caribbean (ECLAC), the World Bank, and the International Labour Organization (ILO), have supported and implemented local economic development training courses. However, the focus has always been on supply, and not based on existing demand, and the fact that countries have different degrees of decentralization and hence different training needs was not recognized. Their courses were designed not to address the specific needs of the various institutional players, but to meet all demand with a single product. However, not only have these training products been unable to cover the various aspects of demand, but demand itself has not been fully identified.
- 1.3 As a result of the foregoing, the scant training for local officials in the public and private sectors is one of the main factors restricting potential demand for the design and execution of programs and limiting the expansion of Bank operations in this new field. The Multilateral Investment Fund (MIF) has approved a few pilot projects in this area; however, one challenge for the Bank is to incorporate economic development components into larger loan operations and to develop efficient mechanisms for allocating resources for local economic development. Several countries have requested training products, including Peru.

B. The case of Peru

- 1.4 Peru has an appropriate environment for local economic development training, since the country is undergoing State modernization and decentralization to improve the quality of public services offered by the national, regional, and municipal governments. It is also strengthening its institutional framework for bolstering competitiveness, the cornerstone of which is the Consejo Nacional de Competitividad [National Competitiveness Council] (CNC). The CNC is made up of public- and private-sector groups specifically geared to promoting and facilitating production clusters. Bank loan operations are supporting both of these processes. The Comisión Nacional de Descentralización [National Decentralization Commission] has expressed interest in the project.

C. Bank strategies

- 1.5 The project is consistent with the Bank's State modernization and competitiveness strategies. The former promotes decentralization and emphasizes the development of institutional capacity to devise and implement policy, while the latter underscores the importance of strengthening human resources, training, and subnational institutions.
- 1.6 The general objective of the Bank's country strategy with Peru is poverty reduction. The specific objectives are to: (i) boost the country's competitiveness and productivity; (ii) make social policy more efficient; and (iii) create a modern, efficient State dedicated to serving the population. The proposed project will contribute directly to achieving that third objective.

D. Complementarity with other Bank operations

- 1.7 The objective of the Bank's State decentralization and modernization program in Peru (PE-0217), signed in September 2003, is to support government modernization and decentralization, by reworking key institutional rules and introducing new administrative systems and structures. Decentralization in Peru will create new responsibilities at the subnational level. Therefore, the capacity of personnel in the public sector to devise and manage national and sector policies will need to be strengthened, in a context of decentralized competencies and functions. The proposed training project will support this process by means of training courses in Peru on local development.
- 1.8 The Bank is also preparing a competitiveness reform program (PE-0239) in Peru, to improve the country's competitive position. To that end, it will strengthen the Consejo Nacional de Competitividad (CNC), among other activities. The training project will complement the efforts of this program, in coordination with the CNC, which is interested in strengthening the capacity of the professionals with whom it works.

E. Coordination with other official development agencies

- 1.9 The project was prepared bearing in mind local economic development training activities in the various actions and programs being implemented by multilateral organizations and bilateral donors. The Comisión Nacional de Descentralización [National Decentralization Commission] has expressed interest in this operation.

II. THE PROJECT

A. Objectives

- 2.1 The general objective is to improve human resources training, with a view to promoting local economic development.
- 2.2 The specific objective is to develop training products that meet the needs of officials at the subnational level in charge of designing, managing, and evaluating local economic development programs.

