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USAID Municipal Competitiveness Project

Annual Performance Report October 2012–September 2013

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USAID Municipal Competitiveness Project (MCP)

Annual Performance Report

October 2012 – September 2013

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Abbreviations

ADEL	Agencia de Desarrollo Económico Local
ADEPRO	Aplicación y Desarrollo de Servicios Profesionales
ADESMA	Women’s Association of Atiquizaya
ADESTURA	Alegría Tourism Development Association
ADETURS	Association for Tourism Development of Suchitoto
ALN	Asociación de Municipios de los Nonualcos
AMSS	Área Metropolitana de San Salvador
AMUVASAN	Asociación de Municipios del Valle San Andrés
APIL	Access to Public Information Law
ASITECHI	Asociación de Municipios de la Sierra Tecapa Chinameca
ASMOT	Asociación de Mujeres de Santa María Ostuma
CAESA	Environmental Business Committee of San Andrés
CAMARASAL	Salvadoran Chamber of Commerce and Industry
CASALCO	Cámara Salvadoreña de la Industria de la Construcción
CDMYPE	Centro de Desarrollo de Micro y Pequeña Empresa
COAMSS	Consejo de Alcaldes del Área Metropolitana de San Salvador
CODENOL	Consejo de Desarrollo Económico Local de Los Nonualcos
COMURES	Corporación de Municipalidades de la República de El Salvador
CONAMYPE	Comisión Nacional de la Micro y Pequeña Empresa
DF4D	Domestic Finance for Development
DIDEMU	Certificate Course on Economic Development and Territorial Competitiveness
EMPRE	Business Development Unit
ESEN	Escuela Superior de Economía y Negocios
FONDEPRO	Fondo de Desarrollo Productivo
FUNDE	Fundación Nacional para el Desarrollo
FUNDES	Fundación para el Desarrollo Sostenible
FUSAI	Fundación Salvadoreña de Apoyo Integral
FY	Fiscal Year
GERMINA	Germina Incubadora de Empresas
INTEGRAL	INTEGRAL Créditos para Micros y Pequeños Empresarios en El Salvador
ISDEM	Instituto Salvadoreño de Desarrollo Municipal
LED	Local Economic Development
M&E	Monitoring and Evaluation
MCI	Municipal Competiveness Index
MCP	Municipal Competiveness Project
MINEC	Ministerio de Economía
MOU	Memorandum of Understanding
MREB	Micro-Región El Bálsamo
NGO	Nongovernmental Organization
OPAMSS	Oficina de Planificación del Área Metropolitana de San Salvador
OPSVA	Oficina de Planificación del Valle de San Andrés
PPD	Public-Private Dialogue
PROTERRITORIOS	Programa Iberoamericano de Cooperación en Gestión Territorial

Q	Fiscal Quarter
RTI	RTI International
SACDEL	Sistema de Asesoría y Capacitación para el Desarrollo Local
SSDTD	Sub-Secretary for Territorial Development
STTA	Short-Term Technical Assistance
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TA	Technical Assistance
UAIP	Municipal Public Information Access Units/Unidades de Acceso a la Información Pública
UCA	Universidad Centroamericana José Simeón Cañas
UES	Universidad Nacional de El Salvador
UNDP	United Nations Development Programme
UNIVO	Universidad de Oriente
USAID	U.S. Agency for International Development
USG	U.S. Government

I. Introduction

The United States Agency for International Development (USAID) El Salvador Municipal Competitiveness Project (MCP) strengthens the competitiveness of Salvadoran municipalities by promoting investment and trade and increasing their economic growth. During fiscal year (FY) 2013, the project made significant progress across the spectrum of requirements and performance. Significant highlights are described in the next section.

II. Project Achievements and Challenges in FY 2013

1. Municipal Competitiveness Plans

MCP takes a participatory public-private sector approach to local economic development (LED), through the creation, strengthening, and consolidation of Municipal Competitiveness Committees at each of 50 municipalities that participate in the project. Through fiscal year (FY) 2013, Municipal Competitiveness Committees have continued activities that can be categorized in four broad phases, which include:

- 1) Mapping of stakeholders and raising awareness of the importance of public-private dialogue (PPD) and LED;
- 2) Providing capacity building and empowerment;
- 3) Developing Municipal Competitiveness Plans; and
- 4) Prioritizing and executing Municipal Competitiveness Plan activities.

Phase 1 of the work carried out through Municipal Competitiveness Committees, the mapping of stakeholders, was completed by December 2011, and Phase 2, capacity building, was completed in quarter two (Q2) of 2012. Facilitators from implementing partners Fundación Nacional para el Desarrollo (FUNDE) and Sistema de Asesoría y Capacitación para el Desarrollo Local (SACDEL) have accompanied the municipal diagnostic and the development of competitiveness plans in each MCP municipality. Forty-five of the 50 MCP municipalities had completed Municipal Competitiveness Plans by Q4 of FY 2012. Of the remaining five municipalities, Ayutuxtepeque, San Salvador, and Santiago Nonualco completed their Municipal Competitiveness Plans in Q1 of FY 2013, Mejicanos completed its plan in Q2 of FY 2013, and Nejapa completed its plan in Q3 of FY 2013. Municipalities also performed work on the prioritization and execution of plan activities during FY 2013; these activities are expanded upon further along in this report.

Municipal Assessment Workshops

During the FY 2013 reporting period, MCP conducted participatory assessment or diagnostic workshops in the municipalities of Mejicanos and Nejapa, in October 2012 and March 2013, respectively. The assessment workshops in these two municipalities were necessary because of the change in local government officials after municipal elections. The new municipal governments had a proactive desire to increase investment and productivity from different economic sectors in the municipality. Representatives from the municipality and the private sector participated in the workshops, both contributing ideas for the strengthening of their competitiveness plan.

Table 1. Participatory Assessment Workshops

	Number of Municipalities	Participants					
		Municipality	Private Sector	Institutions	Total	M	F
October–December 2012	1	32	26	0	58	30	28
FUNDE	1	32	26	0	58	30	28
SACDEL	0	0	0	0	0	0	0
January–March 2013	1	7	10	0	17	10	7
FUNDE	0	0	0	0	0	0	0
SACDEL	1	7	10	0	17	10	7
TOTAL FY 2013	2	39	36	0	75	40	35
Cumulative	55	391	1,219	255	1,865	1,054	811

Municipal Competitiveness Plan Validation Workshops

By the end of Q1 FY 2013, local government and private sector representatives had validated 48 Municipal Competitiveness Plans respectively; only the plans for Mejicanos and Nejapa remained to be validated. The validation of the competitiveness plan and progress toward PPD were delayed in Mejicanos mainly due to a lack of interest on the part of municipal and private sector leaders in operationalizing MCP activities. Nejapa, however, continued the process, and its Municipal Competitiveness Plan was validated in Q3 of FY 2013.

Public Presentations of Municipal Competitiveness Plans

In addition, by the end of FY 2013, 49 of the 50 competitiveness plans had been presented through public events, with the exception, again, of the plan for Mejicanos. In

general, public presentations of the plans enjoyed wide participation; however, in some cases participation in these public presentations was limited to municipal representatives and a limited number of private sector representatives. Some of these events provided a venue for the swearing in of Municipal Competitiveness Committee members and signing of Transparency and Competitiveness Pacts.

2. Establishment of Municipal Competitiveness Committees

During the FY 2013 reporting period, MCP municipalities established 14 additional Municipal Competitiveness Committees, which brought the total number to the project target of 50. Participation in Municipal Competitiveness Committee meetings during the fiscal year provided evidence of member turnover within committees. While in some cases private or public sector members might have ceased to participate in a committee, in other cases new members joined a committee. Furthermore, some committees proved to be stronger and more consolidated, while others stalled or barely progressed.

