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MULTILATERAL INVESTMENT FUND

BRAZIL

**BUSINESS TOURISM TO ENHANCE TERRITORIAL
COMPETITIVENESS**

(BR-M1049)

DONORS MEMORANDUM

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ABBREVIATIONS

ABEOC-MG	Brazilian Association of Events Companies – Minas Gerais
ABRASEL	Brazilian Bar and Restaurant Association
BELOTUR	Belo Horizonte Municipal Tourism Agency
CEART	Minas Gerais Handicraft Center
ESR	Environmental and Social Review Secretariat
EXPOMINAS	Minas Gerais Trade Expo
FIEMG	Minas Gerais State Industry Federation
IEL-MG	Instituto Euvaldo Lodi de Minas Gerais
IER	Estrada Real Institute
MIF	Multilateral Investment Fund
MINASCENTRO	Minas Gerais Convention Center
MSME	Micro, Small, and Medium-sized Enterprise
PMC	Project Management Committee
PSR	Project Status Report
SEBRAE	Brazilian Support Service for Microenterprises and Small Businesses
SEDE	Minas Gerais State Department of Economic Development
SETUR	Minas Gerais State Department of Tourism
SME	Small and Medium-sized Enterprise
SUART	Minas Gerais State Superintendency of Handicrafts
UBRAFE	Brazilian Union of Trade Show Promoters

EXECUTIVE SUMMARY
BUSINESS TOURISM TO ENHANCE TERRITORIAL COMPETITIVENESS
(BR-M1049)

Beneficiary/ Executing agency:	Instituto Euvaldo Lodi de Minas Gerais (IEL-MG)
Beneficiaries:	1,200 micro, small, and medium-sized enterprises linked to the business tourism, handicrafts, and fashion sectors through training activities, consulting projects, and networking, and 30 of them, through specific innovation and modernization subprojects. It will also directly benefit Belo Horizonte's enterprise development institutions related to the business tourism sector.
Financing:	MIF (Nonreimbursable): US\$2,750,000 ¹ (49%) Counterpart: <u>US\$2,905,600 (51%)</u> Total: US\$5,655,600 (100%)
Project objectives:	The project's <i>general objective</i> is to promote economic and enterprise development and consolidate Belo Horizonte's position as a business tourism destination based on its infrastructure and event and conference services, within a context of historical and cultural heritage development. The <i>specific objective</i> is to increase the number of business tourists and tourism revenues, by coordinating this sector with other related sectors such as event and conference planning, handicrafts, and fashion, under a public-private coordination model with a territorial development approach.
Execution and disbursement periods:	36 months for execution and 42 months for disbursements.
Special contractual conditions:	(i) Approval by the Bank and the IEL of the project's Operating Regulations; and (ii) linking of the SETUR, SEDE, and IEL under terms previously agreed upon with the Bank.

¹ The MIF contribution includes US\$30,000 for the activities in the "Promoting Local Competitiveness" project cluster (PLED) and US\$13,750 for the impact assessment account.

**Environmental and
Social Impact
Review:**

This operation was reviewed by the ESR on 14 July 2008, and no observations were made. The operation was classified as Category “C.”

**Coordination with
other donors:**

None.

I. BACKGROUND AND RATIONALE

A. Background

- 1.1 Business, event, and conference tourism currently represents one of the fastest growing branches of tourism both in Brazil and around the world.¹ According to data from Brazil's Ministry of Tourism, the country leads Latin America in the business and international trade fair tourism sector. Brazil hosts 320,000 events per year, with 80,000 participants, generating estimated revenues of US\$18 billion, 720,000 jobs, and tax revenues of nearly US\$1.8 billion.² This type of tourism generates more revenue as it attracts a differentiated type of tourist who spends more than leisure tourists. Moreover, this branch of the tourism sector drives the local economy, including the hotel chains, restaurants, transportation services, entertainment, and indirectly, the entire local services and business network.
- 1.2 Business tourism in Belo Horizonte represents 9% of tourism as a whole. The Minas Gerais state government is pursuing programs to promote tourism as well as to develop new tourist destinations and activities. In this context, the government is implementing and maintaining tourism facilities, and improving the state's infrastructure in terms of highways, attracting new flights, and signage. Specifically, the entities involved in the business tourism sector are: (1) The State Ministry of Tourism (SETUR), which is focusing its efforts on the organization of the business tourism chain throughout the State of Minas Gerais through a project called the "Organizer Project"; (2) the Minas Gerais Tourism Agency (PROMINAS), responsible for management of the two main venues for events and conferences in Belo Horizonte (Minascentro and Expominas); (3) the Belo Horizonte Municipal Tourism Agency (BELOTUR), which among other things, develops activities to increase signage and training of taxi drivers, receptionists, and waiters; and (4) the Belo Horizonte Convention and Visitors Bureau, responsible for attracting events to the city of Belo Horizonte and which developed a high-impact advertising campaign for Belo Horizonte.
- 1.3 The business tourism sector is developing along a 52-segment chain, including stand builders and sound, computer, projection, and decoration companies, and local reception, cleaning, security, transportation, and logistics agencies. The ABEOC-MG (Brazilian Association of Events Companies—Minas Gerais) includes 25 companies, mostly small, averaging 12-15 employees. Members include events promoters (5 or 6 enterprises) and events organizers, who make conferences and events viable and are basically service providers for the promoters.
- 1.4 Business tourism is linked to cultural tourism. The State of Minas Gerais has vast cultural heritage, making the state one of the country's leading cultural tourism destinations. Part of this cultural tourism offering is focused on the Estrada Real, a

¹ The Brazilian Union of Trade Show Promoters (UBRAFE) indicates that Brazilian business conventions grew by 300% between 1992 and 2004.

² A SEBRAE study for the Brazilian Federation of Convention and Visitors Bureaus.

1,400-kilometer-long historical route connecting Diamantina and Ouro Preto with the coasts of the states of São Paulo and Rio de Janeiro. Here, it is important to note that the MIF is supporting this region with a sustainable tourism project through the Estrada Real Institute (IER)³ in order to develop a network of micro, small, and medium-sized enterprises (MSMEs) connecting enterprises from Rio de Janeiro, Minas Gerais, and São Paulo, seeking partnerships based on cultural, sporting, historical, and ecological issues. The results of this work on the Estrada Real route are expected to generate both demand and connections with major business events located in the Belo Horizonte region.