B. Description of activities

- 2.3 This is a regional program because the proposed activities will be conducted in three countries, and its purpose is to design training courses for dissemination throughout the region. It will first identify the main profiles of participants according to their respective training needs. This will be done through field work in three countries at different stages of decentralization—one very advanced, i.e. Brazil, which already has local economic development experience; one not very advanced, i.e. Honduras, where incipient initiatives of this nature are under way and where the Bank is preparing operations on this topic; and a third that is in mid-transition, i.e. Peru, where there is demand for training products for local economic development because of its current decentralization process. This is intended to make the course design reflect differences in participant profiles and a country's degree of modernization.
- 2.4 Modular training courses will be designed in accordance with the profiles. To ensure that they effectively meet participants' needs, preliminary (pilot) courses will be held in Peru and subsequently evaluated, improved, and disseminated in the region. Peru was selected for two reasons: (i) the modernization and decentralization process under way there gives potential participants greater incentive to get training, indicate their training needs, and support improvement of the training, thereby enhancing the design of the courses, which other countries could use, taking into account, of course, their own level of modernization; and (ii) synergies with Bank programs. Subsequently, both the course design and content and the lessons learned will be disseminated to the region, through workshops and print and electronic media. This technical-cooperation operation is divided into three components.

Component 1: Designing training courses

- 2.5 The purpose of the first component is to design local economic development training modules according to the needs of different professional profiles based on: (i) their institutional level (officials responsible for national policies, municipal economic development officials, departmental and municipal operators of local development programs, and local indigenous and afrodescendant government administrators); (ii) their responsibilities (design, management, execution, evaluation of policies); and (iii) the country's degree of decentralization. This component, which includes fieldwork in three countries in the region, each with differing degrees of decentralization, will also disseminate the project among potential users of the training courses who will be targeted. The planned activities will incorporate environmental and social considerations, promoting environmental conservation, social inclusion, and cultural diversity as key building blocks of local economic development. The component includes the following activities:
- (i) Characterization and quantification of specific local economic development training needs in Latin America and the Caribbean, with emphasis on three countries in the region with differing degrees of decentralization, including Peru. The following two elements will be analyzed: (a) current training needs in countries with different levels of decentralization; (b) the existing supply of training, including training with other approaches having elements of local economic development (fiscal management, administration of social programs, etc.); (c) characteristics of the current supply of training (cost, duration, schedule) and its financing structure (who pays); (d) incentives for course participants (accreditation, formal training, improving one's position in the labor market); and (e) the level of satisfaction of the different segments of demand.
 - (ii) Preparation of pilot modular training courses for countries in the region—to be tested initially in Peru—differentiated on at least two levels: policy-making and program management. This activity will determine the course content, materials to be used, academic and practical training schedule, and instructors needed. A proposal will also be prepared for subsequent evaluation and fine-tuning of course design and content.
 - (iii) Presentation of the results of component 1 at a workshop in Washington. The presentation will: (a) identify the most pressing local economic development training needs; (b) indicate interest in the courses among local institutions from the three countries where the fieldwork was done; and (c) analyze the benefits and risks of components 2 and 3.

- 2.6 This component is expected to produce: (i) an estimate of the most important sources of demand for local economic development training; (ii) at least two types of training courses; and (iii) contacts with at least three suitable institutions interested in, and able to implement, the courses in three countries in the region, including Peru.

Component 2: Implementing the courses and improving their design

- 2.7 The objective of component 2 is to implement pilot test courses in Peru, as a means of improving their design and content before they are disseminated. Although the specific elements of this component will depend on the outcome of component 1, the following activities are planned:

- (i) Identifying a functioning institutional structure for the pilot courses:
 - (a) Selecting a local public or private institution or university to facilitate implementation of the pilot courses based on the following criteria: experience with training on related topics, prestige among institutions working on local economic development, suitable infrastructure for holding the courses, and stated willingness to and possibility of continuing to give courses on this topic once the program is completed;
 - (b) disseminating and promoting the courses among the potential sources of demand, including local indigenous and afrodescendant governments; and
 - (c) selecting course participants.
- (ii) First-round implementation, evaluation, and improvement of the pilot courses.
- (iii) Second-round implementation and final evaluation and perfecting of the pilot courses.

- 2.8 This component is expected to produce the following results: at least 200 officials from different public and private organizations and institution in Peru will be trained; an academic and operating methodology will be established for local economic development courses; and local economic development instructional materials will be prepared, for dissemination in other countries of the region.

