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MULTILATERAL INVESTMENT FUND

CHILE

**HELPING SMALL AND MEDIUM-SIZED EXPORTERS TO
CAPITALIZE ON TRADE AGREEMENTS**

(CH-M1003)

DONORS MEMORANDUM

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CONTENTS

EXECUTIVE SUMMARY

I.	EXECUTIVE SUMMARY	1
II.	BACKGROUND.....	2
	A. Trade agreements and the SMEXs.....	2
	B. Project justification	4
III.	THE PROJECT	5
	A. Objectives and description.....	5
	B. Components.....	7
	1. Publicize the project and select participating SMEXs	7
	2. Assistance to help companies meet the requirements of the most demanding international markets.....	8
	3. Definition, evaluation, and adaptation of the Model to Capitalize on Trade Agreements.....	9
IV.	COST AND FINANCING	9
	A. Cost and financing	9
	B. Sustainability	10
V.	EXECUTING AGENCY AND MECHANISM	10
	A. Executing agency	10
	B. Mechanism	11
VI.	MONITORING AND EVALUATION.....	12
VII.	BENEFITS AND RISKS.....	13
VIII.	ENVIRONMENTAL AND SOCIAL IMPACTS	13

ANNEXES

Annex I	Logical framework
Annex II	Budget
Annex III	List of complementary projects funded by the MIF, the Bank, and the Facilitation of International Trade and Investment cluster

APPENDICES

Proposed resolution

INFORMATION AVAILABLE IN THE TECHNICAL FILES

Preparation:

1. Agosin, Manuel and Roberto Alvarez (2001). *“Determinantes de la Permanencia de las Firmas Exportadoras Chilenas en los Mercados Internacionales: Elementos para el Diseño de Políticas”*. [Factors that Determine Chilean Exporters Permanence in International Markets: Policy Design Elements]. Department of Economy, University of Chile.
2. CORFO. Financial services pamphlet, including exports.
3. FUNDES Chile and Directorate General of Chile’s Foreign Office (2004). *Buenas Prácticas de las PyMEs Exportadoras Exitosas (PyMEX): El Caso Chileno*. [Good Practices of Successful Small and Medium-sized Exporters (SMEX): the Chilean Case]
4. ProChile (2004). *“Instrumentos de Fomento y Promoción de Exportaciones”*. [Export Development and Promotion Instruments]
5. ProChile and Santiago Chamber of Commerce (2004). *“Propuesta: Apoyo a la diversificación de mercados de las pequeñas y medianas empresas exportadoras chilenas (PyMEX)”*. [Proposal: Support Market Diversification for Chilean Small and Medium-sized Exporters (SMEX)]
6. Quality, environment and risk prevention test (ProChile).
7. Tironi, Ernesto (2003). *“Las PyMEs en las exportaciones chilenas y los acuerdos con Europa y EEUU”*. [SMEs in Chilean exports and trade agreements with Europe and the USA] Estudios Públicos, 92 (Spring 2003).
8. Wilson, John and Tsunehiro Otsuki (2004). *“Standards and Technical Regulations and Firms in Developing Countries, New Evidence from a World Bank Technical Barriers to Trade Survey.”* The World Bank, June 2004.

Execution:

1. Operating Regulations
2. Terms of reference for the evaluating consultant/consulting firm to develop a baseline, and fine tune indicators and benchmarks
3. Terms of reference for the Program Executing Unit (PEU).

ABBREVIATIONS

CASP	Private Sector Advisory Council
CESI	Committee on Environment and Social Impact
COF/CCH	Country Office in Chile
CORFO	Corporación de Fomento (Chile) [Development Corporation of Chile]
ECA	Economic Complementation Agreements
EFTA	European Free Trade Association
EU	European Union
FTA	Free Trade Agreement
OFICOM	Overseas Trade Offices of the Government of Chile
OR	Operating Regulations
PCR	Project Completion Report
PEU	Project Executing Unit
PROCHILE	International Economic Relations Division
SCC	Santiago Chamber of Commerce
SMES	Small And Medium-Sized Enterprises
SMEX	Small And Medium-Sized Exporters
WTO	World Trade Organization

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I. EXECUTIVE SUMMARY

Country:	Chile	
Executing agency:	International Economic Relations Division (ProChile) of the Ministry of Foreign Affairs, executing agency, and Santiago Chamber of Commerce (SCC), co-executing agency.	
Beneficiaries:	The project will benefit from 250 to 300 small and medium-sized Chilean enterprises requiring assistance to initiate and/or increase exports to markets in countries with which Chile has signed trade agreements.	
Financing:	Modality:	Nonreimbursable (Facility III-a)
	MIF: ¹	US\$2,075,000 (50%) ²
	Local counterpart:	US\$2,050,000 (50%)
	Total:	US\$4,125,000
	¹ The MIF contribution includes US\$25,000 for coordinating the facilitation of international trade and investment cluster.	
	² Does not include cluster activities.	
Objectives:	The project objective is to achieve sustained growth in exports from small and medium-sized exporters (SMEXs) to markets in countries with which Chile has signed trade agreements. The purpose is to develop and implement a standardized and transferable model enabling Chilean SMEXs to access more discriminating international markets, capitalizing on the opportunities presented by the new trade agreements with the European Union, the European Free Trade Association (EFTA), Canada, the United States, and the Republic of Korea.	
Execution timetable:	Execution period:	36 months
	Disbursement period:	42 months

Special contractual clauses:	As conditions precedent to the first disbursement of the financing, ProChile and the SCC must demonstrate, to the Bank's satisfaction, that: (i) a coexecution agreement has been signed between ProChile and the CCS; (ii) the Executing Unit Coordinator has been selected; (iii) the Board of Directors has been constituted; and (iv) the Operating Regulations are in effect.
Environmental and social review:	The project abstract was reviewed and approved by the Committee on Environment and Social Impact on 8 October 2004 (CESI 39-04). The Committee's recommendations have been incorporated into the present document (paragraphs 3.3, 3.5, 3.6, and 8.1).
Exceptions to Bank policy:	None.
Coordination with other donors:	A European Union project with technical regulations that complement the present operation has been identified.