Table 2. Summary of Municipal Competitiveness Committees Established

	Number of Municipalities	Participants					
		Municipality	Private Sector	Institutions	Total	M	F
October–December 2012	11	72	149	4	225	145	80
FUNDE	4	30	37	0	67	47	20
SACDEL	7	42	112	4	158	98	60
January–March 2013	2	7	13	0	20	8	12
FUNDE	1	4	7	0	11	5	6
SACDEL	1	3	6	0	9	3	6
April–June 2013	1	7	13	0	20	8	12
FUNDE	0	0	0	0	0	0	0
SACDEL	1	7	13	0	20	8	12
TOTAL FY 2013	14	86	175	4	265	161	104
Cumulative	50	265	623	28	916	534	382

One of MCP's primary challenges is to guarantee the sustainability of PPD in order to strengthen levels of cooperation between both sectors and reach local economic governance in the mid-term. Municipal Competitiveness Committees constitute a critical platform for local public and private sector representatives to converge, analyze, and discuss issues related to implementing their Municipal Competitiveness Plans as well as other topics related to the stimulation of local economies.

Municipal Competitiveness Committees have become the first institutionalized public-private forums at the local level and serve as a new model for LED and stimulating the coordination of public-private efforts. In this regard, during FY 2013, MCP programmed and carried out observation visits to diagnose and characterize PPD through Municipal Competitiveness Committees in selected municipalities. The principal findings were as follows.

- MCP should refresh basic concepts and elements around which Municipal Competitiveness Committees carry out their mission and activities, as well as create awareness of the importance of PPD through Municipal Competitiveness Committees.
- MCP must ensure that municipalities have the basic technical knowledge and tools necessary to strengthen the organization and functioning of PPD in Municipal Competitiveness Committee meetings.

Elements from these observation activities are being used to elaborate a strategy for achieving the sustainability of PPD through Municipal Competitiveness Committees to be implemented in FY 2014. MCP is designing guidelines to strengthen Municipal Competitiveness Committee organization and functioning, as well as to develop capacities for enhanced PPD. A training program will be developed by the MCP team in FY 2014, with the participation of Municipal Competitiveness Committee members, which will include PPD practices.

3. Transparency and Competitiveness Pacts

By the end of FY 2012, 46 municipalities had signed Transparency and Competitiveness Pacts. During FY 2013, the remaining 4 municipalities finalized signature of their Transparency and Competitiveness Pacts.

4. Training and Specialized Technical Assistance

In order to build local capacity, during FY 2013 MCP conducted a variety of training activities to strengthen the skills of government staff and private sector representatives at the local level. Specifics as to each of these capacity building activities are provided below.

Certificate in Local Economic Development and Competitiveness

MCP offered the Certificate Course on Economic Development and Territorial Competitiveness (DIDEMU, for its acronym in Spanish) in three different sessions. Implementing partner FUNDE, with support from the Universidad Nacional de El Salvador (UES), the Universidad Centroamericana José Simeon Cañas (UCA), and other contributors, developed the course and delivered it to 30 municipalities.

DIDEMU Session 1. The course was first held from April 2012 to September 2012 for municipalities from the Los Nonualcos micro-region, including the municipalities of Ayutuxtepeque and Ciudad Delgado, which requested an opportunity to participate and were included. Eighty-seven applications to participate in the course were received, 35 individuals were selected to participate, and 28 individuals graduated and received course certificates. FUNDE facilitated the collaboration between UCA’s Masters in Local Economic Development Program and UES’s Multidisciplinary Department to deliver the course.

DIDEMU Session 2. The course was held next from October 2012 to March 2013, for the municipalities of the eastern region of the country, including Alegría, Chinameca, Ciudad Barrios, Jiquilisco, Jucuapa, Nueva Guadalupe, and Santa Elena. Forty-eight participants completed the course and met the requirements to obtain the certificate. UES’s Multidisciplinary Department supported this second session of the course.

DIDEMU Session 3. The course was held the third time from May to August 2013 for municipalities in the north-central region of the country. This third session was attended by public and private sector representatives from the municipalities of Aguilares, Apastepeque, Apopa, Chalatenango, Panchimalco, San Bartolomé Perulapía, San Martín, San Salvador, Santa Cruz Michapa, Sensuntepeque, Suchitoto, and Tejutla. Development and delivery of the course was supported by six professors from UES’s Faculty of Economics. A total of 115 applications were received for the third session, out of which 100 were selected to take part. Of those, 41 participants successfully completed the course and obtained a certificate.

For all three DIDEMU course sessions, FUNDE solicited and received support from key national professionals, who provided some of the course lectures. A total of 117 course participants from 21 municipalities completed the course and earned their certificates, surpassing the program’s goal of awarding 90 certificates in total. **Table 3** shows the breakdown of participants who received certificates in each session of the course.

Table 3. Total Participants in DIDEMU Awarded Certificates, by Session

Activity	Period	Participants Public Sector		Participants Private Sector			Municipalities Represented	Total	Sex	
		Municipality	Other	Subtotal	Businesses	Others			Subtotal	M
DIDEMU 1 Successfully completed DIDEMU	Apr–Sep 2012	19			9		Olocuilta, San Luis Talpa, San Pedro	28	19	9

Activity	Period	Participants Public Sector			Participants Private Sector			Municipalities Represented	Sex	
		Municipality	Other	Subtotal	Businesses	Others	Subtotal		Total	M
							Masahuat, San Pedro Nonualco, Santa María Ostuma, Santiago Nonualco, Tecoaluca, Zacatecoluca			
DIDEMU 2	Successfully completed DIDEMU	Oct 2012– Mar 2013	27		21		Alegria, Chinameca, Ciudad Barrios, Jiquilisco, Jucuapa, Mercedes Umaña, Santa Elena, Santiago de Maria	48	36	12
DIDEMU 3	Successfully completed DIDEMU	May–Aug 2013	27		14		Aguilares, Apastepeque, Apopa, Chalatenango, Panchimalco, San Bartolome Perulapía, San Martín, San Salvador, Santa Cruz Michapa, Sensuntepequ e, Suchitoto, Tejutla	41	17	24
Total			73		44			117	72	45

Source: DIDEMU reports from the three sessions.

SACDEL is also offering its Local Economic and Competitiveness Development certificate course, commensurate to DIDEMU, to its 20 municipalities. The SACDEL certificate course is being delivered by UCA through a scholarship modality. Recruitment for attendees to the course took place through presentations made by the SACDEL team to representatives to the Municipal Competitiveness Committees and resulted in 138 applications. MCP's goal is to have 80 competitiveness committee members, public and private sector, participating in and completing the course. During Q4 of FY 2013, acceptance notifications were sent out to the 80 selected course participants, who will be divided into two groups for course delivery. The offering of the SACDEL course began in August of 2013 and will be finalized for both groups in Q1 of FY 2014. **Table 4** shows

participants selected to participate in the course by the MCP-established Academic Steering Committee.

Table 4. Selected Participants for SACDEL’s Local Economic and Competitiveness Development Certificate Course

Municipality	Public Sector	Private Sector	Total	Municipality	Public Sector	Private Sector	Total
Friday				Saturday			
Acajutla	0	1	1	Acajutla	0	2	2
Caluco	3	1	4	Atiquizaya	3	2	5
Ciudad Arce	2	1	3	Candelaria De La Frontera	2	2	4
Comasagua	3	2	5	Ciudad Arce	1	2	3
El Paisnal	2	2	4	Izalco	0	1	1
Izalco	3	0	3	Nahuizalco	3	0	3
La Libertad	2	1	3	Nejapa	2	0	2
Nahuizalco	0	1	1	San Juan Opico	2	0	2
Nueva Concepción	3	1	4	Santa Ana	2	2	4
San Juan Opico	0	1	1	Santa Tecla	1	3	4
Santa Ana	0	2	2	Sonsonate	2	1	3
Santa Tecla	1	0	1	Tepecoyo	2	2	4
Sonsonate	2	2	4	Zaragoza	1	2	3
Talnique	2	1	3	Subtotal	21	19	40
Zaragoza	0	1	1				
Subtotal	23	17	40				
			Grand Total	44 Public	36 Private	80 Total	

Fifty-five percent of SACDEL certificate course participants are from the public sector and 45% represent the private sector; 45% of the participants are women, and 55% are men. During the FY 2013 reporting period, all the topics included in Module I of the

course, “Introduction to Territorial Economic Development and Competitiveness,” were covered, including:

- Systemic approach and multidimensional local development;
- LED;
- Dimensions of local competitiveness;
- Municipal Competitiveness Index (MCI); and
- Strategies to improve municipal performance in the MCI.