Component 3: Dissemination

- 2.9 The purpose of this component is to vitalize the local economic development training market in the region, with new instruments, by disseminating the courses designed in the project. The strategy for disseminating the courses will depend on

the experience and expertise gained in components 1 and 2. Nevertheless, the component could include the following activities:

- (i) Establishing a dissemination strategy.
- (ii) Preparing training materials to be disseminated in hard copy or electronically.
- (iii) Dissemination activities, through electronic media and/or workshops with training institutions in countries of the region, in accordance with the dissemination strategy.

- 2.10 The results of this component will depend on the dissemination strategy implemented. Nevertheless, at least one institution in each of the three countries where the field work was done is expected to incorporate the design the project produced into its training program, holding at least one round of courses on its own.

C. Cost and financing

- 2.11 The total cost of the project is €330,189 from the Spanish General Cooperation Fund (SGCF), in accordance with the following budget:

Summary of costs (euros)

	SGCF
Component 1	87,000
Component 2	167,000
Component 3	58,000
Evaluation	15,000
Contingencies	3,189
Total	330,189

- 2.12 The budget covers all expenditures associated with designing the courses and implementing pilot tests, as well as printing training materials and holding dissemination workshops. It does not include participant travel expenses for workshops or procurement of equipment. In addition, the local support institutions are expected to provide classrooms and secretarial support during the courses and workshops.

D. Project sustainability

- 2.13 The project seeks to spur demand for training in local economic development, by developing instructional tools; the people trained in the preliminary courses will be a by-product of this activity. Project sustainability will be ensured to the extent that

these tools will meet effective market demand and help improve the training methods used.

III. PROJECT EXECUTION

A. Project execution and administration

- 3.1 The Bank will execute the project through the Micro, Small and Medium Enterprise Division of the Sustainable Development Department (SDS/MSM). The Division will assume technical and basic responsibility for project execution, including supervision and administration.
- 3.2 A professional consulting firm with experience in designing, implementing, and evaluating local and regional development training courses (preferably in Latin America) will be hired for the project. It must have contacts with a recognized public or private institution in Peru that could support the pilot courses and later continue to offer the courses on its own. The firm will be hired in accordance with the procurement procedures of the Spanish General Cooperation Fund (SGCF).

B. Execution and disbursement periods

- 3.3 The project execution period will be 36 months and the disbursement period 40 months from the date on which the technical-cooperation operation is approved.

C. Procurement of goods and services

- 3.4 Goods and services will be procured in accordance with Bank policies and specific SGCF rules.

D. Evaluation

- 3.5 Two months after the end of the execution period, technical-cooperation funds will be used to commission an independent evaluation of the operation, to be performed on the basis of this Plan of Operations and its logical framework. The evaluation will verify that a differentiated, specialized training product was developed for planning, executing, and evaluating local economic development projects at the subnational level; it will also report which local institutions in each of the three countries clearly intend to continue the courses, as a criterion for assessing the quality and usefulness of their design.

E. Reports

- 3.6 The consulting firm must present the following items:
 - a. A work plan within the first 15 days after commencement of the project.

- b. A midterm report, six months into the project, that describes and quantifies training needs and sets out the design and content of the pilot courses; a proposal for implementing them in Peru; and an economic report.
- c. A final report at the end of the contract, containing:
 - (i) An academic report compiling the lessons learned from course implementation (suitable types of institutions, how to select and group participants, institutions with which to pursue cooperation).
 - (ii) An economic report, with course expenditure and revenue projections, enrollment prices, and the break-even point for course sustainability.
 - (iii) Topic to be covered, printed and electronic instructional materials, the course content for widespread dissemination, and the teaching methodologies.
 - (iv) A strategy for disseminating the courses.
 - (v) Reports of the dissemination workshops.

IV. BENEFITS AND RISKS

A. Social and environmental impact

- 4.1 The proposed activities have no adverse environmental or social impact. The training courses will cover the importance of the environment to local development and the need for policies to protect it.