II. BACKGROUND

A. Trade agreements and the SMEXs

- 2.1 Since 1990, the Chilean government has negotiated trade agreements with several countries. With respect to size of export market, the most important achievement was to enter into Free Trade Agreements (FTA) with the European Union (EU), the United States, the Republic of Korea, and the European Free Trade Association (Iceland, Liechtenstein, Norway, and Switzerland), and a preferential trade agreement with Canada. In addition, Chile has negotiated preferential trade agreements with Costa Rica, El Salvador, and Mexico, and signed economic complementation agreements (ECAs) with Bolivia, Colombia, Cuba, Ecuador, MERCOSUR, Peru, and Venezuela. These agreements offer significant opportunities to diversify destination countries and the exports basket of small and medium-sized exporters (SMEXs).¹
- 2.2 Up to now, few Chilean SMEXs have managed to secure a firm foothold in these markets, or to capitalize fully on the export opportunities offered by the new trade agreements. Some 60% of Chilean SMEX export to a single destination market, and few have a regular export flow over time. In 2002 and 2003, SMEX exports

¹ The SMEX are companies with export potential and annual sales ranging from US\$600,000 to US\$7.5 million. They are the business segment targeted by this Project. The acronym SMEX is used to differentiate them from the usual definition of SMEs in Chile (i.e., companies with maximum sales of US\$2.2 million).

increased just 1.6%, and the value of exports to some countries with trade agreements decreased significantly, such as the United States (-2.8%) and Canada (-19.5%).²

- 2.3 The situation of the SMEX reflects sectoral and regional variances, and contrasts with large businesses that successfully capitalized on the new opportunities.³ Although industrial products account for 72% of the value of SMEX exports, this share is less than the proportion of industrial SMEX to total SMEX (86%), suggesting that industrial SMEX face greater export challenges. Likewise, the export capacity is not evenly distributed throughout the country: (i) there are many more SMEX in some regions than in others; and (ii) the SMEX in some regions are better able to penetrate external markets. This is particularly true of the Bio-Bio and Los Lagos regions.
- 2.4 From a commercial standpoint, the greatest hurdle confronting Chilean SMEX is to overcome paratariff and nontariff barriers. A FUNDES study of Chilean SMEX shows that 58.1% consider these barriers to be a major external constraint. In addition, a large proportion of SMEX indicated it was difficult to adjust their products to meet the technical requirements of international demand (40%) and to offer appropriate after-sales services (43%). Overcoming these barriers is crucial to expanding exports to their two major destination markets: the United States (26.2% of total SMEX exports in 2003) and Europe (22.4%). In the case of processed foods—the chief SMEX export product—meeting sanitary, packaging, and quality standards is essential for exporters, and demands greater capacity than is usually available to these companies.
- 2.5 Chilean SMEX are not alone in dealing with technical barriers affecting exports to developed countries. A recent World Bank study on the behavior of 689 companies in 17 developing countries⁴ exporting or wishing to export to the United States, Europe, Canada, Japan, and Australia found that 70% of these companies must comply with technical standards or regulations for access to these markets. Most companies view these regulations as real obstacles, and some stop exporting altogether rather than comply with the requirements. Technical requirements vary between markets, with the EU having the strictest, followed by the United States. Typically, the most stringent regulations apply to product quality, compliance and certification tests, and performance standards. Meeting these technical requirements involves greater production and investment costs for businesses. For companies

² Conversely, the value of exports from large firms to these two markets rose during the same period (0.1% and 69.9%, respectively).

³ The strong growth of exports in 2003 (up 16% over the previous year) was essentially due to increased exports by these large companies (+17.7%).

⁴ The survey included Argentina, Chile, Honduras, Panama, Bulgaria, the Czech Republic, Poland, Iran, Jordan, India, Pakistan, Kenya, Mozambique, Nigeria, Senegal, South Africa, and Uganda (Wilson and Otsuki, 2004).

wishing to export but not doing so, the study found that costs associated with distribution and logistics were another major consideration in addition to compliance with standards.

- 2.6 To be successful in international markets, SMEXs must have export capacity which is determined by a combination of production, commercial, management, and financial capacity. The Chilean agencies tasked with supporting SMEX exports offer export financing facilities (CORFO), training programs to enhance management capacity and export culture (Ministry of Foreign Affairs), and trade shows, missions and trade information (ProChile). However, there are no short-term assistance programs to bring exportable supply into line with the technical requirements imposed by international markets, or to develop marketing channels. ProChile and the Santiago Chamber of Commerce (SCC) advocate this project to help lower the trade barriers that now limit SME access to new external markets.

B. Project justification

- 2.7 The project **additionality** lies in developing a model that takes on the challenge of increasing SMEX exports systematically and specifically, providing tailor-made services to a group of companies with real possibilities of becoming successful exporters, but without the resources to develop business opportunities in foreign markets. Furthermore, the project will enable ProChile to work with a group of companies other than its traditional target group,⁵ offer a currently non-existent service, and help Chile seize the window of opportunity provided by entering into trade agreements before other Latin American countries. Moreover, ProChile and the SCC have never before pooled their efforts to work on a project of this scope; so, another project additionality will be the public-private regional and national joint venture institutional framework created to execute this project. Also, the proposed monitoring and evaluation system will improve ProChile's evaluation practices, enriching its current results-based management process.⁶ Lastly, the project will be innovative as it calls for developing a model that applies filters based on identifying the main market barriers SMEXs run up against in the international arena in order to target intervention at ready-to-export companies, thus maximizing the impact of services. These filters consist of new tools that ProChile will adapt and organize for building a standardized model that could be **replicated** in other countries of the region.
- 2.8 The proposed project complies with the objectives of the MIF facilitation of international trade and investment cluster which seeks to support SMEXs in developing their technical capacities to capitalize on trade agreements. Although 11 projects were approved under the cluster, only

⁵ In the past, ProChile worked with companies ready to export. In this project, it will work with a group of promising exporters in need of some adjustments.

⁶ The project service additionalities are described in the components section.

three recently approved operations (MIF/AT-528-Ecuador, MIF/AT-559-Argentina, and TC-03-03-02-5-RG) have some bearing on helping companies overcome technical barriers. Consequently, the lessons learned through this project will be particularly relevant to the cluster, which explains why one specific project objective is to compile and disseminate the lessons. Project beneficiaries will help publicize the best practices and lessons learned from the cluster while benefiting from the learning process.