Module II, “Territorial Economic Fabric Competitiveness Promotion,” and Module III, “Territorial Economic Development and Competitiveness Management,” of SACDEL’s certificate course will be offered in Q1 of FY 2014.

Certificate in Local Economic Governance

In Q3 of FY 2013, through subcontractor Escuela Superior de Economía y Negocios (ESEN), MCP offered a Local Economic Governance certificate course which was designed to offer training to municipal government representatives and other stakeholders in the effective use and management of the economic framework, measurement, and analysis tools upon which the MCI is based. Municipal government representatives, media, Corporación de Municipalidades de la República de El Salvador (COMURES), and subcontractors were invited to participate in the certificate course; the course had a total attendance of 17 participants.

The program consisted of three modules: (1) Economics and Public Policy, (2) Measuring Local Governance Problems, and (3) Local Governance Analysis via the MCI. A breakdown of the total numbers of participants who completed the Local Economic Governance certificate course in FY 2013 is shown in *Table 5*.

Table 5. Local Economic Governance Certificate Course Participants

	Number of Municipalities	Participants					
		Municipality	Private Sector	Institutions	Total	M	F
July–September 2013	0	10	5	2	17	6	11
OTHERS		10	5	2	17	6	11
TOTAL FY 2013	0	10	5	2	17	6	11

Transparency

MCP’s technical assistance program for the implementation of the Access to Public Information Law (APIL) was designed to support municipalities in raising transparency legislation awareness among municipal staff. Efforts to improve awareness of APIL were

geared toward all municipal government units, as they all generate financial and administrative information, but especially toward public information officers. MCP's trainings have provided municipalities with improved human resources, instruments, and tools necessary for the proper implementation of the APIL.

RTI capitalized on FUNDE's expertise in transparency and enlisted the foundation to provide technical assistance in this area to the 50 municipalities. Furthermore, the Sub-Secretaria de Transparencia y Anticorrupción and the Instituto Salvadoreño de Desarrollo Municipal (ISDEM) delivered content on the APIL through a series of workshops held in FY 2013 on the following topics:

- Transparency awareness;
- APIL content; and
- Steps needed to implement the APIL in municipalities.

Workshop participants from both the public and the private sector increased their awareness of the impact of public finances and the importance of citizens' trust in local government, as well as of future actions that municipalities might take to improve municipal transparency. In addition to raising awareness of the issue of transparency among participants, the conference covered the mandate for municipalities to provide financial and administrative information to all citizens that request it.

The second workshop in the series was delivered by the Subsecretaria de Transparencia y Anticorrupción together with ISDEM, and delved into APIL content and the requirement of establishing Municipal Public Information Access Units (UAIP) at the municipality level to comply with the law. This session further built awareness among local public and private sectors of transparency, the APIL in general, and compliance requirements.

For the third workshop, RTI contracted an external consultant to provide training in implementing APIL requirements in MCP municipalities. The training included strategies for establishing municipal procedures for the provision of public information and the development of an action plan for the establishment of UAIPs. Workshop participants received guidelines, manuals, and copies of the APIL. With a "training by doing" philosophy, some of the workshop participants returned to their municipalities to replicate the lessons learned with MCP support.

FUNDE provided the workshops to its respective municipalities through a staggered regional approach as follows.

- May to June 2012, the Los Nonualcos micro-region: Olocuilta, San Luis Talpa, San Pedro Masahuat, Santiago Nonualco, Tecoluca, and Zacatecoluca
- September to October 2012, North Central region: Chalatenango, Ciudad Delgado, Panchimalco, San Bartolomé Perulapía, San Martín, Santa Cruz Michapa, Santa Maria Ostuma, Suchitoto, Tejutla, and Tonacatepeque
- June to July 2013, Eastern region (all participating municipalities were part of the micro-region Asociación de Municipios de la Sierra Tecapa Chinameca)

[ASITECHI]): MCP municipalities Alegría, Chinameca, Ciudad Barrios, Jiquilisco, Jucuapa, Nueva Guadalupe, and Santa Elena; non-MCP municipalities Berlín, El Triunfo, Estanzuelas, Mercedes Umaña, Nueva Granada, and Santiago de María

- July to August 2013, North Central region: Aguilares, Apopa, Ayutuxtepeque, Cuscatancingo, Mejicanos, Panchimalco, San Martín, San Salvador, Santa Cruz Michapa, and Sensuntepeque. This group of municipalities possessed a higher level of knowledge of and progress with the APIL, therefore training focused more on an implementation schedule of APIL compliance. In addition, the municipalities requested training on municipal management of the UAIP; this training is expected to take place in Q1 of FY 2014.

SACDEL also utilized a staggered geographical approach to delivering the workshops to its 20 municipalities during Q2 of FY 2013, as follows.

- Group 1: Acajutla, Caluco, Izalco, Nahuizalco, and Sonsonate
- Group 2: Atiquizaya, Candelaria de la Frontera, Ciudad Arce, San Juan Opico, and Santa Ana
- Group 3: Antiguo Cuscatlán, La Libertad, Comasagua, Santa Tecla, and Zaragoza
- Group 4: El Paisnal, Nejapa, Nueva Concepción, Talnique, and Tepecoyo

One of MCP's achievements this quarter as a result of these trainings was the appointment and establishment of public information officers in the municipalities of Candelaria de la Frontera, El Paisnal, and San Juan Opico. Moreover, all of the municipalities under SACDEL appointed public information officers during FY 2013, with the exception of Comasagua.

Public Information Officer Training

In Q4 of FY 2013, MCP brought an external consultant onboard to carry out an experience exchange workshop for UAIP implementation. The external consultant had contacts at the Fondo de Inversión Social para el Desarrollo Local (FISDL) UAIP and was able to acquire support from the FISDL Public Information Officer. The purpose of the workshop was to provide a venue for the exchange of experiences and lessons learned on municipal management for transparency promotion.

The workshop was delivered to two groups of municipalities. Group one included Acajutla, Caluco, Candelaria de La Frontera, Izalco, Nahuizalco, Sonsonate, and Talnique; and group two included El Paisnal, La Libertad, Nejapa, San Juan Opico, and Zaragoza. Through the workshop, information officers were able to identify requirements and steps necessary for the establishment of UAIP and APIL compliance.

Training on Cost Accounting for Municipal Services

In Q4 of FY 2013, the MCP team completed trainings on municipal service cost and income determination for MCP municipalities Apopa, Ciudad Delgado, La Libertad, Nejapa, Olocuilta, San Bartolome Perulapía, San Luis Talpa, Santa María Ostuma, Santiago Nonualco, Talnique, Tecoluca, Tepecoyo, Tonacatepeque, and Zaragoza.

Table 6 shows details of the number of staff trained in FY2013.

Table 6. Training on Cost Accounting for Municipal Services

	Number of Municipalities	Participants					
		Municipality	Private Sector	Institutions	Total	M	F
October–December 2012	15	39	0	0	39	22	17
FUNDE	3	7	0	0	7	3	4
SACDEL	12	32	0	0	32	19	13
January–March 2013	0	0	0	0	0	0	0
FUNDE	0	0	0	0	0	0	0
SACDEL	0	0	0	0	0	0	0
April–June 2013	0	0	0	0	0	0	0
FUNDE	0	0	0	0	0	0	0
SACDEL	0	0	0	0	0	0	0
July–September 2013	14	45	0	0	45	26	19
FUNDE	9	29	0	0	29	18	11
SACDEL	5	16	0	0	16	8	8
TOTAL FY 2013	29	84	0	0	84	48	36
Cumulative	29	84	-	-	84	48	36

Training in municipal service accounting provided useful insight to municipal staff, and put emphasis on the importance of correct accounting for municipal service cost determination. Moreover, the training emphasized the important role that PPD through Municipal Competitiveness Committees could play in the acceptance of municipal

service costs. The main MCP accomplishment to come out of this area of work is that some municipal councils, such as those of Chalatenango, Santa Ana, and Tepecoyo, are adopting more effective municipal service cost determinations to reduce municipal deficits.