B. Benefits

- 4.2 The project has the following benefits:
 - a. It will build knowledge of the demand for local economic development training in the region.
 - b. It will strengthen training institutions in Peru and in the region, outfitting them with new training materials that are more targeted and better able to meet their demand.
 - c. It will support Bank operations in this area, particularly the State decentralization and modernization program (PE-0217) and the competitiveness reform program (PE-0239) in Peru.

C. Risks

- 4.3 Components 2 and 3 will depend on whether a local institution in Peru is interested in supporting the pilot courses. To mitigate this risk, Peru was selected, because it is in the middle of a decentralization process, which heightens interest among potential sources of demand. Peru also has five major universities and institutions with experience and capacity in local economic development training that could support the project.

V. SPECIAL CONTRACTUAL CONDITIONS

- 5.1 Peru's nonobjection to implementing pilot training courses on local economic development will be a condition precedent to the first disbursement. For components 2 and 3, a positive assessment by the Bank of the results of component 1 will be a condition precedent to disbursement.

LOGICAL FRAMEWORK
DESIGNING TRAINING COURSES ON LOCAL ECONOMIC DEVELOPMENT

Narrative Summary	Indicators	Means of Verification	Assumptions
GOAL To help improve human resources training as a means of promoting local economic development.			The public and private sectors remain interested in local development.
PURPOSE To design training products for the region that meet the current needs of persons responsible for local economic development at the national and subnational levels.	1. A differentiated, specialized product on planning, executing, and evaluating local economic development projects at the subnational level. 2. At least one institution in Brazil, Honduras, and Peru continues to hold the courses on its own.	1. Final project evaluation.	Economic development responsibilities continue to be decentralized.
COMPONENTS 1. Designing training courses.	1.1 A study on training needs is delivered six months into the project. 1.2 At least two course designs are delivered by the end of the first year. 1.3 Academic and economic proposal delivered by the end of the first year. 1.4 A minimum of three institutions are identified to hold the courses in Peru, Honduras, and Brazil.	Midterm report. Workshop in Washington upon completion of the first component.	Policy-makers and officials at training institutions are interested in training courses in local economic development.
2. Implementing the courses in Peru and improving their design.	Twenty-four (24) months into the project: 2.1 At least four courses have been held.	List of participants.	Policy-makers attend the courses.

Narrative Summary	Indicators	Means of Verification	Assumptions
	<p>2.2 At least 200 persons have been trained.</p> <p>2.3 Two improved courses are ready for dissemination.</p> <p>2.4 At least 90% of course participants believe they have better tools for their work.</p> <p>2.5 At least one institution continues to offer the courses.</p>	<p>Participant evaluation.</p> <p>Final report.</p> <p>Evaluation.</p>	<p>An institution in Peru supports the courses.</p>
<p>3. Dissemination.</p>	<p>3.1 Dissemination materials for two courses are prepared, in hard copy and electronically, and delivered by the end of the second year.</p> <p>3.2 The dissemination strategy is delivered by the end of the second year.</p> <p>3.3 Dissemination activities are conducted in the third year, based on the strategy.</p> <p>3.4 Institutions from at least three countries in the region are interested in applying the methodology developed.</p>	<p>Reports from the workshop disseminating the results.</p> <p>Final report.</p> <p>Evaluation.</p>	<p>Local economic development officials and training institutions in the region are interested in implementing the courses developed under the project.</p>
<p>ACTIVITIES</p> <p>Component 1: Designing training courses:</p> <p>Studying the local economic development training market in Latin America and the Caribbean.</p> <p>Conducting fieldwork in three countries of the region, including Peru.</p> <p>Designing modular training courses.</p> <p>Holding a discussion workshop in Washington.</p>	<p>See budget.</p>	<p>1. Bank accounting records.</p> <p>2. Project evaluation.</p>	