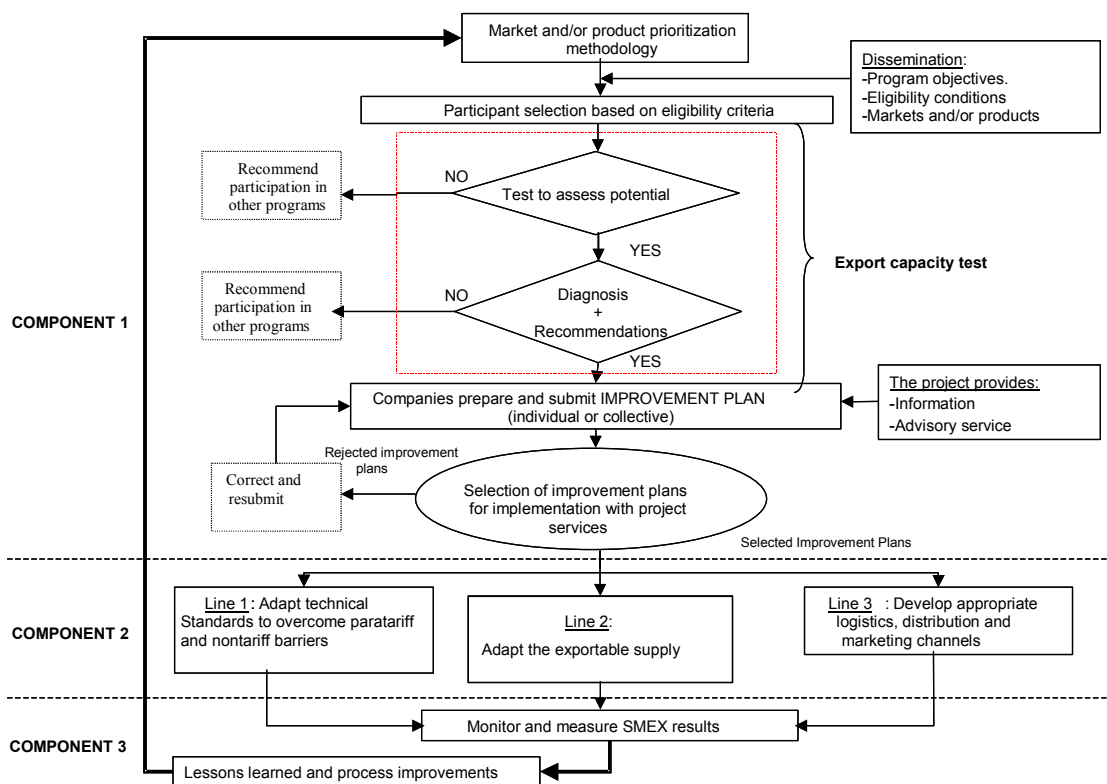
- 2.9 One of the chief objectives of the Bank's strategy for Chile (2001-2006) is to support increased competitiveness and to reduce social and regional inequalities. With respect to competitiveness, the strategy seeks to support initiatives to improve the country's positioning in external markets, among other things. This project is consistent with the strategy and, furthermore, indirectly helps reduce regional inequalities. It will complement operation CH-L1009, in preparation, which aims to build up the institutional capacity of the Directorate General for International Economic Relations—the entity in charge of coordinating and implementing Chile's trade policy: (i) to comply with and enforce the commitments assumed by Chile and its trading partners under the agreements; (ii) to ensure the best use is made of trade agreements; and (iii) to strengthen mechanisms for coordination and cooperation with the private sector to benefit even more from such agreements. The project as proposed is in line with World Trade Organization (WTO) rules.
- 2.10 The EU is supporting a project to disseminate information on technical rules that complements this operation.

III. THE PROJECT

A. Objectives and description

- 3.1 The project objective is to achieve sustained export growth from SMEXs to markets in countries or zones with which Chile has signed trade agreements. The idea is to develop and implement a systematic and transferable **model** enabling Chilean SMEXs to access more demanding international markets, capitalizing on the opportunities offered by the new trade agreements with the European Union, the European Free Trade Association (EFTA), Canada, the United States, and the Republic of Korea. The figure below provides a diagram of the model's operation.

MODEL FOR CAPITALIZING ON TRADE AGREEMENTS



- 3.2 The SMEXs will receive specialized technical assistance and training to deal with paratariff and nontariff barriers, adjust their exportable supply, and develop successful logistics, distribution, and marketing strategies, with an implementation time of less than one year at an average cost of US\$10,000. To achieve this objective, funding will be provided to develop a Model to Capitalize on Trade Agreements (Model), to standardize: (i) company selection based on product, market, export capacity, and needs diagnosis; (ii) provision of technical assistance; and (iii) results evaluation in terms of access to demanding markets. The Model will use a market, product, and company targeting process to increase the export success probability. The four Model components that will enable such targeting are: (i) the market and/or product prioritization methodology;⁷ (ii) the eligibility

⁷ The methodology is based on ProChile usual practices and will be adapted to fit the Model. Some flexibility will be built in to allow for unexpected opportunities, without detracting from the priorities concept described in the Operating Regulations.

criteria⁸ for companies to qualify for the Export Capacity test; (iii) the results of the Export Capacity test; and (iv) the functional and strategic criteria⁹ for Improvement Plan selection.

B. Components

1. Publicize the project and select participating SMEXs (MIF: US\$48,000; local counterpart: US\$332,430)

- 3.3 This component¹⁰ aims to promote project participation by SMEXs in different parts of the country, selecting those that may potentially gain a footing in demanding markets. The following activities will be carried out: **(i) Market and product prioritization**, applying the Market and Product Prioritization Methodology;¹¹ **(ii) Dissemination and training** to publicize the concept underpinning the Model, the eligibility criteria, and the services provided. Activities will be carried out through the ProChile regional offices, the 29 regional chambers associated with the SCC, workshops, and a publicity campaign; **(iii) Application of the Export Capacity Test** to eligible companies to determine their readiness to export. For ready companies, diagnose product and target market shortcomings, and recommend specific actions. ProChile already uses this methodology, but it will be fine-tuned under Component 3 to focus on market and product, and add the diagnosis and recommendations phase. The test will examine companies' environmental and social practices and recommend any necessary adjustments;¹² and **(iv) Selection of Improvement Plans**. Companies that pass the previous stage will submit improvement plans based on recommendations received. These plans will be evaluated according to the functional and strategic criteria described in the Operating Regulations. The companies with the highest score may become beneficiaries of project services.

⁸ The eligibility criteria are described in the Operating Regulations, and provide that the company: (i) must be a budding exporter (that has exported, but not on a regular basis, during the last three years); (ii) wishes to access a new market or the same market with a new product; (iii) has annual sales of less than US\$7.5 million; and (iv) has a market and product mix that fits the markets and products prioritized for this round.

⁹ The OR list the criteria as: a) functional: potential, coherence, capacity, viability, impact and cofinancing; and b) strategic: regions, partnering arrangements, market-product and public good.

¹⁰ This component's additionality lies in the market, product, and company targeting method used to select beneficiaries.

¹¹ This methodology will be defined in Component 3 as part of the Model to Capitalize on Trade Agreements, to monitor destination market conditions, and exportable supply.

¹² The export capacity test includes an evaluation of environmental practices in the following areas, among others: is there a professional at the head of the company; staff training in environmental issues; emergency response capacity; senior management's commitment to observe environmental standards; existence of written policy; is the company up to date with environmental legislation; resources allocated to environmental practices; and specific actions to improve environmental practices.