- 1.5 Beyond events directly linked to business and cultural tourism, there are other sectors of the economy related to these two types of tourism. These include one which is highlighted in the Belo Horizonte region (particularly in Ouro Preto): handicrafts. The **handicraft sector** consolidates the locale's cultural identity and represents a factor that draws tourism, helping to define the set of products offered to visitors. At the same time, tourism drives the handicraft sector to improve production, experiment with new products and designs, and streamline marketing. Nearly 500,000 people work in the handicraft sector in Minas Gerais. Mãos de Minas is a nonprofit organization that supports artisans by providing a range of services, including sales, purchasing and export cooperatives, training, and legal advice. It has a total of 8,000 affiliated artisans throughout the state.
- 1.6 In 2002 the Superintendency of Handicrafts was created as a Minas Gerais State agency, under the Office of the Undersecretary of Industry, Trade and Services of the State Ministry of Economic Development, in order to implement and coordinate a state handicraft policy. In January 2008, the Superintendency of Handicrafts (SUART) signed a technical cooperation agreement with the Minas Gerais Handicraft Center (CEART-MG), thus making viable various concrete actions benefiting the state's artisans. The CEART-MG is a civil society organization with a public interest, founded in 1969 to improve the marketing of the state's handicrafts. The CEART-MG currently works under a consignment system benefiting approximately 2,000 artisans, and provides services that include sales, purchasing and export cooperatives, training, and legal advice.

B. Challenges and opportunities for territorial competitiveness

- 1.7 While the business tourism sector is undergoing a period of growth in Minas Gerais, some limitations are preventing it from realizing its full potential. In terms of the business tourism sector itself, **there is no policy for the use of public spaces**. The lack of unity in the use of event space has demonstrated a clear need for integrated management. The sector also needs training for events promoters and organizers, as well as for the various service providers. It is also important to note that there is no **integration among the business tourism, cultural tourism, leisure tourism, and the handicraft sectors**. Coordination between events

³ Project ATN/ME-9211-BR Estrada Real – Network of Tourism SMEs (BR-M1024).

promoters and cultural and leisure tourism promoters would result in extended stays in Minas Gerais by business tourists through their participation in existing tourism activities. This coordination would help leverage the tourism potential of the Estrada Real which has not been realized due to the sector's lack of organization and proper promotion.

- 1.8 **There is no commercial policy for strategic events scheduling**, as a marketing tool for specific, relevant sectors in the state economy. To date, scheduling has been random, based on no criteria. An integrated model must be developed for attracting and producing major events, considering the state's most relevant economic sectors in order to consolidate Belo Horizonte as a center of excellence for events and to attract business tourists.
- 1.9 One economic sector that is an ideal candidate for this type of integration with business tourism is the **Minas Gerais fashion industry**. Fashion drives the region's economy, creating many direct and indirect jobs and integrating production from other cities in the state. As a result of this concentration of producers, Belo Horizonte is recognized as a fashion center for internationally known brands and for the pool of local establishments in the areas of Barro Preto, Prato, and Lourdes.
- 1.10 Finally, cities seeking to become events and business tourism destinations, like Belo Horizonte, need an adequate infrastructure to welcome and host visitors. In this context, the state government is taking actions, investing in infrastructure, signage, information on security and transportation, is attracting new domestic and international flights, and implementing policies to turn the state into a showcase for the products and culture of Minas Gerais. Nevertheless, this is insufficient if it is not accompanied by territorial marketing actions to promote tourism and its offerings in Minas Gerais.

C. Rationale and additionality

- 1.11 The innovative aspect of the project is the territorial development strategy using intersectoral networking. Business tourism boosts cultural and leisure tourism, and the handicraft sector, and may be a catalyst for other specific economic sectors. At the same time, the demands of business tourists set the standard for other areas, requiring higher quality in products and services, and greater attention and skill in their marketing. Moreover, since the purchasing power of these tourists is greater than that of leisure tourists, the tourism-related service sector will benefit from the attraction of events and conferences. Finally, many events tend to be held during off-season months for leisure tourism, thus contributing to minimizing the seasonal effects of tourism.
- 1.12 In recent years the State of Minas Gerais has participated in a series of initiatives with the private sector to develop infrastructure, attract industry, increase exports, and expand the tourism and culture sector. Notwithstanding the actions underway, the MIF's involvement has become very important for the effective strengthening of tourism activity, in the broadest sense of the term, and for the establishment of a network including lodging, food and beverage, entertainment, trade, handicrafts,

fashion, and other relevant sectors. In particular, the establishment of partnerships for the implementation of this project is fundamental because the development of business tourism, as well as the development of the local economies based on handicrafts and fashion, among other things, depend not only on the public policies for the sector, but also on the development of the private sector and the strengthening of a business culture. The MIF's participation can help to bring various interest groups together and develop a joint strategy for business tourism development.

II. THE PROGRAM

A. Objectives

- 2.1 The project's *general objective* is to promote economic and enterprise development and consolidate Belo Horizonte's position as a business tourism destination based on its infrastructure and event and conference services, within a context of historical and cultural heritage development. The *specific objective* is to increase the number of business tourists and tourism revenues, by coordinating this sector with other related sectors such as event and conference planning, handicrafts, and fashion, under a public-private coordination model with a territorial development approach.

B. Project description

- 2.2 The project includes four components: (i) development of a methodology to attract business events to Belo Horizonte; (ii) coordination of the business tourism sector with strategic economic sectors and the handicraft sector; (iii) development of public-private initiatives for the creation and consolidation of Belo Horizonte's position and the enhancement of its territorial competitiveness; and (iv) monitoring, lessons learned, and dissemination of results. The project will be executed in a coordinated manner by the public sector participants, including the Minas Gerais State Ministry of Tourism and various private sector participants, such as the entities representing the handicrafts, fashion, and tourism sectors.

Component 1: Development of a methodology to attract business events to Belo Horizonte (MIF: US\$57,400; Counterpart: US\$552,400)

- 2.3 The purpose of this component is to strengthen the business tourism sector through: (i) forming and strengthening a public-private business tourism network; (ii) design and implementation of a methodology to attract events to Belo Horizonte in order to increase the quantity and quality of the events and turn them into economic development instruments for Belo Horizonte; and (iii) improvement of organizational capacity. The following activities will be undertaken to achieve this component's objective:
- 2.4 **(i) Forming and strengthening a public-private business tourism network.** In order to draw more events to Belo Horizonte work must be done through a network of public and private operators in the sector. The Minas Gerais state government is

in the process of creating this network in the context of the so-called “Organizer Project.” This activity aims to strengthen this network, for which the following is required: (i) training to build trust and work in the network; (ii) formation of teams for network members; (iii) development of diagnostics and action plans for the network; (iv) training in network governance and management; and (v) creation of an agenda of events shared among the various entities responsible for attracting and promoting events.