Narrative Summary	Indicators	Means of Verification	Assumptions
<p>Component 2. Implementing the courses and improving their design:</p> <p>Organizing implementation of the pilot test courses in Peru.</p> <p>Holding the pilot courses.</p> <p>Improving the courses.</p>	<p>See budget.</p>	<p>1. Bank accounting records.</p> <p>2. Project evaluation.</p>	
<p>Component 3. Dissemination:</p> <p>Producing dissemination materials.</p> <p>Preparing a dissemination strategy.</p> <p>Organizing dissemination activities.</p>	<p>See budget.</p>	<p>1. Bank accounting records.</p> <p>2. Project evaluation.</p>	

Budget (euros)	
I. Designing the courses	87,000
Consultant fees	
6 months x \$8,000/month	48,000
Fees (3 local consultants)	
3,000 x 3 x 3 months	27,000
Travel	
3 international fares x \$2,000	6,000
Average per diem	
\$200 x 30 days	6,000
II. Implementing the pilot courses	167,000
Materials, admin. and logistical expenses	15,000
Fees (2 consultants)	
2 x \$8,000 x 6 months	96,000
4 international fares	8,000
Per diem (4 months, 2 consultants)	48,000
III. Dissemination	58,000
Dissemination materials	21,000
Dissemination activity expenses	15,000
2 fares for 2 consultants	8,000
Consultant fees	8,000
Per diem (2 weeks, 2 consultants)	6,000
Evaluation	15,000
Contingencies	3,189
TOTAL	330,189

**TERMS OF REFERENCE FOR THE CONSULTING SERVICES
FOR COMPONENT 1 OF THE PROJECT,
“Designing training courses on local economic development”**

I. BACKGROUND

- 1.1 Because of the ever increasing challenges facing local economies, human resources training in local economic development needs to be updated, in light of the most recent international experience and the new instruments that have been developed to promote economic advancement. To address the new needs and to put this recently acquired knowledge to good use, training of this kind must have two key components.
- 1.2 The first one consists of examining the current supply of local economic development training in Latin America and the Caribbean and the second of determining the demand profiles and requirements that should be addressed. This will identify the main training gaps that must be covered, in order to invigorate the process of local economic development in the region.
- 1.3 In addition, different training should be provided, based on the responsibilities and type of work of the potential beneficiaries. This is necessary because local economic development responsibilities vary according to the type of work (design, management, evaluation, etc.) and the institutional level (national, regional, or local) at which it is to be performed.
- 1.4 In this context, the consultants will study the local economic development training market in Latin America and the Caribbean, identifying the specific needs of the sources of demand. Modular training courses will be designed based on that assessment, taking into account the different demand profiles.

II. OBJECTIVES

- 2.1 The objective of the consulting services is to design local economic development training modules, according to the needs of different types of professionals, based on their responsibilities (design, management, execution, policy evaluation) and level of activity (macro, meso, and micro) and the country's degree of decentralization. To this end, the training market in Latin America and the Caribbean will be examined and the process deepened through case studies in three countries with different levels of decentralization.

III. PLANNED ACTIVITIES IN THE TECHNICAL-COOPERATION OPERATION

- 3.1 The consultants will conduct four sets of activities:

a. Reviewing current supply and demand for local economic development training

- 3.2 The most important courses in universities, public and private institutions, international organizations, and private companies throughout Latin America and the Caribbean will be identified. The following characteristics of the current supply of training in the region will be determined: (i) the courses given; (ii) the target markets; (iii) the type and level of course participants (registration requirements); and (iv) available impact assessments for the programs.
- 3.3 The demand for training in Latin America and the Caribbean will be estimated, by analyzing decentralization processes and the various local development responsibilities. The potential market in the region will be analyzed to: (i) determine current research needs, establishing typologies for public- and private-sector officials; (ii) determine potential groups of training clients; and (iii) determine the extent of the demand.
- 3.4 Case studies will be conducted in at least three countries in the region that have different degrees of decentralization, including Peru.

b. Characterizing and quantifying specific local economic development training needs

- 3.5 Based on the aforementioned activities, the training market will be characterized, defining the most important demand profiles and the specific needs of potential groups of training clients in Latin America and the Caribbean, paying special attention to the case of Peru.