- 2. Assistance to help companies meet the requirements of the most demanding international markets (MIF: US\$1,607,850; local counterpart: US\$1,072,650)**
- 3.4 This component aims to provide the companies selected in the previous phase with specific services described in their Improvement Plan, classified in one of the three assistance lines according to the type of problem:
- 3.5 **Line 1 – Adapt technical standards to overcome paratariff and nontariff barriers¹³.** Provide technical assistance and training to help the SMEXs adjust their processes to comply with voluntary technical standards and government rules and regulations, such as environmental standards, quality requirements, product certification,¹⁴ certificate of origin, good manufacturing practices and good agricultural practices, among others.
- 3.6 **Line 2 – Adapt the exportable supply.¹⁵** Experts and specialists will be hired to advise the SMEXs in the following areas in order to adapt their products to satisfy destination market requirements: **(i) Design and modify products for export:** advisory services to adapt products to satisfy consumer demands in target markets (color, size, texture, shape, environmental preferences); **(ii) The packaging process:** advisory services to adjust shipping methods, labeling, safety requirements, form of delivery, among others; and **(iii) After-sales services:** training in product handling, use, and requirements in the destination market.
- 3.7 **Line 3 – Develop appropriate logistics, distribution, and marketing channels¹⁶.** Assist companies in establishing distribution and logistics chains within and outside Chile: **(i) Logistics advisory services,** covering all transportation and storage processes from plant to final destination. Consultants specializing in optimizing international physical distribution, training, and strategies to improve the logistics process will be hired; **(ii) Technical assistance to remove marketing restrictions in destination countries.** Experts will be hired at destination markets to select marketing/distribution channels, evaluate buyers' ability to pay, and assist in the search for strategic partnerships in destination countries, among others.

¹³ The additionality lies in the implicit public good of the information to be provided regarding the paratariff and nontariff barriers that exist in some markets, and how to overcome them.

¹⁴ Financing will be provided for the internal audit and implementation process, not the certification itself.

¹⁵ The additionality comes from the systematic delivery of public services to overcome data asymmetries, and the externalities resulting from such assistance (others copy design or packaging improvements).

¹⁶ The additionality lies in providing a standardized service not yet available in the country that helps reduce the export risk associated with the vast geographic distance separating Chile from these markets.

3. Definition, evaluation, and adaptation of the Model to Capitalize on Trade Agreements (MIF: US\$154,780; local counterpart: US\$66,600)

- 3.8 The purpose of this component is to assist in the development of the Model to Capitalize on Trade Agreements, and design a monitoring system to perfect the model and assure its transferability. The following activities will be funded: **(i) Establishing the Model to Capitalize on Trade Agreements.** Design and adapt the Market and Product Prioritization Methodology, the Export Capacity test, the selection of Improvement Plans, and the Monitoring and Evaluation System; **(ii) Implementing the Monitoring and Evaluation System.** Monitor the evolution of the execution indicators established in the previous phase, and integrate the lessons learned into the Model to Capitalize on Trade Agreements; and **(iii) Disseminating the Model through workshops and seminars.**

IV. COST AND FINANCING

A. Cost and financing

- 4.1 The project will cost US\$4.125 million, broken down as follows: US\$2.075 million in nonreimbursable funding from the MIF, of which US\$25,000 will be used to finance investment and trade promotion cluster activities, and US\$2.05 million in local counterpart funding, with at least one-half being in cash. The local counterpart funding will consist of US\$1.75 million to be provided by ProChile, and US\$300,000 by the SCC. The budget is summarized in the table below (See the itemized budget in Annex II).

Table 1
Budget (US\$)

Budget Line	MIF	Local Counterpart	Total	MIF %	Total %
Component 1:	48,000	332,430	380,430	12	9
Component 2:	1,607,850	1,072,650	2,680,500	60	65
Component 3:	154,780	66,600	221,380	70	5
Administrative expenses	167,900	544,400	712,300	24	17
Evaluation and audit	60,000	0	60,000	100	0.7
Contingencies	11,470	33,920	45,390	35	1.3
Total	2,050,000	2,050,000	4,100,000	50	99.4
Cluster activities ¹⁷	25,000	0	25,000	100	0.6
Total	2,075,000	2,050,000	4,125,000	50	100

¹⁷ This amount will be deducted from the contribution from the effective date of the technical-cooperation agreement letter, without the need for a disbursement request from the executing agency.

- 4.2 MIF resources will fund mainly the training and technical assistance costs incurred in Component 2, procurement of equipment for project coordination, and part of the administrative expenses.

B. Sustainability

- 4.3 ProChile and the SCC have indicated they intend to continue using the Model developed for this project after the MIF support ends. During project execution, the two entities propose to establish a reserve fund with contributions from companies so as to continue cofinancing the services. Also, Model effectiveness could drive demand for such services, and the willingness of businesses to pay for them. In addition, the demonstration effect of the Model is expected to serve as an argument for ProChile to seek National Treasury resources to expand the services. The know-how gained by ProChile and the SCC from developing, implementing, and adjusting the Model may provide them with an additional source of income from the fee for acting as broker between the SMEXs and the service providers.

V. EXECUTING AGENCY AND MECHANISM

A. Executing agency

- 5.1 The project will be carried out jointly by the International Economic Relations Division (ProChile) of the Ministry of Foreign Affairs and the Santiago Chamber of Commerce (SCC). The two entities are well-known within and outside the country, work closely together, and have carried out joint activities.
- 5.2 ProChile was created in 1974. It employs qualified staff, uses modern administrative systems, and has gained prestige as an export development agency. ProChile serves some 2000 clients a year, mostly SMEs, and spends 57% of its annual budget on promoting exports. The National Treasury supplies most of its budget resources, with ProChile financing approximately 15%. The institution has an external network of 48 business offices on five continents, and a domestic network with 13 regional offices.
- 5.3 The SCC was established in 1919 and today has 1400 members ranging from SMEs to large corporations. Its modern administration is financed with member contributions and the sale of services. The SCC operates through a network of partners comprising 29 regional chambers and 168 international chambers. It has ample experience in assisting SMEs and executing MIF projects (ATN/MT-6376-CH and ATN/MT-8127-CH). The SCC is a lead institution of the MIF trade arbitration network, and hosts the Private Sector Advisory Council CASP/IDB Secretariat.