- 2.5 **(ii) Design and implementation of a methodology to attract events to Belo Horizonte.** This activity includes: (i) updating strategies for network member entities; (ii) dialog initiatives among representatives of the business tourism sector and representatives of other related sectors (cultural and leisure tourism and other relevant sectors for the Belo Horizonte regional economy) until specific collaboration agreements are reached; and (iii) design of a collective strategy to attract events and its implementation.
- 2.6 **(iii) Improvement of the organizational capacity of the involved sectors.** This activity includes: (i) training in the key areas of the productive chain that require it; and (ii) training for professionals (on issues of financial administration, attracting partners/sales, administrative management, and alliance-building, in accordance with the diagnostics undertaken) from network entities (particularly, from event promoter and organizer MSMEs).

Component 2: Coordination of the business tourism sector with strategic economic sectors and the handicraft sector (MIF: US\$646,200; Counterpart: US\$175,000)

- 2.7 This component’s objective is to contribute directly to the competitiveness of enterprises and to the development of new products through specialized training and consulting projects and the development of joint intersectoral events. This component will finance initiatives requested by the enterprises that are environmentally and socially sustainable, and that are relevant to the group or network’s competitiveness as promoted by the project. Relevant initiatives are considered to be those that not only produce results in terms of improving the competitiveness of the promoter entities, but can also be replicated by other entities, thus demonstrating an extended impact.
- 2.8 Specifically, this component plans to finance activities in the following three areas: (i) coordination of the business tourism chain with specific economic sectors through pilot projects; (ii) coordination of the business tourism sector with the cultural and leisure tourism sectors (pilot projects for the presentation of packages for business events that include a cultural and/or historical tourism component); and (iii) crosscutting integration of handicraft promotion and marketing actions into business events. This last activity includes support for the handicraft sector in its strategic definition and in product improvement and marketing activities. The activities undertaken in areas (i) and (ii) will be financed through grant funds aimed at cofinancing intersectoral initiatives (**Fund for Projects Building Intersectoral**

Alliances and the Fund for Tourism Alliance-building Projects, respectively). Both funds will have a contribution of US\$200,000 from the MIF, and will finance up to 60% of the cost of the selected projects, with a maximum of US\$50,000, considering that the remaining balance will be contributed by the MSME candidates or their representative bodies.

- 2.9 The project selection criteria, which will be refined during execution, are detailed in the project's Operating Regulations, and as a minimum, must meet the following requirements: (i) demonstrate that the direct or indirect beneficiaries are microenterprises and small businesses; (ii) have been designed and proposed jointly by a group of at least three companies; (iii) provide evidence of the existence of counterpart resources from the candidate companies; (iv) demonstrate that the candidate companies are from the Belo Horizonte region; and (v) have a neutral or positive environmental impact.

Component 3: Development of public-private initiatives for the creation and consolidation of Belo Horizonte's position and enhancement of its territorial competitiveness (MIF: US\$1,433,200; Counterpart: US\$1,725,000)

- 2.10 This component aims to position the Belo Horizonte region, both inside and outside Brazil, in order to increase business tourism, by leveraging the region's economic strengths and the state's cultural, culinary, and handicraft wealth. To achieve this objective, the component promotes the building of public-private collaborative capacity through the identification and subsequent implementation of concrete solutions that directly or indirectly affect Belo Horizonte's positioning and the business tourism sector as a whole. Financing will be provided for technical assistance and training initiatives aimed at improving the region's competitiveness. These initiatives will reflect the priorities defined by the project's participants, will play a catalyzing role for the sector's development, and will aim to introduce new concepts and methods.
- 2.11 The activities to be financed under this component include: (i) initiatives to promote Belo Horizonte as a business tourism destination, through a dissemination point in São Paulo ("Casa de Minas"), (ii) strategic solutions for bottlenecks that limit territorial competitiveness, such as: feasibility studies for logistics and transportation, investments in convention centers, and investments in the hotel sector; studies to resolve the seasonality problem (dependence on some periods of the year and days of the week) for Belo Horizonte hotels, among others; public-private initiatives to promote events in Belo Horizonte (technical missions, business conferences, etc.); and (iii) development of a marketing and promotion campaign for Belo Horizonte undertaken by the public-private tourism network.

Component 4: Monitoring, lessons learned, and dissemination (MIF: US\$169,900; Counterpart: US\$183,000)

- 2.12 This component's purpose is to create a system for the monitoring and evaluation of results and to systematize lessons learned. Activities to be financed include: (i) determination of a reference baseline and execution and maintenance of a system

to monitor activities and effects; (ii) local events and seminars to disseminate and exchange information; (iii) participation in external events, and (iv) systematization, validation, and dissemination of experiences.

- 2.13 **Expected project results.** Project execution is expected to have a direct impact on about 1,200 MSMEs in the project's sectors, with: (i) an increase in the number of events attracted through the collective action of the business tourism chain; (ii) an increase in the number of exhibitors from Minas Gerais at events held in Belo Horizonte; (iii) an increase in the number of events held for economic sectors relevant to the state; (iv) an increase in revenues generated annually by business tourism; (v) an increase in the length of stays by business tourists; (vi) an increase in sales of Minas Gerais handicraft products; and (vii) an increase in sales of integrated tourism packages.

III. COST AND FINANCING

- 3.1 The total cost of the project will be US\$5,655,600, of which 49% will be contributed by the MIF as nonreimbursable financing (US\$2,750,000), while the counterpart financing (at least 51% in financial resources) will be the responsibility of the executing agency.

Components/Activities	MIF	Counterpart	Total	%
CO1: Development of a methodology to attract business events to Belo Horizonte.	57,400	552,400	609,800	10.87%
CO2 Coordination of the business tourism sector with strategic economic sectors and the handicraft sector	646,200	175,000	821,200	14.63%
CO3: Public-private initiatives for the creation and consolidation of Belo Horizonte's position and the enhancement of its territorial competitiveness	1,433,200	1,725,000	3,158,200	56.28%
CO4: Monitoring, lessons learned, and dissemination	169,900	183,000	352,900	6.29%
Project management				
Project execution unit	315,000	255,200	570,200	10.16%
Evaluations and audits	60,000		21,800	1.07%
Contingencies	24,550	15,000	39,550	0.70%
Subtotal	2,706,250	2,905,600	5,611,850	100.00%
Impact assessment account	13,750		13,750	
Cluster activities	30,000		30,000	
GRAND TOTAL	2,750,000	2,905,600	5,655,600	
	49%	51%		

- 3.2 **Project sustainability** is based on three key considerations. First, the project encourages and supports the consolidation of an intersectoral network, which has informally begun activities to address the issue of how to best realize the business tourism potential. The formation of sectoral networks and associations has already

been undertaken, and the project plans to finance actions and efforts aimed at consolidating this cooperation. Business associations, including associations of events companies (ABEOC), jewelers (SINDJOIAS), restaurants and bars (ABRASEL), trade shows (UBRAFE), fashion (Câmara de Moda), and handicrafts (Mãos de Minas), will also maintain sustainability by incorporating lessons learned in the project and cooperative concepts to increase their sales and markets. In addition, the public-private dynamic generated around the issue of business tourism will develop with the assistance of the project to establish itself as a platform through which other sectors and a greater number of businesses can connect with this sector. Finally, the establishment of Casa de Minas in São Paulo will be an important focus, which will continue, even after the project, to introduce the State of Minas Gerais to the rest of the country and the world, as a viable center for business and conference tourism.