c. Designing modular pilot courses for the region

- 3.6 Based on the aforementioned activities, the structure and content of the modular courses will be prepared; they will focus on Peru, but will be applicable to other settings and localities in the region, targeting different types of professionals based on their responsibilities (design, management, execution, policy evaluation) and level of activity (macro, meso, and micro).
- (i) At least two pilot modular courses will be prepared for the countries in the region and, initially, tested in Peru.
 - (ii) The course content will be determined.
 - (iii) One academic and one economic report will be prepared for implementing the courses, including recommendations on the institutional framework for their implementation.
 - (iv) A proposal will be presented then evaluated and improved.

d. Project dissemination activities

- (i) The course design will be disseminated in the three countries where the fieldwork is done in order to invigorate the training market and promote the use of the training developed among institutions that have the capacity to implement it. This activity is particularly important in Peru, because component 2 requires the support of a local institution to test, evaluate, and improve the courses.

IV. OUTPUT AND REPORTS

4.1 The consulting services will produce the following:

- a. A work plan for the consultants, which must be presented two weeks after the contract is signed. It must include the method that will be used to characterize the local development training market in Latin America.
- b. A document, six months into the project, that includes: (i) the descriptive elements for characterizing the current supply of local economic development training in Latin America and the Caribbean; (ii) the characterization of the main demand profiles, based on the responsibilities of the clients (design, management, execution, and evaluation) and the institutional level (national, subnational, and executing agencies, among others); and (iii) the specific nature of the training market in Peru.
- c. A publication-quality training course proposal in Spanish, in month 12, containing the following elements: (a) the content of at least two modular courses, in keeping with each demand profile; and (b) possible institutional designs for holding the courses.
- d. A document containing suggestions for implementing the pilot test courses in Peru, with recommendations on possible executing agencies.
- e. A presentation at the Bank on the results of the consulting services.

V. SCHEDULE OF ACTIVITIES

5.1 The consulting activities for component 1 will be implemented from January to December 2004.

VI. LENGTH OF SERVICE, LOCATION, AND CHARACTERISTICS OF THE CONSULTANTS

6.1 The consultants will work from home, with travel to Washington D.C. and to a minimum of three countries where market studies are conducted.

- 6.2 The consulting firm hired for this project will use personnel who meet the requirements for use of the Spanish General Cooperation Fund and have the following qualifications:
- a. At least a master's degree (but preferably a doctorate) in economics, exact sciences, regional and urban planning, business administration, education, or related areas.
 - b. Vast experience with research projects on topics such as local economic development, industrial organization, business development, small and medium-sized enterprises, and industrial districts. Knowledge of methodologies for conducting fieldwork, preparing surveys, and analyzing results.
 - c. More than five years experience designing, executing, and/or evaluating regional and urban development, local/regional economic development, business development, or related programs.
 - d. Proven experience working in Latin America and the Caribbean on local development, business development, and related areas, with emphasis on training programs.
 - e. Knowledge of how multilateral development banks operate, particularly the Inter-American Development Bank (IDB).
 - f. Have publications that analyze and discuss local economic development issues and have strong oral and written Spanish-language skills and the ability to work in English.
 - g. Contacts with institutions in Peru that are capable of, and interested in, continuing to offer local economic development training and willing to support the pilot courses.

VII. SUPERVISION, COORDINATION, AND RESPONSIBILITY WITHIN THE BANK

- 7.1 The Micro, Small and Medium Enterprise Division of the Sustainable Development Department (SDS/MSM) will be responsible for supervising and coordinating the consultants' work.

PROPOSED RESOLUTION

Regional. Nonreimbursable Technical Cooperation for the Design of
Training Courses in Local Economic Development

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary, and to adopt such other measures as may be pertinent for the execution of the plan of operations referred to in Document AT-____, with respect to a nonreimbursable technical cooperation for the Design of Training Courses in Local Economic Development.
2. That up to the sum of €330,189, is authorized for the purposes of this resolution, chargeable to the resources of the General Cooperation Fund for Spain.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.