Training in Tax Administration

During FY 2013, MCP provided tax administration training to participating municipalities. Training focused on proper organization and procedures to adequately assess taxes owed in a professional and transparent manner. This training provides specialized instruction in tax codes, laws governing free trade zones, and laws governing non-bank financial institutions, among other things. By the end of FY 2013, MCP had trained 117 employees (72 men and 45 women) from 29 MCP municipalities in tax administration topics.

Tax administration trainings provided municipalities with tools to better identify the tax base and make proper tax fee calculations through financial information analysis and knowledge of tax regulations. Following trainings, the municipalities of Atiquizaya, Candelaria de la Frontera, Ciudad Arce, San Juan Opico, and Santa Ana updated their business registries after identifying businesses that were not registered. Not all MCP municipalities participated in the training despite being invited; however, non-MCP municipalities from ASITECHI did participate in the training, including El Triunfo, Estanzuelas, Nueva Granada, and Santiago de María.

5. Other Training Activities and Technical Assistance

DF4D Crime and Violence Prevention Initiatives Contest, DF4D

The Domestic Finance for Development (DF4D) Crime and Violence Prevention Initiative Contest began in June 2012 with the goal of motivating and creating awareness amongst municipalities of the importance of local fund mobilization for development. During FY 2013, the MCP team promoted the contest amongst municipalities and provided guidance and support to Municipal Competitive Committees on contest criteria and preparation of required documentation. Additionally, the MCP team supported municipalities in designing crime and violence prevention initiatives and in presenting winning initiatives to implementing nongovernmental organizations (NGOs). Twenty MCP municipalities received DF4D grant funding and were publicly presented as winners on February 14, 2013. Awarded municipalities included Apastepeque, Atiquizaya, Caluco, Chalatenango, El Paisnal, Izalco, La Libertad, Mejicanos, Soyapango, Nahuizalco, Olocuilta, Panchimalco, San Antonio del Monte, San Martin, Santa Tecla, Sensuntepeque, Suchitoto, Tecoluca, Tejutla, and Zaragoza.

Competitiveness Incentive Initiative

The presentation of municipal initiatives for the first round of the Competitiveness Incentive Initiative took place in the month of October 2012. Nine municipalities were

awarded prizes in this round, including Ciudad Arce, Izalco, La Libertad, Nueva Concepción, Panchimalco, San Bartolomé Perulapía, Talnique, Tejutla, and Tepecoyo.

The second round of awards for initiatives was presented in February 2013. Again, nine municipalities were awarded prizes in this round, including Acajutla, Caluco, Candelaria de la Frontera, El Paisnal, Nahuizalco, Olocuilta, Santa Ana, Santa Cruz Michapa, and Sonsonate.

Tonacatepeque was subsequently included as an additional prize winner when the procurement process yielded a surplus of funds after all the awards made to the original winners.

The contest provided incentives to the MCP municipalities to develop initiatives that contribute to the promotion of LED and competitiveness.

Streamlining and Standardizing Procedures for Construction Permits

In Q1 of FY 2013, MCP signed a Memorandum of Understanding (MOU), with the Consejo de Alcaldes del Área Metropolitana de San Salvador (COAMSS), the Oficina de Planificación del Área Metropolitana de San Salvador (OPAMSS), and the Cámara Salvadoreña de la Industria de la Construcción (CASALCO), for technical assistance delivery in streamlining of the Área Metropolitana de San Salvador (AMSS) municipal construction permit processes. A competitive bid process was carried out in Q2 of FY 2013 to determine the entity to deliver the technical assistance.

In Q3 of FY 2013 MCP executed a subcontract with Aplicación y Desarrollo de Servicios Profesionales (ADEPRO) to evaluate the existing municipal procedures for issuing building permits based on Salvadoran legal frameworks, requirements, and regulations and to prepare a proposal that includes international best practices and sustainable landscape policies to streamline these municipal processes. ADEPRO will analyze the current processes for approving building permits and will provide streamlining recommendations, to be finalized in the first quarter of FY 2014.

Support to Trade Fairs

As part of the support to boost economic activity and territorial tourism, MCP has promoted a total of nine regional product fairs in the ASITECHI micro-region. During the FY 2013 reporting period, six trade fairs organized by Municipal Competitiveness Committees were carried out. It is important to note that over 61% of the participants in these product promotion activities were women. See *Table 7* for details.

Study Tour Exchanges

During the FY 2013 reporting period, MCP organized six exchange study tours for the benefit of participating municipalities. These exchange study tours aimed to promote learning among municipalities by sharing successful experiences and lessons learned in different themes related to local development and competitiveness. Further details on these six exchange study tours are provided below.

1. Apastepeque and Ciudad Barrios; one-day study tour to the Municipality of Suchitoto, Cuscatlán (Q1 FY 2013)

Visitors were welcomed by a Municipal Competitiveness Committee member and the mayor, who emphasized the need to design a strategy and plan with a long-term vision for tourism development.

The director of the Municipal Territorial Planning Technical Unit and member of Suchitoto's Municipal Competitiveness Committee related his municipality's experiences with approaches to tourism development. The presentation focused on the important role that the Suchitoto municipality has historically played in the organization and promotion of local tourism. A substantial contribution to efforts in Suchitoto has been the long-term vision that the different municipal councils have adopted, allowing continuity in tourism development policies that aim to make the industry strong and sustainable.

Representatives from the Association for Tourism Development of Suchitoto (ADETURS) presented experiences from the private sector perspective, explaining the history, challenges, and achievements of local tourism. Following each presentation, participants had the opportunity to query and exchange ideas with respective presenters. To cap off the study tour, participants visited different locations where they were greeted and given a little history of the places visited, including the Museum of the Coin, which houses Suchitoto's business women. There, they learned about this group of women, who now design clothing and accessories using indigo dyeing techniques with natural dyes. Other site visits included the Hotel and Restaurant Los Almendros de San Lorenzo, where the manager received the visitors and shared the vision and history of the hotel, and Lago Suchitlán, where participants were able to hear experiences and success stories from local restaurateurs, boaters, and fishermen.

2. One-day exchange study tour by ASITECHI municipalities to La Ruta de Las Flores, Ahuachapán (Q2 FY 2013)

The study tour strengthened participants' knowledge of and skills to implement strategies for local tourism promotion and development. Before arriving at La Ruta de Las Flores, participants were presented with two questions: (1) name five aspects of the region that seem interesting to you, and (2) from what you see, suggest ideas that could be implemented in your municipality and/or micro-region. Participants noted that the study tour had been a rewarding experience and that they had gained new knowledge of key aspects and necessary foundations for local tourism development.

3. One-day exchange study tour by ASITECHI municipalities to La Palma, Chalatenango Department (Q3 FY 2013)

During the La Palma, Chalatenango, visit, ASITECHI participants had the chance to learn first-hand about the context in which tourism has evolved in La Palma, the origins of the first artisan cooperative in La Palma, and the successes and difficulties faced by the local artisan group in establishing itself as an exporting company. Visitors were

introduced to work being carried out by tour operators and the municipal government on local tourism development. Moreover, visitors toured the artisan cooperative, craft museum, and a second cooperative comprising leather, fabric, and seed artisans. Finally, the group met with the mayor of La Palma, who explained the region's vision for tourism development, the advantages of effective tourism development for the local private sector, and the role of local governments in the promotion and support of services that help to create an appropriate environment for tourists and tourism sectors involved.