B. Mechanism

- 5.4 The project execution structure consists of three levels: a Board of Directors, the Project Executing Unit (PEU) and the Regional Offices. The Board will have eight members, four appointed by ProChile, including the Chairman, and four by the Santiago Chamber of Commerce, including the Vice Chairman. The PEU Project Coordinator will serve as Secretary of the Board. The Board's duties include approving the Annual Work Plans (AWP), granting nonobjection to improvement plans selected by the Technical Committee, and monitoring the source and use of resources. The duties of the PEU, according to Bank regulations, are: (i) to establish and update the project accounting and financial records, documentation justifying expenses, and the mechanism for transfer of funds from the executing agency to the coexecuting agency; (ii) to procure the goods and services required for the project; (iii) to organize and direct the activities in general; and (iv) to prepare the monitoring reports and financial statements, and the annual work plans for each period. The 12 ProChile regional offices will carry out the activities and services targeting the SMEXs.
- 5.5 This structure will be supported by a Technical Committee, a Legal, Administrative, and Financial Committee, and the network of Overseas Trade Offices of the Government of Chile (OFICOM). The Technical Committee, comprising SCC and ProChile specialists, will select beneficiary businesses based on the evaluation of Improvement Plans. The Legal, Administrative, and Financial Committee will be responsible for follow-up and monitoring of these areas for the entire project. The ProChile Overseas Trade Offices will ascertain the prevailing product marketing conditions in the destination country and identify experts in those countries able to assist the SMEXs.
- 5.6 **Program readiness.** The project is at an advanced stage of readiness. The project team and the counterpart have completed the following activities: (i) drafting the Operating Regulations; (ii) developing the logical framework and establishing the outcome indicators; and (iii) analyzing the institutional capacity and financial viability. The National Treasury has already approved ProChile's cash counterpart funding for year one of the project and included them in the 2005 budget. The SCC also confirmed the availability of counterpart funding in its 2005 budget.
- 5.7 **Execution period and procurements.** The project has a 36-month execution period and a 42-month disbursement period. A revolving fund equivalent to 10% of the MIF contribution, based on the estimated financing requirements of the executing and coexecuting agencies for the first three months of the project, will be established for procurement. Consulting services will be engaged in accordance with Bank procedures as specified in document GN-2220-10. No procurement is expected to exceed the thresholds established for international bidding. Consulting services costing less than US\$30,000 equivalent will be hired in accordance with the procedures for contracting individual consultants. Contracts below the

equivalent of US\$30,000 will be reviewed ex post by the Bank. The first three lots of procurement will be supervised ex ante. Likewise, purchase orders valued at more than US\$5,000 or the equivalent thereof will be submitted to the Bank with at least three additional proposals.

VI. MONITORING AND EVALUATION

- 6.1 The indicators established in the logical framework and their respective baselines will serve to monitor project execution. In addition, Component 3 resources will be earmarked for the design and implementation of a project monitoring system.
- 6.2 **Monitoring.** The PEU will prepare semiannual progress reports and the final project report. The reports will document the activities carried out during the preceding six months, and provide a work plan and disbursement schedule for the next period, in accordance with the logical framework indicator targets. The PEU will also measure and monitor the evolution of the initial project baselines and report on the status of the revolving fund. The reports will be submitted for approval to the Bank's Country Office in Chile (COF/CCH) within 60 days following the end of each six-month period¹⁸. Also, annual audits and a final audit will be performed in accordance with pertinent Bank policies. Within three months following the last disbursement, the COF/CCH will prepare the Project Completion Report (PCR) pursuant to the applicable guidelines, with special emphasis on lessons learned.
- 6.3 **Evaluation.** Upon approval of the first disbursement, the executing agency will contract consultant services to design the project monitoring and evaluation system and the baselines. The Bank will contract outside consultants to perform two evaluations. The first evaluation will be done when half the MIF resources have been disbursed, to assess project progress and performance, emphasizing: (i) indicator performance; (ii) progress in the dissemination activities and application of the Export Capacity test; and (iii) compliance with the *pari passu* counterpart funding requirement. The second evaluation will be performed when 95% of the MIF resources have been disbursed, to assess: (i) the probability of attaining the project objectives under purpose and goals; (ii) the project's sustainability; and (iii) beneficiary satisfaction with the quality of services received. Lastly, ProChile has indicated its intention to carry out an ex post evaluation two years after completion of the project.

¹⁸ Progress reports due on May 30 and November 30 each year.

VII. BENEFITS AND RISKS

- 7.1 **Benefits and beneficiaries.** The project's expected outcomes include: (i) 30% of the first and second year beneficiaries are able to make inroads into their target markets; (ii) 70% of the beneficiaries consider the services received were relevant and contributed to generating export capacity to more sophisticated markets; and (iii) a transferable, standardized model to capitalize on trade agreements with highly demanding partners has been developed. The project is expected to assist some 250 to 300 SMEXs during the three-year execution period, with a significant proportion located throughout the country. The executing agencies will benefit indirectly because at the end of the project they will have a new tool for providing services that will generate additional revenue.
- 7.2 **Risks.** The principal risk is that demand for companies outside the metropolitan area will be less than their typical activity. The project will mitigate this risk through a project dissemination and promotion campaign to be implemented in different regions. A second risk is that companies will not remain sufficiently motivated to carry out the actions listed in the Improvement Plan to complement project services. This risk will be mitigated by the targeting process as the filters reflect a high level of export commitment on the part of the companies. In addition, the Improvement Plan selection criteria include a cofinancing element to measure company commitment level.

VIII. ENVIRONMENTAL AND SOCIAL IMPACTS

- 8.1 No direct negative environmental or social impacts are anticipated from program execution given the type of operation. With regard to indirect impacts, it should be noted that one of the criteria, included in the Export Capacity test that all beneficiary companies must pass, addresses compliance with environmental protection standards. The markets targeted by the project have stricter environmental and social standards than the current export markets served by Chilean SMEXs, which means that many beneficiary companies will receive environmental management and clean production services. No impact on indigenous peoples is anticipated given the type of companies involved, their export items, and their location. Nonetheless, this dimension will be considered in the Export Capacity test and, if applicable, the appropriate Bank standards will be observed. Lastly, the project Operating Regulations refer to the MIF Environmental and Social Guidelines¹⁹ which set criteria for environmental review and supervision (*environmental due diligence*) for MIF-funded projects.

¹⁹ MIF-IDB Environmental and Social Guidelines for MIF Financial Intermediary Operations.

CHILE

HELPING SMALL AND MEDIUM-SIZED EXPORTERS TO CAPITALIZE ON TRADE AGREEMENTS TC-CH- M1003 LOGICAL FRAMEWORK MATRIX

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GOAL			
Attain a sustained growth in SMEX ¹ exports to markets in countries and zones with which Chile has signed trade agreements.	<ul style="list-style-type: none"> – Increase in value of exports for the project beneficiary companies. – Increase in number of companies exporting to free trade agreement markets. – Increase in the average number of markets served by the project beneficiary companies. 	<ul style="list-style-type: none"> – Ex-post project evaluation. – ProChile data systems: WEB/Comex, CRM and ProChile management control system. 	<ul style="list-style-type: none"> – A stable macroeconomic environment. – Importing countries honor the commitments contracted under the free trade agreements. – No substantial increase in paratariff barriers.
PURPOSE			
Develop and implement a transferable, standardized model enabling Chilean SMEX to access demanding markets taking advantage of the opportunities offered by new trade agreements.	<ul style="list-style-type: none"> – At project completion, at least 30% of first and second year² beneficiary companies have access to the target markets. – At project completion, at least 70% of beneficiary companies consider the services received under the project were relevant to generating export capacity to the most sophisticated markets. – At project completion, a Procedural Manual documenting the Model to Capitalize on Trade Agreements is available, describing: (i) processes; (ii) contingencies; (iii) monitoring mechanism; and (iv) instructions to adapt to other contexts, markets, products, and businesses. 	<ul style="list-style-type: none"> – Final evaluation – Project completion report – Semiannual, midterm and end of project reports. – ProChile data systems: WEB/Comex, CRM and ProChile management control system. – Results of an annual random survey. – Audit of the Model's Procedural Manual. 	<ul style="list-style-type: none"> – Businesses in the regions are interested in the project.