IV. EXECUTION MECHANISM

- 4.1 **Executing agency.** The project will be executed by the Instituto Euvaldo Lodi de Minas Gerais (IEL-MG), which will assume technical responsibility for execution. The counterpart entities will be the Minas Gerais State Department of Tourism (SETUR) and Department of Economic Development (SEDE). The Bank will sign the contract with the IEL-MG which, in turn, will sign a technical-financial cooperation agreement with SETUR and SEDE to guarantee application of the counterpart contributions.
- 4.2 The IEL is a strategic entity of the FIEMG system (Minas Gerais State Industry Federation) for coordination and integration among productive sectors for knowledge and innovation development. Created in 1969, the IEL-MG's mission is to provide solutions for business management, innovation management, and management of productive sectors for industrial development in Minas Gerais. Through a Business and Solutions Network, the IEL-MG promotes interaction and connections among the various agents of innovation (municipal, state, and federal), encouraging the strategic partnerships necessary for development and technological innovation.
- 4.3 **Execution organization.** The project will be executed within the IEL's Regional Development Management unit. For proper supervision, a **Project Management Committee (PMC)**, will be created, which will be made up of one representative of the Minas Gerais State Ministry of Tourism, as its chair, one representative of the Ministry of Economic Development's Superintendency of Handicrafts (SUART), and the project's General Manager (IEL-MG). The Committee will also include one representative of the Ministry of Economic Development's Office of the Undersecretary for International Affairs (SEAIN) and one representative of the Belo Horizonte Conventions and Visitors Bureau, both without the right to vote.
- 4.4 The **PMC** will meet monthly **and** will be responsible for: (i) defining the project's strategy; (ii) approving the plan of activities, budget, and annual balance sheet;

- (iii) approving the projects submitted for the grant funds for components II and III by approval of all voting members; (iv) supervising progress of the operating plan and results, and proposing corrective measures when necessary; and (v) facilitating the resolution of problems that may hinder execution.
- 4.5 The Management Committee will be supported by an **Advisory Committee**, which will be made up of two representatives of the handicraft sector (CEART and Mãos de Minas), one representative of the Estrada Real Institute (IER), the Prefecture of Belo Horizonte (through Belotur), the Belo Horizonte Convention Bureau, one representative from SEDE/SUART, and one representative from the FIEMG. Other representatives may be invited to the meetings depending on the issues to be addressed, and whenever members of the Advisory Committee consider it necessary, provided they are members of the network. Participation of an IER representative on the Advisory Committee will ensure that the activities of the MIF project with that entity are complementary to those of this project. The objective of the Advisory Committee is to ensure the private sector's participation and a proper balance between the needs of the various sectors. The Advisory Committee will be responsible for: (i) discussing the project's strategy; (ii) contributing to developing the work plan; (iii) discussing project evaluations; and (iv) making decisions incumbent upon it by simple majority.
- 4.6 A **Project Execution Unit (PEU)** will be created within the IEL-MG, made up of a Project Manager and an administrative support team, responsible for the project's administrative and management aspects.
- 4.7 **Results-based disbursement.** Under the risk and performance-based project management system, disbursements will be subject to meeting the milestones agreed upon with the executing agency. Meeting the milestones does not affect the project's targets established in the Logical Framework. An advance of US\$150,000 will be provided to the executing agency, subject to the established conditions precedent. Subsequent disbursements will be made upon submission of evidence of compliance with subsequent milestones and their amount will be calculated based on spending needs until the next milestone is reached. Expenses charged to counterpart resources will be recognized for up to US\$300,000 as of the operation's eligibility (15 April 2008).
- 4.8 **Procurement.** The beneficiary will procure the goods and services and contract the consulting services considered in the project and approved in advance by the Bank through the Procurement Plan. Such procurement/contracting will be undertaken in accordance with Bank policy (documents GN-2349-7 and GN-2350-7) and MIF guidelines.

V. MONITORING AND EVALUATION

- 5.1 **Project status reports.** The executing agency will be responsible for submitting Project Status Reports (PSRs) to the Bank's Country Office in Brazil, within 30 days following completion of each six-calendar-month period. These reports

will follow a format previously agreed upon with the MIF, will report on the status of project execution, fulfillment of milestones, results obtained, and their contribution to the achievement of the project's objectives, based on the provisions of the Logical Framework and other operational planning tools. Problems encountered during execution and possible solutions will also be reported. Within 90 days prior to the end of the execution period, the executing agency will submit a final report (Final PSR) to the MIF, which will detail the results achieved, the sustainability plan, and the lessons learned.

- 5.2 **Financial monitoring.** The executing agency will establish and will be responsible for maintaining proper accounting of the finances, internal control, and filing systems for the project, in accordance with the IDB/MIF accounting and auditing standards and policies. The MIF will hire independent auditors to audit the financial statements annually.
- 5.3 **Evaluations.** Two evaluations will be completed by independent consultants: the first when 40% of resources have been disbursed or after 24 months, whichever occurs first, and the second two months prior to completion of the execution period. The first evaluation will consider: (i) the program's execution mechanism, interinstitutional collaboration between State agencies and the IEL; (ii) the level of accountability and involvement of the various private sector institutions in the activities; (iii) the level of fulfillment of the programmed activities; (iv) the operating mechanism for the grant funds and the quality of the projects selected; (v) the effectiveness of the monitoring system; (vi) support in defining the project's sustainability strategy; and (vii) the efficacy of the actions taken and the level of compliance with the indicators in the Logical Framework. The final evaluation will focus on: (i) the types of companies and associations benefiting from the program; (ii) the operating mechanisms for the grant funds; (iii) collaboration in identifying project experiences that could be transferred to other parts of Brazil; (iv) the impact on revenues from companies' sales of products and services; (v) the increase in the number of companies benefiting from a surge in business tourism; (vi) the satisfaction of beneficiary companies; and (vii) the program's level of sustainability.