4. One-day exchange study tour by ASITECHI municipalities to the Municipality of Apastepeque, San Vicente Department (Q4 FY 2013)

The study tour delegation was received by the mayor and members of the City Council of Apastepeque. Following the initial reception, members of the Apastepeque Municipal Competitiveness Committee shared the municipal characteristics that strengthen local tourism and the main strategic actions that the municipality has taken to promote cultural tourism. Discussions were also held about factors that have helped to change the traditional perceptions of citizens regarding the relationship between public and private sectors to set common goals, the roles of the public and private sectors in the establishment of the municipality as a tourist destination, and the preservation of the local historic and cultural heritage. Following the discussions, the visiting party was given a tour of the municipal installations, central park, church, coffee shop, recently inaugurated art gallery, cemetery, historical religious congregations, and Lake Apastepeque. The tour was highly enriched by the exchanges that took place between the visiting and host Municipal Competitiveness Committees, all parties being interested in tourism promotion for their municipalities.

5. One-day tourism development study tour by the Municipal Competitiveness Committee of Olocuilta to Alegría, Usulután Department (Q3 FY 2013)

The Mayor of Alegría welcomed the group and shared progress being made by the municipality in tourism development. He stressed the importance of having a clear vision of development and management, as well as of working in a coordinated way with tourism stakeholders. A member of the Alegría Tourism Development Association (ADESTURA) presented the historical context of how the association began, achieved legal status, and continues to work in a coordinated way with the municipality to boost tourism in Alegría. He emphasized that the joint efforts of public and private sectors had been a critical factor in making Alegría a "tourist" municipality that highlights favorable climate and natural beauty. Subsequently, the current president of ADESTURA made a presentation that emphasized the fact that most accommodations and restaurant establishments had initiated operations with minimal capital, and as the flow of tourism increased, so the businesses grew as well. The Alegría party in turn had a chance to share experiences from their perspective of a regional vision for tourism development through ASITECHI.

6. One-day exchange of experiences for productive promotion at UES's agricultural experimental station in San Luis Talpa, La Paz (Q4 FY 2013)

A group of business people from the Asociación de Municipios de Los Nonualcos (ALN) micro-region visited the UES agricultural experimental station in San Luis Talpa. The group was welcomed by a UES representative, who shared information about how producers can apply for internships or training for community groups. The UES representative also shared with the group each of the experimental processes being undertaken, including those in livestock and dairy, agricultural crops, poultry, and other forms of husbandry.

Table 7. Fairs and Festivals from October 2012 to September 2013

Municipality	Activity	Date	Public Sector Participants			Private Sector Participants			Sector Detail	Total	Sex	
			City Hall	Other	Sub-total	Businesses	Other	Sub-total			M	F
Chinameca	IV Regional Product Fair	October 14, 2012	30	0	30	26	3	29	Culture, art, competitiveness committee	59	23	36
Nueva Guadalupe	V Regional Product Fair ASITECHI	December 16, 2012	25	2	27	34	1	35	Commerce, community, art, services	62	20	42
Mercedes Umaña	VI Regional Product Fair of Sierra Tecapa-Chinameca in Mercedes Umaña	June 16, 2013			0	30		30	Producers from Estanzuelas, Nueva Granada, Mercedes Umaña, Berlín, Alegría, and Santiago de María	30	8	22
Nueva Granada	VII Regional Product Fair of Sierra Tecapa-Chinameca	July 14, 2013	20		20	30	1	31	Competiveness committee members, public sector, entrepreneurs	51	12	39
ASITECHI	VIII Regional Product Fair of Sierra Tecapa-Chinameca	August 11, 2013			0	19	1	20	Productive initiatives of Santa Elena, Alegría, Jucuapa, Chinameca, Santiago de María, and APISTEC	20	6	14
Alegría	IX Regional Product Fair	September 22, 2013	14		14	43	1	44	Imitation jewelry, handicrafts, gastronomy, greenhouses, fruits and vegetables, dairy products, fish	58	16	42

Municipality	Activity	Date	Public Sector Participants			Private Sector Participants			Sector Detail	Total	Sex	
			City Hall	Other	Sub-total	Businesses	Other	Sub-total			M	F
Totals			89	2	91	182	7	189		280	85	195

Source: Attendance lists.

6. Micro-Regional Competitiveness Plans

During the FY 2013 reporting period, emphasis was placed on the elaboration of Micro-Regional Competitiveness Plans for the micro-regions of Asociación de Municipios del Valle de San Andrés (AMUVASAN), Micro-Región El Bálsamo (MREB), Asociación Intermunicipal Sierra Tecapa-Chinameca (ASITECHI), and Asociación de Municipalidades de Los Nonualcos (ALN). Micro-Regional Competitiveness Plans were finalized in Q4 of FY 2013 for ALN and MREB; plans for AMUSAVAN and ASITECHI are scheduled to be finalized in Q1 of FY 2014. It is important to note that women's participation in activities has exceeded 52% at the regional level, but has stayed below 50% at the municipal level. Details on progress in each micro-region are presented below.

Asociación Intermunicipal de la Sierra Tecapa-Chinameca

Mayors from the ASITECHI region were brought together in Q4 of FY 2013 by FUNDE to carry out an assessment of the region to perform a strengths, weaknesses, opportunities, and threats (SWOT) analysis; to formulate a joint vision for the region; and to identify strategic activities to promote regional development and competitiveness and determine inputs to be utilized for Micro-Regional Competitiveness Plan development. In addition to gaining progress in the development of the plans, MCP worked with ASITECHI region municipalities to implement activities identified in the plan. Support provided to the ASITECHI region included:

- Advising and organizing the execution of six local product regional fairs;
- Monitoring the agreement between ASITECHI and Universidad de Oriente (UNIVO) to determine which organization will provide support for the development of workshops and research related to the promotion of local development and competitiveness;
- Conducting an inventory of tourism resources and services by each municipality for tourism development activities, and providing a consultancy on tourism development to Alegría and Berlín, members of ASITECHI;
- Establishing and strengthening the Micro-Regional Competitiveness Committee, which currently consists of 36 members (8 private sector and 28 public sector). The Micro-Regional Competitiveness Committee meets regularly to organize product promotion fairs and has organized nine fairs to date;
- Executing the 2013 Action Plan for the ASITECHI micro-region. The Action Plan establishes the macro-projects to be developed, defines issues for the promotion of PPD, and initiates other activities intended to promote and raise the micro-region's visibility across the country;

- Supporting the creation and strengthening of the Agricultural Producers Network, Women’s Network, Youth Network, and a committee to raise the region’s visibility across the country;
- Designing and constructing Jucuapa’s municipal market, as well as procuring financial and administrative support and determining what aspects will be supported through a public-private alliance;
- Holding workshops on topics of interest to members of ASITECHI, such as governance and the ASITECHI 2013 Action Plan, as well as a workshop for ASITECHI environmental units;
- Providing advisory and monitoring support to the Intermediate Treatment Center Regional Project for the comprehensive management of solid waste disposal;
- Participating in the criteria selection workshop for the Business Plan Challenge that will be used by Fundación Salvadoreña de Apoyo Integral (FUSAI) as part of the contest; and
- Offering training in development of business associations.

The ASITECHI Micro-Regional Competitiveness Plan is scheduled to be finalized in Q1 of FY 2014.

Asociación de Municipios de Los Nonualcos

MCP implemented the awareness, assessment, and planning phases involved in developing the Micro-Regional Competitiveness Plan in ALN. FUNDE representatives held coordination meetings with ALN representatives and the designated consultant in order to design the most appropriate methodology for the consultation process and the collection of primary and secondary data for the Micro-Regional Competitiveness Plan. From these meetings, a decision was reached to carry out workshops, with focus groups to conduct assessments and gather inputs about the strategic direction for the micro-region. The focus groups and validation of the plan were financed with funding from the Ford Foundation.