¹ Businesses with export potential and sales ranging from US\$600,000 to US\$7.5 million, the business segment targeted by this project. The SMEX acronym is used to differentiate from the usual definition of SMEs in Chile (i.e., companies with maximum sales of US\$2.2 million).

² Considering that (i) implementation of the Improvement Plans will take up to one year, and (ii) on average, the time to place product in target market is two years, a relatively low average was selected as indicator because a large proportion of businesses will probably not have completed the cycle in time for the final measurement.

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
Components			
Component 1: Disseminate the Model to Capitalize on Trade Agreements and select beneficiary SMEX.	1.1 At least 2,500 companies participate in Model dissemination activities throughout the country. 1.2 At least 800 small and medium-sized enterprises take the Export Capacity Test. 1.3 At least 350 companies pass the Export Capacity Test and qualify for the project. 1.4 At least 250 companies are selected to receive assistance based on the criteria established to evaluate their Improvement Plans. 1.5 The Model application process and selection of Improvement Plans performed at least once a year.	– Semiannual, midterm and final project reports. – ProChile data systems: WEB/Comex, CRM and ProChile management control system. – Results of an annual random survey.	
Component 2: Assist small and medium-sized exporters that face the requirements of more demanding markets.	2.1 At least 250 companies receive technical assistance and training under the project and included in their Improvement Plans. 2.2 At least 60% of the companies benefiting from project services are located in regions other than metropolitan Santiago. 2.3 At least 70% of the beneficiaries rated the services received under the project as fair, good, or very good.	– Semiannual, midterm and final project reports. – ProChile data systems: WEB/Comex, CRM and ProChile management control system. – Output of an annual random survey.	– Businesses commit to implement the Improvement Plan.
Component 3: Standardize the Model to Capitalize on Trade Agreements.	3.1 There is a plan to design and implement the Model monitoring and evaluation system. 3.2 The evolution of baselines are updated in the data system at least quarterly. 3.3 There is a report that as a minimum: (a) identifies lessons learned through implementation of the Model, and (b) describes adjustments to the Model based on lessons learned. 3.4 At least eight workshops and/or seminars are held to publicize the results and lessons learned.	– Semiannual, midterm and final project reports. – ProChile data systems: WEB/Comex, CRM and ProChile management control system.	

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
Activities			
	US\$		
1.1 Disseminate the Model and Project throughout the country.	185,600	– Project schedule and budget. – Program evaluation and monitoring system.	
1.2 Apply the Export Capacity test.	136,707		
1.3 Select beneficiary companies based on the best Improvement Plans, using the functional and strategic selection criteria defined in the OR.	57,450		
2.1. Services to adjust technical standards to overcome paratariff and nontariff barriers.	656,000	– Project schedule and budget. – Program evaluation and monitoring system.	
2.2. Services to adjust the exportable supply	582,500		
2.3. Services to develop appropriate logistics, distribution, and marketing channels.	1,375,000		
2.4. Monitoring experts and implementation assistance.	67,000		
3.1. Design and adapt the product and market prioritization methodology.	40,250	– Project schedule and budget. – Program evaluation and monitoring system.	
3.2. Design and adapt the Export Capacity Test.	98,580		
3.3. Design and adapt the monitoring and evaluation system.	16,500		
3.4. Monitor the evolution of system indicators.	11,250		
3.5. Disseminate the Model to Capitalize on Trade Agreements.	54,800		

CHILE. HELPING SMALL AND MEDIUM-SIZED EXPORTERS TO CAPITALIZE ON TRADE AGREEMENTS
Budget

Program to help Chilean SMEs capitalize on trade agreements	US\$ Total value	TOTAL 3 YEARS (42 months)							
		MIF	COUNTERPART CONTRIBUTION						Counterpart - Total
			Cash			In-kind			
			ProChile	C.C.S.	Subtotal	ProChile	C.C.S.	Subtotal	
Executing unit	371,720	167,900	19,800	0	19,800	115,860	68,160	184,020	203,820
Structure	325,920	164,400	0	0	0	93,360	68,160	161,520	161,520
General Project Coordinator (TT)	164,400	164,400	0	0	0	0	0	0	0
Administrative Accountant (TT)	57,120	0	0	0	0	23,520	33,600	57,120	57,120
Legal Support (TP)	36,000	0	36,000	0	36,000	0	0	0	36,000
Assistant	10,800	0	0	0	0	10,800	0	10,800	10,800
Board Member fees	57,600	0	0	0	0	23,040	34,560	57,600	57,600
Logistics	45,800	3,500	19,800	0	19,800	22,500	0	22,500	42,300
Regional Offices	340,580	0	26,040	0	26,040	314,540	0	314,540	340,580
Structure	189,000	0	0	0	0	189,000	0	189,000	189,000
Manager (TP)	100,800	0	0	0	0	100,800	0	100,800	100,800
Administrator (TP)	37,800	0	0	0	0	37,800	0	37,800	37,800
Assistant (TP)	50,400	0	0	0	0	50,400	0	50,400	50,400
Logistics	151,580	0	26,040	0	26,040	125,540	0	125,540	151,580
COMPONENT 1: Program dissemination and SME selection	380,430	48,000	59,632	64,350	123,982	164,925	43,525	208,450	332,430
1.1 Dissemination and training	185,600	29,000	20,000	64,350	84,350	63,750	8,500	72,250	156,600
1.2 Apply test to SMEX	137,380	14,950	39,632	0	39,630	47,775	35,025	82,800	122,430
1.3 Select SME Improvement Plans	57,450	4,050	0	0	0	53,400	0	53,400	53,400
COMPONENT 2: Assisting companies to comply with market requirements	2,680,500	1,607,850	750,500	85,650	836,150	236,500	0	236,500	1,072,650
2.1 Adapt technical standards to overcome paratariff barriers	656,000	193,850	239,000	85,650	324,650	137,500	0	137,500	462,150
2.2 Adapt exportable supply to demand	582,500	280,000	302,500	0	302,500	0	0	0	302,500
2.3 Develop appropriate logistics and distribution channels	1,375,000	1,067,000	209,000	0	209,000	99,000	0	99,000	308,000
2.4 Experts in monitoring and implementation assistance	67,000	67,000	0	0	0	0	0	0	0
COMPONENT 3. Monitoring, evaluation, and dissemination of lessons learned	221,380	154,780	20,600	0	20,600	18,000	28,000	46,000	66,600
3.1 Design of the product and market prioritization instrument	40,250	37,450	2,800	0		0	0	0	2,800
3.2 Design of the export capacity test, export potential test, diagnosis and recommendations	98,580	98,580	0	0		0	0	0	0
3.3 SMEX results measurement design	16,500	8,700	7,800	0		0	0	0	7,800
3.4 Compilation of execution data (three years)	11,250	0	0	0		11,250	0	11,250	11,250
3.5 Program presentation. Conclusions	54,800	10,050	10,000	0		6,750	28,000	34,750	44,750
Subtotal	3,994,610	1,978,530	876,572	150,000	1,026,572	849,825	139,685	989,510	2,016,080
Contingencies	45,390	11,470	0	0	0	23,603	10,317	33,920	33,920
Midterm and final evaluations	45,000	45,000	0	0	0	0	0	0	0
Audits	15,000	15,000	0	0	0	0	0	0	0
Total	4,100,000	2,050,000	876,572	150,000	1,026,572	873,428	150,002	1,023,430	2,050,000
Cluster activities	25,000	25,000	0	0	0	0	0	0	0
Grand Total	4,125,000	2,075,000	876,572	150,000	1,026,572	873,428	150,002	1,023,430	2,050,000