VI. BENEFITS AND RISKS

- 6.1 **Beneficiaries.** The project will benefit approximately 1,200 micro, small, and medium-sized enterprises linked to the business tourism, handicrafts, and fashion sectors through training activities, consulting projects, establishment of networks, and 30 of them, through specific innovation and modernization subprojects. Belo Horizonte's state and private sector business development institutions related to the business tourism sector will also be direct beneficiaries.
- 6.2 **Risks.** The main risks facing this operation are: (i) execution risk, considering that the organization of execution may give rise to problems between participating entities in effective collaboration within the project framework and coordination

with the Minas Gerais State strategy; and (ii) risk of demand, the difficulty of getting business entities to agree on joint actions, resulting in a limited demand for the grant funds. To mitigate the first risk, coordination and training activities are planned for both public and private entities, and from the outset of the project there will also be solid working agreements between entities such as SUART, CEART, and Mãos de Minas (SUART is public and CEART and Mãos de Minas are private), which have already undertaken concrete joint coordination activities. To mitigate the second risk, the first component includes specific activities, particularly actions to build trust and support for the formation of the intersectoral network.

VII. ENVIRONMENTAL AND SOCIAL ISSUES

- 7.1 While the project is focused on territorial development as a whole, and the business tourism sector in particular, rather than on the direct resolution of the State's social or environmental problems, the project is firmly committed to the principle of sustainable development of the sectors. Specifically, the more than 8,000 artisans of the Mãos de Minas organization representing the handicraft sector are predominately individuals with limited economic resources, and their participation in the project will have a positive impact on this sector in terms of job creation and improvement of their business practices.
- 7.2 The training sessions and consulting projects will also consider environmental and job security issues, which are important for business tourism and the State of Minas Gerais itself. Moreover, the grant funds will establish guidelines granting preference to projects that are both economically and environmentally sustainable.

BUSINESS TOURISM TO ENHANCE TERRITORIAL COMPETITIVENESS (BR-M1049)
LOGICAL FRAMEWORK

Narrative summary	Indicators	Means of verification	Assumptions
Goal			
To promote economic and enterprise development and consolidate Belo Horizonte's position as a business tourism destination.	<p>Three years after project completion:</p> <ol style="list-style-type: none"> 1. The total number of events and conferences in Belo Horizonte increases by 40%. 2. The number of events and conferences attracted through the business tourism chain's public-private network increases by 50%. 3. Sustained annual growth is observed in the business tourist flow in Belo Horizonte. 4. The number of joint initiatives among companies in the business tourism chain and other related industries increases. 	<ol style="list-style-type: none"> 1. Statistics from the monitoring of program beneficiaries with respect to the baseline 2. Final evaluation and PCR (project completion report), and baseline 3. Impact assessment (subject to eligibility if done by the MIF) 	There are no natural, political, and/or trade phenomena directly affecting business tourism activities in the region.
Purpose			
To increase the number of business tourists and tourism revenues, through the coordination of related industries, the creation of a public-private institutional framework for sectoral support, and the implementation of competitiveness initiatives under a territorial development approach.	<p>At the end of the program:</p> <ol style="list-style-type: none"> 1. Business tourist flow increases by at least 40%. 2. Length of stay (average number of nights per visitor) by business tourists increases by at least 40%. 3. The number of events and conferences in Belo Horizonte increases by at least 40%. 4. Sales of integrated tour packages increase by at least 40%. 5. At least 1,200 MSMEs have received direct support from the project. 	<ol style="list-style-type: none"> 1. The project's midterm and final evaluation reports 2. Baseline reference information for the productive chain 3. Final project status report. 	<p>There is an attractive potential market for business tourism in Belo Horizonte.</p> <p>Financial and infrastructure capacity exist to expand investment in the business tourism sector.</p> <p>Companies remain interested in implementing joint activities.</p>

Narrative summary	Indicators	Means of verification	Assumptions
Components			
<p>I. Development of a methodology to attract business events to Belo Horizonte.</p> <p>The purpose of this component is to strengthen the business tourism sector through: (i) forming and strengthening a public-private business tourism network; (ii) design and implementation of a methodology to attract events to Belo Horizonte in order to increase the quantity and quality of the events and link them to the main economic sectors in Belo Horizonte; and (iii) improvement of organizational capacity.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> 1. The network is established with at least 10 participating institutions. <p>By month 18 of execution:</p> <ol style="list-style-type: none"> 2. The shared agenda to attract events is being implemented by network entities. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> 3. 50% of actions planned on the agenda are completed. <p>By the end of execution (month 36):</p> <ol style="list-style-type: none"> 4. 90% of actions planned on the agenda are completed. 5. The business tourism chain's public-private network demonstrates organizational capacity by having a shared agenda and integrated management of the events calendar. 6. The events attracted or held by the network including promotion and/or marketing of cultural, culinary, and handicraft content have increased by 40%. 	<ol style="list-style-type: none"> 1. Project status reports (PSRs) 2. Midterm and final evaluations 3. Strategy documents for business tourism in Belo Horizonte 4. Network agenda documents 5. Strategy implementation reports 	<p>There is a favorable context for the continuation of integrated actions and partnerships among companies.</p>

Narrative summary	Indicators	Means of verification	Assumptions
<p>II. Coordination of the business tourism sector with strategic economic sectors and the handicraft sector.</p> <p>This component's objective is to contribute directly to the competitiveness of enterprises and to the development of new products through specialized training and consulting projects and the development of joint intersectoral events.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> At least four proposals received and two approved for the Fund for Intersectoral Projects and the Fund for Tourism Alliance-building Projects. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> At least eight proposals received by the two Funds and four projects approved. At least 40% of the two Funds' resources are committed. At least 40% of the actions planned for the handicraft sector have been completed. <p>By month 36 of execution:</p> <ol style="list-style-type: none"> At least four of the two Funds' projects are completed. <p>By the end of the program:</p> <ol style="list-style-type: none"> At least eight projects financed by both funds and 4 completed. 90% of the actions planned for the handicraft sector have been completed. 	<ol style="list-style-type: none"> PSRs Midterm and final evaluations Lists of proposals selected for the funds Proposal documentation Pilot project reports 	<p>There is organizational, financial, and alliance-building capacity to successfully implement the joint projects.</p>
<p>III. Public-private initiatives for the creation and consolidation of Belo Horizonte's position and the enhancement of its territorial competitiveness.</p> <p>This component's purpose is to identify and implement public-private solutions to concrete problems affecting the competitiveness of business tourism.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> At least two proposals received and one approved for the Public-Private Initiative Fund. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> At least four proposals received and two approved for the Public-Private Initiative Fund. At least 30% of the Fund's resources are committed. 	<ol style="list-style-type: none"> PSRs Midterm and final evaluations Lists of proposals selected for the fund Belo Horizonte promotion plan Pilot project reports Belo Horizonte promotion plan implementation reports 	<p>The public and private sectors support the project's initiatives.</p> <p>There is organizational, financial, and alliance-building capacity to successfully implement the joint projects.</p>