FUNDE’s technical team in coordination with ALN’s Technical Office carried out the following efforts during FY 2013:

- Fifteen out of 16 ALN mayors validated the competitiveness plan in Antigua, Guatemala, in July 2013, increasing awareness about the importance of competitiveness at the regional level;
- FUNDE and the ALN technical team arranged meetings between local producers and MINEC to discuss establishing a special line of funding to promote business activities in the micro-region;
- Business people from ALN participated in a study tour to the UES experimental station in San Luis Talpa;

- FUNDE and the ALN technical team organized a meeting with regional mayors to present progress in developing the Micro-Regional Competitiveness Plan for ALN and to program a public launch event;
- Government institutions implemented the following support activities: MINEC and United Nations Development Programme (UNDP) made a presentation to the Consejo de Desarrollo Económico Local de Los Nonualcos (CODENOL) on the creation of the Agencia de Desarrollo Económico Local (ADEL); and
- The Mesa de la Cadena de Valor Frutícola (Fruit Value Chain Bureau) conducted follow-up activities by setting up a meeting with the Los Nonualcos Regional Bureau and developing a 2013 Operational Plan, which involves actions to strengthen local fruit value chains.

The ALN micro-region has not made a final decision on the creation of a new committee, since the region already has an entity following up on regional development (CODENOL). However, ALN representatives expect that another entity must be created because of the ADEL project to be implemented in the region. As a result, mayors and the ALN Technical Office have decided to further analyze the creation of a Regional Competitiveness Committee in order to better operationalize the promotion of regional development and competitiveness.

The ALN Micro-Regional Competitiveness Plan was reviewed by MCP and finalized in Q4 of FY 2013.

Asociación de Municipios del Valle de San Andrés

A regional assessment workshop was carried out with AMUVASAN municipalities in Q4 of FY 2013 in order to set the foundation for the development of the Micro-Regional Competitiveness Plan. The President of the Environmental Business Committee of San Andrés (CAESA) opened the event by thanking the participants for their attendance and invited them to continue the MCP process, as he is convinced of the benefits that MCP will bring to the micro-region's municipal economies.

MCP employed an open discussion strategy in this region to take advantage of large business participation in the workshop. This open discussion strategy allowed the team to obtain key inputs for the assessment and the resulting strategy. The workshop followed the following structure.

- Brief explanation of MCP scope and components
- Presentation of workshop norms and self-introductions by participants
- Participatory dialogue on business environment between private sector (large businesses) and public sector participants
- Discussion of issues, obstacles, and barriers to competitiveness in the AMUVASAN municipalities and participatory identification of elements that could enhance competitiveness and the business environment in the region

Private sector participants were able to share their expectations from the municipal governments, the current public-private relationship, and the measures that can be implemented to improve this relationship and therefore business opportunities and job creation in the San Andres Valley.

In addition, the MCP team carried out the following activities in AMUVASAN to support the development of the Micro-Regional Competitiveness Plan.

- Visited the municipalities of Colón and Sacacoyo, in La Libertad Department, and Armenia, in Sonsonate, to analyze municipal management in different AMUVASAN municipalities, such as ordinances and number of businesses registered
- Presented the Micro-Regional Competitiveness Plan to the AMUVASAN Board of Directors to obtain inputs and comments to the plan
- Interviewed the manager of the Oficina de Planificación del Valle de San Andrés (OPSVVA) to get familiar with OPSVVA's regional development vision and to better understand the focus of its work in relation to the scope of the Micro-Regional Competitiveness Plan

Some of the obstacles that have been encountered in completing the AMUVASAN micro-regional plan include tardiness from municipalities in the provision of information, scheduling difficulty in setting event dates, and difficulty in the selection of participants and securing their confirmations of participation. These factors delayed the development of the Micro-Regional Competitiveness Plan and prevented MCP from providing better implementation support, thus reducing the time available for project activities. CAESA, however, being a trade organization that brings together several large companies in the region, was instrumental to MCP in securing private sector participation for the Micro-Regional Competitiveness Plan development process. The AMUVASAN Micro-Regional Competitiveness Plan is scheduled to be finalized on Q1 of FY 2014.

Micro-Región El Bálsamo

A regional assessment workshop was carried out with El Bálsamo municipalities in Q4 of FY 2013 in order to set the foundations for the development of the Micro-Regional Competitiveness Plan. The workshop was opened by the mayor of Jayaque; two working groups were formed for the assessment workshop, including municipal representatives in each group. A SWOT analysis was carried out to identify key regional strengths that were proposed for the plan and validated by the participants. These included:

- Public services (cleaning, safety, water, health, etc.);
- Tourism;
- Coffee; and
- Technical capacity building.

Furthermore, a micro-regional planning workshop took place in Sacacoyo on April 11, 2013, with the participation of 8 public sector representatives and 22 private sector representatives from the municipalities of Jayaque, Sacacoyo, Talnique, and Tepecoyo. Mr. Pedro Leopoldo Montoya, mayor of Sacacoyo and president of MREB, participated in the event. Planning workshop participants were organized into four working groups, and each group was asked to develop strategic proposals for one of the four themes that came out of the assessment workshop: public services, tourism, coffee, and technical capacity building.

One of the obstacles faced in the completion of the MREB Micro-Regional Competitiveness Plan included the lack of data, thus a complete analysis of the micro-region value chains was not possible. Other challenges that limited micro-regional participation included difficulty in coordinating activities with the four municipalities, low involvement of MCP municipal authorities, and a tendency to focus on individual municipal plans. Nevertheless, the MREB Micro-Regional Competitiveness Plan was finalized in Q4 of FY 2013.

7. Other Areas of Intervention to Report

Gender Action Plan Implementation

The MCP Gender Action Plan was developed during FY 2013, incorporating the MCP Gender Analysis Assessment results (January 2011), the MCP Gender Field Trip experiences (April 2012), and the technical assistance needs identified and prioritized by public-private actors in the Municipal Competitiveness Plans.

The Gender Action Plan activities aim to achieve gender integration and to capitalize on the diverse opportunities in MCP municipalities and regions. Since gender is a transversal MCP commitment, the gender plan is implemented across the three MCP components by diverse resource organizations. In this context, MCP is executing subcontracts with Vital Voices of El Salvador, the Salvadoran Chamber of Commerce and Industry (CAMARASAL), Fundación para el Desarrollo Sostenible (FUNDES), and FUSAI—all of which are significantly contributing to programmed gender plan activities. Due to the multiplicity of execution strategies undertaken by implementers, the Gender Action Plan was adjusted and rewritten several times in order to update strategies and activities; the process was supported by the RTI Home Office Gender Specialist. On April 30, 2013, USAID approved the final version of the Gender Action Plan; execution of the plan is monitored by the MCP team.

MCP implementing partners promote the participation of women entrepreneurs in general training programs, and in some cases, specialized training programs only for women entrepreneurs are carried out. In addition, two women's business associations are being strengthened, and specific gender approaches have been incorporated into other MCP interventions. MCP also drew information from the raw data collected during the 2009 and 2011 MCIs to generate a baseline of business ownership aggregated by gender in the

50 MCP municipalities. The process was supported by the RTI Gender Specialist, and the baseline results were submitted to USAID on August 21, 2013. *Table 8* below presents details on MCP gender cross-cutting activities.

Table 8. MCP Gender Cross-Cutting Activities

MCP Gender Action Plan Key Areas	MCP Gender Action Plan Activities – Advances up to September 2013
1. Strengthen Women's Business Associations and Networks	<p>Provide training in leadership and entrepreneurship</p>
	<p><i>MCP and subcontractor Vital Voices, El Salvador Chapter, are implementing the training program Women: Leadership and Entrepreneurship that includes six training workshops for women entrepreneurs and female municipal representatives from all 50 MCP municipalities.</i></p> <ul style="list-style-type: none"> • During FY 2013, 298 women entrepreneurs and female municipal representatives from 31 MCP- assisted municipalities were trained through 4 of the workshops: <ul style="list-style-type: none"> - San Salvador (July 10) - Sonsonate (July 24) - La Paz (August 21) - San Miguel (September 11) • The training addresses subjects such as women's empowerment, values, and leadership for LED; harmonizing the roles of women and business women; raising awareness about the importance of developing entrepreneurial capacity; modeling products and services for market position; and reviewing the elements involved in structuring a business plan. • MCP has developed various surveys in the workshops. Among the themes explored are: Why am I an entrepreneur?, What new businesses could I develop?, How can I apply the knowledge gained during the seminar?. The results have been disseminated through the MCP digital site. • Coming training workshops will be held in Santa Ana (October 10, 2013) and San Salvador (October 30, 2013).
	<p>Promote the participation of business women in training to form business associations</p>
	<ul style="list-style-type: none"> • MCP and subcontractor CAMARASAL conducted a training program: Building Competitive Business Associations. Six training workshops were held from May 16 to June 18, 2013. The training was oriented to both men and women. <ul style="list-style-type: none"> - San Salvador (May 16) - Sonsonate (May 23) - La Paz (May 28) - San Miguel (June 4) - Santa Ana (June 12) - San Salvador (June 18) • MCP promoted the participation of business women. As a result, 109 women entrepreneurs from all 50 MCP-assisted municipalities were trained, representing 44.1% of the total participants. • The training program was oriented to (1) demonstrate the benefits of associations for entrepreneurs: increase competitiveness in business, engender productive and commercial opportunities, and facilitate access to financial and non-financial business development services; and (2) provide information on processes to form a partnership and the benefits and commitments involved.
	<p>Strengthen two women's business associations (CAMARASAL)</p>