	MIF	CONTRAPARTE
Pari pasu before cluster activity	50.0%	50.0%

CHILE

HELPING SMALL AND MEDIUM-SIZED EXPORTERS TO CAPITALIZE ON TRADE AGREEMENTS CH-M1003

A. Similar MIF projects

ATN-ME-8532-RG 3 December 2003	Market access and integration through technical standardization Instituto Uruguayo de Normas Técnicas US\$4,124,220 (US\$2,498,120 from the MIF)	July 2004 54 months	0%	The project was signed in July. Awaiting fulfillment of conditions precedent to first disbursement.
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B. Similar or related Bank projects

Project number/ approval date	Project title, executing agency, amount	Date of signature Disbursement period in months	Percent disbursed	Comments
CH-0160 14 November 2000	Technology Innovation Program Ministry of Economy, Development, and Reconstruction US\$200 million (US\$100 million reduced to US\$99,196,000 from the IDB)	14 March 2001 43 months	55%	Satisfactory project review (S/P). The midterm review shows that the five subprograms (technology development in Chile, information technology, technology development in the agricultural and forestry sectors, environmental management, and quality development for competitiveness) are well advanced, with considerable impact on the beneficiaries.

C. MIF projects related by sector or beneficiary

Project number/ approval date	Project title, executing agency, amount	Date of signature Disbursement period in months	Percent disbursed	Comments
ATN/ME-5767-CH 19 November 1997	SME Competitiveness Program Centro de Productividad Integral [Integrated Productivity Center] (CEPRI) US\$4 million (US\$2 million from the MIF)	18 March 1998 83 months	100%	Satisfactory project execution (S/P). Projected development objectives are expected to be attained.
ATN/MT-8127-CH 4 December 2002	Program to Strengthen Chilean E- commerce Security and Trust Santiago Chamber of Commerce (SCC) US\$2 million (US\$1 million from the MIF)	1 April 2003 18 months	23%	Project is evolving very satisfactorily. The SCC fulfilled its responsibilities on time (HS/P). Indicators point to a positive trend and probable fulfillment of assumptions.
ATN/ME-7956-RG- 4 (Chile) 24 July 2002	Technology Innovation to Improve SME Business Management (ICT-4- BUS). Santiago Chamber of Commerce (SCC) US\$500,800 (US\$302,000 from the MIF)	1 March 2004 8 months	0%	Awaiting fulfillment of conditions precedent to first disbursement.
ATN/ME-8529-CH 3 December 2003	Adoption of Corporate Social Responsibility Practices in Small and Medium-sized Enterprises Pontificia Universidad Católica de Valparaíso [Catholic University of Valparaiso] (VINCULAR) US\$2.5 million (US\$1.25 million from the MIF)	1 March 2004 6 months	10%	Project in initial execution phase. Favorable prospects (S/P).

ATN/ME-7956-RG14 (Chile) 22 April 2004	ICT Platform Supporting SME digital economy competitiveness (ICT-4-BUS) Centro de Productividad Integral [Integrated Productivity Center] (CEPRI) US\$830,000 (US\$370,096 from the MIF)	Project at the signing stage	0%	Project at signing phase. Conditions precedent to first disbursement not yet fulfilled.
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D. MIF projects, trade and investment cluster

ATN/MT-7080-RG 2 August 2000	Customs Measures to Facilitate International Business in Latin America and the Caribbean Centro Interamericano de Administraciones Tributarias [Inter-American Center of Tax Administrations] (CIAT) US\$5 million (US\$3 million from the MIF)	25 September 2000 48 months	100%	The ample publicity given to the program objectives and the coordination advisory services resulted in significant outcomes (S/P).
ATN/MT-7123-RG 1 September 2000	Investment Frameworks in the Caribbean Community: A Regional Harmonized System of “Best Practices” CARICOM Secretariat US\$580,000 (US\$410,000 from the MIF)	27 October 2000 47 months	81%	Satisfactory project review (S/P). Activities have concluded.
ATN/MT-7957-RG 24 July 2002	Support of Agricultural Trade through the Harmonized Regional Application of Sanitary and Phytosanitary Measures International Regional Organization for Plant and Animal Health (OIRSA) US\$2.144 million (US\$1.5 million from the MIF)	22 October 2002 23 months	32%	The executing unit is operating efficiently and satisfactorily (S/P). The public and private sectors in the eight project countries have expressed interest in the program.

ATN/MT-8026-RG 25 September 2002	Modernization of Customs and Border Crossings for International Transit of Goods Secretaría de Integración Económica Centroamericana [Secretariat for Central American Economic Integration] (SIECA) US\$3,015,000 (US\$2,015,000 from the MIF)	22 August 2003 13 months	10%	Since the project was declared eligible on 17 February 2004 and following first disbursement on 30 March 2004, the project team appears well coordinated and actively involved in project activities (S/P).
ATN/MT-8225-RG 19 February 2003	Reduction of Technical Trade Barriers through the Strengthening of Accreditation Systems Mexican Accreditation Agency US\$840,000 (US\$495,000 from the MIF)	22 May 2003 16 months	27%	All the executing agencies are performing the programmed activities appropriately to ensure attainment of the objectives (S/P).
ATN/ME-8352-AR 25 June 2003	Overcoming Technical Trade Barriers for Small Rural Producers Fortalecer Foundation US\$2.5 million (US\$1.5 million from the MIF)	15 September 2003 10 months	12%	Project in initial execution phase. Favorable prospects (S/P).
ATN/ME-8382-RG 30 July 2003	Consolidation of National Systems for Sustainable Tourism Certification to Facilitate SME Competitiveness and Market Access Asociación Alianza del Bosque Lluvioso US\$5.174 million (US\$3.02 million from the MIF)	27 October 2003 11 months	13%	Assumptions remain valid. Activities performed without problems, exceeding initial goals (S/P).
ATN/ME-8533-RG 3 December 2003	Market Access and Integration through Technical Standards Instituto Colombiano de Normas	8 June 2004 4 months	6%	Project in initial execution phase. Executing agency is working towards fulfilling the conditions precedent to disbursement (S/P).