Narrative summary	Indicators	Means of verification	Assumptions
	<p>4. At least 40% of the actions planned for the promotion of Belo Horizonte as a business tourism destination are completed.</p> <p>By month 36 of execution:</p> <p>5. At least four of the Public-Private Initiative Fund's projects are under monitoring and evaluation by the program.</p> <p>By the end of the program:</p> <p>6. The Public-Private Initiative Fund has supported at least four projects in the process of implementation.</p> <p>7. 90% of the actions planned for the promotion of Belo Horizonte as an events and business destination are completed.</p>		
<p>IV. Monitoring, lessons learned, and dissemination</p> <p>This component's purpose is to create a system for the monitoring and evaluation of results and to systematize lessons learned.</p>	<p>By month 6 of execution:</p> <p>1. Baseline defined, information management, monitoring, and dissemination mechanisms are implemented.</p> <p>By month 24 of execution:</p> <p>2. The preliminary results of the program have been disseminated in at least three external events.</p> <p>By the end of the program:</p> <p>3. At least two national and one international closing event will have been held to disseminate the studies and results obtained by the program.</p> <p>4. Representatives participated in at least eight external events to disseminate program results.</p>	<p>1. PSRs</p> <p>2. Midterm and final evaluations</p> <p>3. Baseline report</p> <p>4. Records of events held</p> <p>5. Monitoring system measurement reports</p> <p>6. Technical reports by consultants</p> <p>7. Publications prepared by the Ministry of Industry and other institutions involved.</p>	<p>Other regional and international institutions are interested in knowing and replicating the program's results.</p>

Narrative summary	Indicators	Means of verification	Assumptions
	5. One publication was produced on issues related to the program's linking of multiple strategic sectors with business tourism and territorial development, as well as one document describing the project's methodology, to share with other States and regions having similar potential.		
Activities			
Component I. Development of a methodology to attract business events to Belo Horizonte			
1.1 Forming and strengthening a public-private business tourism network. A. Methodology development 1.1.1 Seven opening meetings (with each sector focus area) 1.1.2 One opening meeting (will all sector focus areas) 1.1.3 Six training events (on the network creation methodology, with emphasis on building trust, cooperation, development of scenarios with and without public-private network action) 1.1.4 Seven events explaining and providing implementation support for the methodology B. Development of a shared agenda 1.1.5 Software procurement and deployment 1.1.6 Consulting project to train and mobilize public-private network participants to use the software	By month 6 of execution: 1. Eight opening meetings held. By month 12 of execution: 2. Thirteen training and methodology implementation events held. 3. The public-private network is established and strengthened. By month 18 of execution: 4. The software is installed and operating properly. 5. Network participants are trained to use the software. 6. There is a shared agenda with an established query system.	1. Semiannual project reports drafted by the executing agency 2. Educational materials prepared for the training 3. Technical reports by consultants 4. Evaluations of training results 5. Project PPMR and PCR 6. Midterm evaluation	The Training and Event Planning Network (SETUR Organizer Project) and/or other analogous initiatives are understood to be the joint management mechanism related to the project.

Narrative summary	Indicators	Means of verification	Assumptions
<p>1.2 Design and implementation of a methodology to attract events, trade shows, and conferences to Belo Horizonte</p> <p>1.2.1 One study to identify Belo Horizonte's strategic economic sectors for business and events tourism</p> <p>1.2.2 One study to map the current status of business tourism in Belo Horizonte (including international benchmarking)</p> <p>1.2.3 Consulting projects (40 days) to design and implement the business tourism chain's joint strategy (to attract events and commercial policy)</p>	<p>By month 6 of execution:</p> <ol style="list-style-type: none"> Study identifying Belo Horizonte's strategic economic sectors for organizing business events completed <p>By month 12 of execution:</p> <ol style="list-style-type: none"> Mapping study completed <p>By month 18 of execution:</p> <ol style="list-style-type: none"> Joint strategy designed <p>By month 24 of execution:</p> <ol style="list-style-type: none"> Joint strategy in implementation <p>By month 36 of execution:</p> <ol style="list-style-type: none"> Joint strategy has been revalidated by the network. Network entities act in accordance with the joint strategy. <p>By month 42 of execution:</p> <ol style="list-style-type: none"> Joint strategy has been revalidated by the network. 	<ol style="list-style-type: none"> Semiannual project reports drafted by the executing agency Technical reports by consultants Studies completed Strategy documents for business tourism in Belo Horizonte Project PPMR and PCR Midterm evaluation 	<p>Work is undertaken with sectors that are economically relevant to the region, are organized, have defined concepts, and have the opportunity to develop business through the holding of events.</p>
<p>1.3 Improvement of organizational capacity</p> <p>1.3.1 Four consulting projects on professionalization (on issues of financial administration, attracting partners/sales, administrative management, alliance-building)—based on the diagnostics done in activity 1.1.2.</p> <p>1.3.2 Ten consulting projects for specific training of public-private network entities.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> Two professionalization consulting projects completed. <p>By month 18 of execution:</p> <ol style="list-style-type: none"> Four professionalization consulting projects completed. Five network entities complete specific training. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> Ten network entities complete specific training. 	<ol style="list-style-type: none"> Semiannual project reports drafted by the executing agency Educational materials prepared for the training Technical reports by consultants Evaluations of training results Project PPMR and PCR Midterm evaluation 	<p>Business people are willing to cooperate within the scope of the project.</p>