MCP Gender Action Plan Key Areas	MCP Gender Action Plan Activities – Advances up to September 2013
	<p>Two business women’s associations are being strengthened. MCP technical assistance through CAMARASAL started in May 2013 and is provided to:</p> <ul style="list-style-type: none"> - Women’s Association of Atiquizaya (ADESMA), which has finished the participatory diagnostic phase of the women entrepreneurs group; and - Asociación de Mujeres de Santa María Ostuma (ASMOT), which has started the diagnosis phase under a participatory approach. (It replaced “CONCERTA” from ALN, which declined MCP assistance due to lack of internal agreement among members.) <ul style="list-style-type: none"> • During Q1 of 2014 specialized technical assistance will be conducted to elaborate the Business Association Plan as well as to initiate the implementation of specialized technical assistance prioritized by each women’s business association for strengthening the respective entrepreneurial group. • MCP conducted an opinion poll with women entrepreneurs about the constraints that women’s associations face regarding forming associations, the obstacles and challenges to their business development, and identification of the needs of training and technical assistance. This activity was developed with women associated with ADESMA. The same poll will be performed with ASMOT. <p>Promote increased representation and participation of associations and networks of women entrepreneurs in PPD forums organized at the municipal, regional, and national level (FUNDE, SACDEL, RTI/MCP teams, and local short-term technical assistance [STTA])</p> <p>Women’s participation in Municipal Competitiveness Committees. The Municipal Competitiveness Committee establishes the first institutionalized PPD forums. In FY 2013, the 50 Municipal Competitiveness Committees had 785 public and private members; 40% of participants were women, giving women the opportunity to be represented in decision making in their communities.</p> <p>Produce a video profiling stories and economic activities of women producer groups in MCP municipalities</p> <ul style="list-style-type: none"> • MCP is undertaking diverse field trips required to produce the video.
<p>2. Promote gender integration in the Business Plan Challenge</p>	<p>Promote the participation of business women in the Business Plan Challenge (FUSAI)</p> <ul style="list-style-type: none"> • Gender equity is a cross-cutting component in the Business Plan Challenge. MCP and subcontractor FUSAI have incorporated the MCP gender integration approach to the contest general design. MCP has also promoted the participation of business women in the competition. As a result, of 476 initial participants, 59% were women and 41% men; of 246 business idea proposals received, 57% were from women and 43% from men.
<p>3. Develop MCP Gender Study using 2009 and 2011 MCI results (RTI Gender Specialist)</p>	<ul style="list-style-type: none"> • Gender Study. Based on the existing literature on women-owned businesses, the gender study will: (1) describe the challenges faced in Central America and in El Salvador; (2) explore, in particular, whether these predictions are supported by the MCI 2009 and 2011 data on the business environment in MCI participating municipalities, and (3) outline implications for MCP and other programs to support women entrepreneurs in El Salvador. The RTI Gender Specialist wrote the gender study in November and December 2013, with inputs from the MCP technical team and information obtained directly from women entrepreneurs. • RTI Gender Specialist will arrive in San Salvador in October 2013. During her time in El Salvador, she will be going on field trips to interview women business owners who participated in MCI 2009 and 2011 rounds. The principal objective of this activity is to collect qualitative information to profile case studies of women micro-entrepreneurs and provide analysis of decisions related to firm formality, business growth, and interaction with the local business environment.

MCP Gender Action Plan Key Areas	MCP Gender Action Plan Activities – Advances up to September 2013
4. Design business-friendly strategies for women entrepreneurs at the municipal level	<p>Incorporate gender integration criteria in the Business-Friendly Certification Program</p>
	<ul style="list-style-type: none"> • Gender Criteria. MCP and subcontractor FUNDES have been working on designing the selection criteria of the Business-Friendly Certification Program. The recognition program will include the merit of municipal plans and actions to promote and support gender equality.
	<p>Provide special assistance to women entrepreneurs through the one-stop windows (SIMTRA)(FUNDES)</p>
	<ul style="list-style-type: none"> • MCP and subcontractor FUNDES have been working in the enforcement of the MCP gender equality approach at each established one-stop window. Graphics and images indicating that women customers will get priority attention have been posted at the windows.
5. Monitor project gender integration results through MCP M&E Plan (MCP team)	<p>Provide special assistance to ensure women entrepreneurs' access to business development services (through EMPREs) (local STTA)</p> <ul style="list-style-type: none"> • EMPR's Gender Approach. The municipal business development units (EMPREs) have started to provide special assistance to ensure women entrepreneurs' access to business development services. Special meetings and activities have been organized with business development services providers such as CDMYPE and CONAMYPE.
	<ul style="list-style-type: none"> • Number of new firms registered in assisted municipalities (gender of business owners) • Number of new jobs created as a result of USG assistance (gender of job beneficiaries) • Number of participants in USG-supported trade and investment capacity building trainings (gender of participants) • Number of participants in MCP training of trainers events (gender of participants) • Number of women's business networks or associations assisted by MCP • Number of vouchers awarded through the Business Plan Challenge (gender of winners) <ul style="list-style-type: none"> • MCP constantly monitors M&E Plan advances disaggregating results by gender. This information is regularly reported to USAID through MCP Quarterly and Annual Reports.

Business Development Units

A careful analysis of the initiatives aimed at the promotion of LED contained in the Municipal Competitiveness Plans led MCP to pay particular attention to the request for technical assistance in the creation of business development units (EMPREs). In this context, MCP was challenged to identify an organizational, functional, low-cost mechanism that would provide support to local entrepreneurs in accessing business development services in order to leverage opportunities and help boost local economies. As a result, MCP proposed the institution of EMPREs. Additionally, EMPREs serve as permanent technical secretariats of the respective Municipal Competitiveness Committee and are the link between it and the municipal government.

MCP technical assistance to create and implement EMPREs was initiated in May 2013 in the municipalities of La Libertad and Panchimalco. By the end of Q4 FY 2013, six EMPREs were at different stages of establishment, aside from the initial two, including

Atiquizaya, Izalco, Nueva Concepción, and Olocuilta. Three EMPREs are already assisting local micro- and small entrepreneurs with basic guidance and information, as well as links with public and private business development service providers. These providers include entities such as CONAMYPE, Fondo de Desarrollo Productivo (FONDEPRO), and financial service providers, such as INTEGRAL. *Table 9* below provides details on activities undertaken to establish EMPREs.