	Técnicas y Certificación (Colombian Standards and Certification Institute) US\$4,732,251 (US\$2,790,940 from the MIF)			
ATN/ME-8532-RG 3 December 2003	Market Access and Integration through Technical Standardization Uruguayan Technical Standards Institute (UNIT) US\$4,124,220 (US\$2,498,120 from the MIF)	July 2004 (specific data to be confirmed) 3 months	0%	Project signed in July. Conditions precedent to first disbursement not yet fulfilled.
ATN/ME-8530-EC 3 December 2003	Program to Mitigate Market Access Barriers under the APTDEA Corporación de Promoción de Exportaciones e Inversiones [Export and Investment Promotion Corporation] (CORPEI) US\$2,202,030 (US\$1,323,492 from the MIF)	2 April 2004 7 months	0%	Conditions precedent to first disbursement not yet fulfilled.
ATN/MT-8694-RG 28 April 2004	Strengthening the Private Sector's Role in the Caribbean Community's External Trade Negotiations Caribbean Community (CARICOM) US\$1,515,500 (US\$1,060,500 from the MIF)	1 July 2004 3 months	0%	Project in initial execution phase. Executing agency is working towards fulfilling the conditions precedent to disbursement (S/P).

CHILE MIF PORTFOLIO

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FCL	Approval	Status	MIF Amount	% Disb
1	MIF/AT-31	TC9307291	ATN/MH-4761-CH	Pilot Program to Contract Out Retraining and Placement Services to the Private Sector	SENCE	II	14-Dec-94	Completed	1,840,897	100
2	MIF/AT-33	TC9410151	ATN/MH-4905-CH	Strengthening The National Commission On Environment	CNMA	II	24-May-95	Completed	1,902,500	100
3	MIF/AT-59	TC9504201	ATN/MT-5053-CH	Transport Sector Concessions	MOPDV	I	1-Nov-95	Completed	1,467,955	100
4	MIF/AT-79	TC9602138	ATN/MT-5199-CH	Global Integration	MH	I	24-Apr-96	Completed	606,318	100
5	MIF/AT-96	TC9609142	ATN/MH-5394-CH	Program for Innovation in Training in Technical Skills	FEE	II	30-Oct-96	Completed	297,600	100
6	MIF/AT-96	TC9609150	ATN/MH-5395-CH	Program for Innovation in Training in Technical Skills	FA	II	30-Oct-96	Completed	300,000	100
7	MIF/AT-96	TC9506348	ATN/MH-5393-CH	Program for Innovation in Training in Technical Skills	CIDE	II	30-Oct-96	Completed	1,009,375	100
8	MIF/AT-110	TC9604019	ATN/ME-5444-CH	Technology Transfer and Investment Fund	FC	IIa	11-Dec-96	Completed	2,889,141	100
9	MIF/AT-110	TC9608269	EQU/MS-0009-CH	Technology Transfer and Investment Fund	FC	IIb	11-Dec-96	Completed	2,986,490	100
10	MIF/AT-148	TC9504144	ATN/ME-5767-CH	Program of Small Enterprise Competitiveness	CEPRI	IIa	19-Nov-97	Completed	2,000,000	100
11	MIF/AT-232	TC9801194	ATN/MT-6376-CH	Commercial Arbitration and Mediation Center	CCS	I	3-Feb-99	Completed	646,598	100
12	MIF/AT-294	TC9808041	ATN/MH-6698-CH	Labor Competency Certification Program	FC	II	13-Oct-99	Completed	1,849,174	100
13	MIF/AT-308	TC9805071	ATN/MT-6809-CH	Strengthening Water Sector Regulatory Entity	SSS	I	8-Dec-99	Completed	1,063,361	100
14	MIF/AT-314	TC0005003	ATN/MH-6959-CH	Regional Employment Program for the Blind	UNITCH	II	26-Apr-00	In execution	500,700	81
15	MIF/AT-329	TC9904019	ATN/ME-6985-CH	Micro-Leasing Restructuring Program for INDES S.A.	INDES	IIa	31-May-00	In execution	570,000	83
16	MIF/AT-370	TC0009031	ATN/ME-7201-CH	Equity Investment in the "Negocios Regionales" Investment Fund	FC	IIa	1-Nov-00	Cancelled	0	0
17	MIF/AT-370	TC0009010	EQU/MS-7202-CH	Equity Investment in the "Negocios Regionales" Investment Fund	FCMI	IIb	1-Nov-00	Completed	3,000,000	100
18	MIF/AT-400	TC0009024	ATN/MT-7353-CH	Modernization of the Mass Transportation System	MTT	I	7-Mar-01	In execution	1,250,000	72
19	MIF/AT-403	TC0009002	ATN/MH-7403-CH	Training for Young Entrepreneurs	FEE	II	25-Apr-01	In execution	276,602	97
20	MIF/AT-416	TC0007039	ATN/ME-7468-CH	Integrating Microenterprise Production	FS	IIa	27-Jun-01	In execution	1,092,000	90
21	MIF/AT-458	TC0107009	ATN/ME-7799-CH	Risk Scoring System for Bandesarrollo Microempresas	BDDM	IIa	22-Feb-02	In execution	270,000	80
22	MIF/AT-461	TC0108000	ATN/ME-7830-CH	Regulation of Credit Unions (FECRECOOP)	FECRECOOP	IIa	3-Apr-02	Cancelled	0	0
23	MIF/AT-516	TC0205024	ATN/MT-8127-CH	Strengthening of Security and Trust in Electronic Trade	CCS	I	4-Dec-02	In execution	1,000,000	23
24	MIF/AT-518	TC0207025	EQU/MS-8133-CH	Strengthening and Promoting the Venture Capital Industry	CORFO	IIb	11-Dec-02	Approved	10,000,000	0
25	MIF/AT-518	TC0207026	ATN/ME-8132-CH	Strengthening and Promoting the Venture Capital Industry	CORFO	IIa	11-Dec-02	Approved	400,000	0
26	MIF/AT-558	TC0305032	ATN/ME-8529-CH	Adoption of Corporate Social Responsibility Practices in SME's	PUCV	IIa	3-Dec-03	In execution	1,250,000	10

27	MIF/AT-583	CH-M1001	ATN/MT-8617-CH	International Financial Reporting Standards and International Standards Auditing	CCCH	I	21-Jan-04	In execution	725,000	10
28	MIF/AT-590	TC0205037	ATN/MT-8696-CH	Strengthening Credit Unions Regulation and Supervision	MEFR	I	28-Apr-04	Approved	1,136,000	0
Total MIF Amount									40,329,712	