Narrative summary	Indicators	Means of verification	Assumptions
Component II: Coordination of the business tourism sector with strategic economic sectors such as the handicraft sector.			
<p>2.1 Coordination of the business tourism chain with strategic economic sectors in Belo Horizonte through pilot projects (based on the diagnostics and mapping done in component I)</p> <p>2.1.1 Project presentation assistance.</p> <p>2.1.2 Grant funds for business tourism projects linked to strategic economic sectors.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> One fund promotion event Five consulting projects on project presentation Two projects presented and one approved <p>By month 24 of execution:</p> <ol style="list-style-type: none"> Four projects presented and two approved 30% of the fund is committed. <p>By month 36 of execution:</p> <ol style="list-style-type: none"> Eight projects presented and four in implementation. <p>By the end of the program:</p> <ol style="list-style-type: none"> Four projects approved and completed. <p>Two years after program completion:</p> <ol style="list-style-type: none"> Seven projects approved and completed. 	<ol style="list-style-type: none"> Promotional and dissemination materials for fund promotion events Proposal documentation Pilot project reports Consultants' reports Accounting records Semiannual project reports drafted by the executing agency Project PPMR and PCR Midterm and final evaluations 	<p>Economically strategic sectors have been defined.</p> <p>Project eligibility criteria and prescreening call for consultants are validated.</p> <p>Defined strategic sectors present projects that meet the criteria.</p>

Narrative summary	Indicators	Means of verification	Assumptions
<p>2.2 Coordination of the business tourism sector with the cultural and leisure tourism sectors (pilot projects for the presentation of packages for business events that include a cultural and/or historical tourism component).</p> <p>2.2.1 Project presentation assistance.</p> <p>2.2.2 Grant funds for coordination projects between business, cultural, and leisure tourism.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> One fund promotion event Five consulting projects on project presentation Two projects presented and one approved <p>By month 24 of execution:</p> <ol style="list-style-type: none"> Four projects presented and two approved 30% of the funds are committed. <p>By month 36 of execution:</p> <ol style="list-style-type: none"> Eight projects presented and four in implementation. <p>By the end of the program:</p> <ol style="list-style-type: none"> Four projects approved and completed. 	<ol style="list-style-type: none"> Promotional and dissemination materials for fund promotion events Proposal documentation Pilot project reports. Consultants' reports Accounting records Semiannual project reports drafted by the executing agency Project PPMR and PCR Midterm and final evaluations 	<p>Business tourism network is operating and coordinated with the shared event agenda.</p>
<p>2.3 Support for the handicraft sector as a distinctive cultural element of business tourism in Belo Horizonte</p> <p>A. Crosscutting integration of handicraft promotion and marketing actions into business events</p> <p>2.3.1 Consulting projects to design handicraft products to be marketed at identified events and conferences.</p> <p>2.3.2 Decoration and creation of atmosphere at events with Minas Gerais handicraft products.</p> <p>2.3.3 Consulting projects to design handicraft products focused on business tourism.</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> Two events held in Belo Horizonte had decoration made with local handicraft products. One consulting project to develop handicraft products for exhibition at trade shows Two consulting projects for the development of handicraft products specifically designed and/or adapted for business tourists 30% of planned actions are completed. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> 60% of planned actions are completed. 	<ol style="list-style-type: none"> Consultants' reports Accounting records Semiannual project reports drafted by the executing agency Handicraft products developed or adapted for events Project PPMR and PCR Midterm and final evaluations 	<p>Artisans and their associations are willing to participate in these activities.</p> <p>Access by artisans (directly or through their associations) to the shared events agenda with sufficient lead time to create and produce products.</p> <p>Detailed diagnostics of bottlenecks for the marketing of handicraft products.</p>

Narrative summary	Indicators	Means of verification	Assumptions
<p>2.3.4 Support for exhibition of handicraft producers at trade shows related to the sector.</p> <p>B. Strategic solutions for bottlenecks in the handicraft sector</p> <p>2.3.5 Consulting projects to develop packaging suitable for the shipping of handicraft products</p> <p>2.3.6 Consulting projects to improve the logistics and transportation of handicraft products (from the artisan's production facility to the buyer)</p> <p>2.3.7 Training in sales management for exhibitors of handicraft products</p> <p>2.3.8 Consulting projects to increase handicraft sales centers beginning with the Praça da Liberdade tourist center.</p> <p>C. Support for events (trade shows) related to handicrafts in Belo Horizonte</p> <p>2.3.9 Consulting projects to strengthen events related to the handicraft sector, held in Belo Horizonte.</p>	<p>By month 36 of execution:</p> <p>6. 90% of planned actions are completed.</p> <p>By the end of the program:</p> <p>7. 50% of the events attracted by the network have decoration using local handicrafts.</p> <p>8. Five souvenirs developed.</p> <p>9. Three specific products developed (as support material for events).</p>		
Component III: Public-private initiatives for the creation and consolidation of Belo Horizonte's image and the enhancement of its territorial competitiveness.			
<p>3.1 To promote Belo Horizonte as a business tourism destination, through Casa de Minas in São Paulo</p> <p>3.1.1 Consulting projects to consolidate Casa de Minas as an event attraction facility</p>	<p>By month 6 of execution:</p> <p>1. Consulting project is contracted.</p> <p>By month 12 of execution:</p> <p>1. Five events linked to strategic economic sectors</p> <p>2. Six actions undertaken to attract events in Casa de Minas</p>	<p>1. Consultants' reports</p> <p>2. Accounting records</p> <p>3. Materials to promote and disseminate Belo Horizonte through Casa de Minas</p>	<p>Definition of strategic sectors and survey of their most relevant events.</p>

Narrative summary	Indicators	Means of verification	Assumptions
<p>3.1.2 Support for events in strategic economic sectors (for events at Casa de Minas) (15 events in total).</p>	<p>By month 24 of execution:</p> <ol style="list-style-type: none"> 3. Ten events linked to strategic economic sectors 4. Twelve actions undertaken to attract events in Casa de Minas <p>By month 36 of execution:</p> <ol style="list-style-type: none"> 5. Fifteen events linked to strategic economic sectors 6. Eighteen actions undertaken to attract events in Casa de Minas <p>By the end of execution:</p> <ol style="list-style-type: none"> 7. Casa de Minas consolidated as a center for attracting tourism events for Belo Horizonte. 		
<p>3.2 Grant funds for public-private initiatives</p> <p>3.2.1 Project presentation assistance</p> <p>3.2.2 Grant funds for public-private initiatives</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> 1. One fund promotion event 2. Five consulting projects for project presentation 3. Two projects presented <p>By month 24 of execution:</p> <ol style="list-style-type: none"> 4. Four projects presented and two approved 5. 30% of funds are committed. <p>By month 36 of execution:</p> <ol style="list-style-type: none"> 6. Eight projects presented and four in implementation <p>By the end of the program:</p> <ol style="list-style-type: none"> 7. Four projects approved and completed. 8. 90% of funds are committed. 	<ol style="list-style-type: none"> 1. Materials to promote and disseminate fund promotion events 2. Proposal documentation 3. Pilot project reports 4. Consultants' reports 5. Accounting records 	<p>Survey of the profile of national and international business tourism trade shows and definition of strategies and specific actions for each one.</p> <p>Identification, evaluation, and selection of experiences that should be shared.</p>