Table 9. Progress in the Development of EMPREs

EMPRE Principal Activities thru September 2013	La Libertad TA started: May 2013	Panchimalco TA started: May 2013	Atiquizaya TA started: July 2013	Izalco TA started: July 2013	Olocuilta TA started: August 2013	Nueva Concepción TA started: August 2013
General Preparatory Phase						
EMPRE presented to the Municipal Council and Competitiveness Committees	Complete	Complete	Complete	Complete	Complete	Complete
EMPRE created by municipal council agreement	Complete	Complete	Complete	Complete	Complete	Complete
EMPRE Responsible Person selected and officially appointed as part of the municipality organization (based on technical profile)	Complete	Complete	Complete	Complete	Complete	Complete
EMPRE municipal office prepared to receive and assist local entrepreneurs	Complete	Complete	Complete	Complete	Complete	Complete
EMPRE coordinated with related municipal offices under official established mechanisms (one-stop windows, planning, etc.)	Complete	Complete	Complete	Complete	Complete	Complete
Municipal employees trained on EMPRE's roles and functions	Complete	Complete	Complete	Complete	Complete	Complete
Preparing Local Information						
Municipal Competitiveness Plan revised and analyzed	Complete	Complete	Complete	Complete	Complete	Complete
Local economic activities prioritized by the Municipal Competitiveness Committee for the next 12 months identified	Tourism, restaurants and El Malecón businesses	Tourism and handcrafts	Tourism	Tourism	Tourism	Value chains: milk products and rice

EMPRESA Principal Activities thru September 2013	La Libertad TA started: May 2013	Panchimalco TA started: May 2013	Atiquizaya TA started: July 2013	Izalco TA started: July 2013	Olocuilta TA started: August 2013	Nueva Concepción TA started: August 2013
Evaluation of Territorial Assets exercise implemented	Complete	Complete	Complete	Complete	Complete	Complete
Directory of Municipal Enterprises and needs assessment	Complete	Complete	Complete	In progress	In progress	In progress
Identification of business development services providers	Complete	Complete	Complete	In progress	In progress	In progress
Business development services "Supply & Demand" matrix elaborated	Complete	Complete	In progress	In progress	Not started	In progress
Initial EMPRESA operations						
Selected entrepreneurs in prioritized activities visited by EMPRESA responsible	Complete	Complete	In progress	In progress	In progress	In progress
EMPRESA's Year 1 Work Plan elaborated and presented to the Mayor and the Competitiveness Committee	Complete	Complete	Complete	Complete	Not started	Complete
EMPRESA Responsible Person assumes Committee Secretariat role	Complete	Complete	Complete	Complete	Complete	Complete
EMPRESA makes special arrangements with business development suppliers to assist local entrepreneurs	(1)	(2)	(3)	Not started	Not started	Not started
EMPRESA presented available business development services to local entrepreneurs (male and female)	In progress	In progress	In progress	Not started	Not started	Not started

- (1) CDMYPE–Universidad José Matías Delgado, CONAMYPE, CASATUR, UFG, FONDEPRO-MINEC, INTEGRAL
(2) CDMYPE-FADEMYPE -Santo Tomás, CONAMYPE, CASATUR, UFG, FONDEPRO-MINEC, INTEGRAL
(3) CDMYPE UNICAES; CONAMYPE, CAMARASAL, PRODEMORO, MAG, IICA, CASATUR

Business-Friendly Certification Program

During FY 2013, through subcontractor FUNDES, the MCP team progressed on the design and implementation of the Business-Friendly Certification Program. During Q2, FUNDES evaluated existing international business certification programs, identified best practices, and proposed evaluation criteria to be used to certify municipalities.

FUNDES efforts towards the implementation of the Business-Friendly Certification seemed to duplicate MCI rankings. The MCP team reached out to ESEN experts for support in the design of the Business-Friendly Certification and to ensure that efforts were not duplicated. As a result, the MCP will combine MCI ratings and additional evaluation criteria, such as local economic growth and PPD promotion, to select the municipalities that will be recognized as business friendly. The final municipal evaluation, municipal selection, and recognition ceremony is projected for Q2 of FY 2014.

Business Plan Challenge

During Q3 of FY 2013, the MCP awarded FUSAI a subcontract to execute the Business Plan Challenge. During the quarter, FUSAI visited 49 of 50 MCP municipalities and conducted four workshops on Developing Criteria for the Business Plan Challenge. Fifty-nine representatives (38 men, 21 women) from 32 MCP municipalities participated in the workshops.

In Q4 of FY 2013, MCP launched the Business Plan Challenge at a public event attended by 160 people including mayors, municipal council members, members of Municipal Competitiveness Committees, and the private sector; 34 of the 42 participating MCP municipalities were represented. As a result, 476 completed Business Plan Challenge applications were received and 418 (239 women, 179 men) of these applications passed initial screenings. The next phase of the program included workshops on guidance for the refinement and presentation of business ideas; 338 people participated in these workshops.

By the September 30, 2013, deadline, MCP had received 246 business idea proposals. Proposals are scheduled to be validated and evaluated in Q1 FY 2014. The competition will result in awards to 40 entrepreneurs who present the best business ideas; these 40 awardees will receive technical assistance in the development of formal business plans for their business ideas. The Business Plan Challenge has fostered joint involvement of local governments and the private sector in promoting local development initiatives.

Women Leadership and Entrepreneurship

MCP and subcontractor Vital Voices organized a training program on women's leadership and entrepreneurship to be delivered through six workshops for women entrepreneurs and female municipal representatives from all 50 MCP municipalities (**Table 10**). The training addresses subjects such as women's empowerment, values, and leadership for LED; harmonizing the traditional roles of women with those of modern day business women; raising awareness about the importance of developing entrepreneurial capacity; modeling products and services for market position; and reviewing the elements involved in structuring a business plan.

The Women: Leadership and Entrepreneurship training program was launched on July 10, 2013. Four training workshops were delivered in La Paz, San Miguel, San Salvador,

and Sonsonate in FY 2013; 298 women entrepreneurs and female municipal representatives participated from 31 MCP municipalities. MCP gender-focused surveys were carried out with workshop participants; themes explored within these surveys included: Why am I an entrepreneur?; What new businesses could I develop?; and How can I apply the knowledge gained during the seminar? Survey results are being disseminated for the general public through the MCP website.

Table 10. Women: Leadership and Entrepreneurship for Local Economic Development Training

	Number of Municipalities	Participants					
		• Municipality	• Private Sector	Institutions	Total	M	F
July–September 2013	31	42	242	14	298	1	297
OTHERS	31	42	242	14	298	1	297
TOTAL 2012–2013	31	42	242	14	298	1	297

Creation of Business Associations

Due to the identification of the need in Municipal Competitiveness Plans for technical assistance with the creation of business associations, MCP developed a training program on business association creation and delivered it to 245 municipal government and private sector representatives in Q3 of FY 2013. Efforts to promote women entrepreneurs’ participation were successful; 44.1% of attendees were women. The program focused on demonstrating the benefits of developing competitive associations for business improvements, how to take advantage of productive and commercial opportunities, easier access to financial and business development services, and better positioning of goods and services in markets, as well as other areas related to the benefits of business associations.

MCP conducted six training workshops on Building Competitive Business Associations for over 240 local business leaders and municipal employees throughout the 50 MCP municipalities. Participation of women entrepreneurs was promoted and resulted in women making up over 44% of participants.

Strengthening Business Associations

During Q4 of FY 2013 and through CAMARASAL, the MCP team initiated the provision of technical assistance to create and/or strengthen 16 business associations that will facilitate investment growth, business opportunities, and employment. Specifically, the program includes the creation of two regional tourism associations in ASITECHI and MREB, and the strengthening of two women’s business associations and 12 business associations at the municipal level.

By the end of FY 2013, the awareness and knowledge creation phase of the program, as well as the participatory diagnosis phase of association formation, had been completed. CAMARASAL will continue the business association technical assistance program in Q1 of FY 2014.

Regional Trade Fairs

MCP is working with CAMARASAL to host two regional trade fairs to promote regional municipal efforts, promote regional products, and encourage opportunities for investment and employment. Organization of the trade fairs is underway; however, they were not carried out in FY 2013 due to rescheduling based on unforeseen factors.¹ These trade fairs will be implemented in the region of El Bálsamo (west) and the micro-region of ASITECHI (east) in FY 2014.

¹ Initially, the first trade fair was planned in ASITECHI; however, due to the incorporation of seven new municipalities in the association, development of the Micro-Regional Competitiveness Plan took longer than expected. In this context, the trade fair program and organization processes were adjusted.