Narrative summary	Indicators	Means of verification	Assumptions
<p>3.3 Development of a marketing and promotion campaign for Belo Horizonte undertaken by the public-private business tourism network (based on the diagnostics and mapping in component I).</p> <p>3.3.1 Network meetings to design the campaign</p> <p>3.3.2 Consulting project to design the campaign</p> <p>3.3.3 Implementation of the campaign (preparation of informational materials)</p> <p>3.3.4 Participation in business tourism trade shows to promote Belo Horizonte as a business tourism destination (within the scope of the campaign).</p>	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> 1. The promotional campaign is designed. <p>By month 18 of execution:</p> <ol style="list-style-type: none"> 2. The promotional campaign is in implementation. 3. Representatives have participated in two international trade shows to promote Belo Horizonte as an event and conference destination. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> 4. Representatives have participated in four international trade shows to promote Belo Horizonte as an event and conference destination. <p>By month 36 of execution:</p> <ol style="list-style-type: none"> 5. Representatives have participated in six international trade shows to promote Belo Horizonte as an event and conference destination. <p>By the end of execution:</p> <ol style="list-style-type: none"> 6. Representatives have participated in eight international trade shows to promote Belo Horizonte as an event and conference destination. 	<ol style="list-style-type: none"> 1. Consultants' reports 2. Accounting records 	<p>Business tourism commercial policies are defined (each sector in the chain and the network as a whole).</p>

Narrative summary	Indicators	Means of verification	Assumptions
Component IV: Monitoring, lessons learned, and dissemination.			
4.1 Area of intervention: Monitoring 4.1.1 Development of the program baseline 4.1.2 Implementation of a system to monitor status and impact of activities 4.1.3 Measurement of the project's general and specific advances	<p>By month 6 of execution:</p> <ol style="list-style-type: none"> The program's execution structure is implemented and operational, including a defined baseline, information, monitoring, and dissemination management mechanisms. <p>By the end of execution:</p> <ol style="list-style-type: none"> Program results are systematized and disseminated in the media for stakeholders involved in the project. 	<ol style="list-style-type: none"> Semiannual reports drafted by the executing agency Monitoring system measurement reports Technical reports by consultants Publications prepared by involved institutions 	IDB monitoring and evaluation methodology approved for the executing agency.
Area of intervention: Dissemination of experience 4.2 Systematization of the experience to facilitate its transfer to other contexts 4.3 Participation in external events on issues related to the project 4.4 Seminars and local dissemination events	<p>By month 12 of execution:</p> <ol style="list-style-type: none"> One updated project website, which will contain informational material on the project and monitoring systems, and whose continuity will be ensured by the executing agency after the end of the MIF support. <p>By month 24 of execution:</p> <ol style="list-style-type: none"> Representatives participated in at least three external events (national and/or international) to disseminate program results. One draft of the project methodology has been produced. Local media coverage has been achieved. <p>By month 36 of execution:</p> <ol style="list-style-type: none"> At least one national event has been held to disseminate the studies and results obtained by the program. 	<ol style="list-style-type: none"> Semiannual management reports Dissemination material Report on the number of visits to the website Informational documentation on the project and its results used in the events Evaluation documents Record of participants in regional, national, and international seminars. 	

Narrative summary	Indicators	Means of verification	Assumptions
	<p>6. Representatives participated in at least six external events (national and/or international) to disseminate program results.</p> <p>7. Local media coverage has been achieved.</p> <p>By the end of the program:</p> <p>8. At least two national events have been held to disseminate the studies and results obtained by the program.</p> <p>9. Representatives participated in at least eight external events (national and/or international) to disseminate program results.</p> <p>10. One international closing event has been held to disseminate program results.</p> <p>11. One publication has been produced on issues related to the project.</p> <p>12. One document containing the project methodology has been produced.</p> <p>13. Local media coverage has been achieved.</p>		

Business Tourism to Enhance Territorial Competitiveness (BR-M1049)
Itemized Budget

		Counterpart		
Components/Activities	MIF	In cash	In kind	Total
CO1: Development of a methodology to attract business events to Belo Horizonte				
1.1 Forming and strengthening a public-private business tourism network	-	280,300	-	280,300
1.2 Design and implementation of a methodology to attract events, trade shows, and conferences to Belo Horizonte	14,700	124,100	-	138,800
1.3 Improvement of organizational capacity	42,700	148,000	-	190,700
Subtotal Component 1	57,400	552,400	-	609,800
CO2 Coordination of the business tourism sector with strategic economic sectors and the handicraft sector				
2.1 Coordination of the business tourism chain with specific economic sectors through pilot projects	235,200	-	-	235,200
2.2 Coordination of the business tourism sector with the cultural and leisure tourism sectors	235,200	-	-	235,200
2.3 Support for the handicraft sector as a distinctive cultural element for business tourism in Belo Horizonte	175,800	170,000	5,000	350,800
Subtotal Component 2	646,200	170,000	5,000	821,200
CO3: Public-private initiatives for the creation and consolidation of Belo Horizonte's position and the enhancement of its territorial competitiveness				
3.1 Strategy to promote Belo Horizonte as a business tourism destination in Sao Paulo	1,082,200	403,200	-	1,485,400
3.2 Grant funds for public-private initiatives	345,800	-	-	345,800
3.3 Development of a marketing and promotion campaign for Belo Horizonte	5,200	1,321,800	-	1,327,000
Subtotal Component 3	1,433,200	1,725,000	-	3,158,200
CO4: Monitoring, lessons learned, and dissemination				
4.1 Area of intervention: Monitoring	-	75,200	-	75,200
4.2 Systematization of experiences to facilitate transfer to other contexts	169,900	-	-	169,900
4.3 Participation in external events on issues related to the project	-	99,000	-	99,000
4.4 Seminars and local dissemination events	-	8,800	-	8,800
Subtotal Component 4	169,900	183,000	-	352,900
Project management				
Project execution unit (evaluations, audits, and contingencies)	399,550	270,200	-	669,750
Subtotal Project Management	399,550	270,200	-	669,750
SUBTOTAL	2,706,250	2,900,600	5,000	5,611,850
Impact assessment account	13,750			13,750
Cluster activities	30,000			30,000
GRAND TOTAL	2,750,000	2,900,600	5,000	5,655,600
	49%	51%		100%