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MANUAL OF CREATION AND IMPLEMENTATION OF THE MUNICIPAL UNIT FOR BUSINESS DEVELOPMENT (EMPRE)

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ACRONYMS

EMPRE	Municipal Unit for Business Development
MCC	Municipal Competitiveness Committee
MCI	Municipal Competitiveness Index
MCP	Municipal Competitiveness Project
PPD	Public/Private Dialogue
USAID	United States Agency for International Development

PREFACE

The purpose of this manual is to guide and facilitate the implementation of the Municipal Unit for Enterprise Development (EMPRES) created in 20 municipalities participating in the US Agency for International Development (USAID)/El Salvador Municipal Competitiveness Project (MCP).

The EMPRES is the access source to local business services development. This unit contacts and channels business opportunities, links with financial providers, and provides technical assistance and training.

The manual contains information for the design, implementation, and monitoring of the EMPRES. The implementation of technical tools should be adjusted to the reality and experience of each municipality.

The manual is based on the process of creating 20 EMPRES in 20 municipalities and its content was adapted from the observations and experiences of municipalities assisted by the MCP.

MUNICIPAL COMPETITIVENESS PROJECT BACKGROUND

The MCP provided technical assistance to 50 municipalities for a period of 54 months (September 2010–March 2015). It was created to improve municipal management and strengthen the investment climate and facilitate the establishment and operation of businesses based on the opportunities identified in measuring the Municipal Competitiveness Index (MCI) 2009.

The MCP included seven components: (1) strengthening the efficiency and effectiveness of municipal capacity to provide services to entrepreneurs, (2) increasing organizational capacity building, including bonding and cooperation among municipalities and between municipalities and the private sector, (3) developing MCI 2011 and 2013 measurements, (4) supporting the actions to prevent violence according to the Domestic Finance for Development, (5) creating 14, and strengthening six, Municipal Units for Business development (EMPRES), (6) strengthening 20 Municipal Competitiveness Committees (MCC), and (7) enhancing the institutional capacity of local subcontractors of the MCP.

Established MCCs were made up of representatives from the municipality and local private sector to promote improvement initiatives for the business climate in the city. The MCCs developed and implemented fifty Municipal Competitiveness Plans, signed fifty transparency pacts, and changed the public perception of municipal officials from public service providers to promoters of local economic development.

By March 2015, 38 municipalities had set up fifty one-stop windows that provided entrepreneurs with simplified procedures for business registration and issuance of permits and licenses for business operation. Additionally, six municipalities had established EMPRES as a new model to serve the business community.

To consolidate the success of the EMPRES and contribute to the sustainability of the MCC, USAID extended the life of the project from March 31, 2014, to March 28, 2015. As of June 7, 2014, the MCP had worked with 14 of the original fifty municipalities: Candelaria de la Frontera, Chalatenango, Ciudad Arce, Ciudad Barrios, Nahuizalco, San Martin, San Salvador, Santa Tecla, Santiago Nonualco, Sensuntepeque, Suchitoto, Tecoluca, Tonacatepeque, and Zacatecoluca.

The work focused on three major activities: (1) replicating the EMPRES model to improve municipal services and increase access of entrepreneurs to business development services, (2) strengthening the 14 MCCs, and (3) improving the institutional capacity of two local subcontractors.

Additional work consolidated the benefits of public-private dialogue (PPD) initiated by the MCCs and supported the efficient government administration and service to the private sector. Both the public and private sectors now are able to discuss ideas and projects together and with a common, shared vision. Therefore, it is important to

continue promoting MCP activities in order to finalize the implementation of joint projects, ensure their sustainability, and replicate the model in other municipalities that did not originally benefit from the project.

In conclusion, the MCCs designed and implemented by the MCP have become a structure that is motivating the PPD that El Salvador needs.

INTRODUCTION

This handbook is a methodological guide to support the creation and implementation of the Municipal Unit for Enterprise Development (EMPRES). The EMPRES is a tool for local economic development to support the local private sector by expanding business opportunities, investment and employment, and access to business development services and financing possibilities.

In functional terms, the EMPRES is technical support that the municipality provides to suppliers, companies, and economic units operating in a specific territory to solve obstacles in administrative, productive, and commercial processes by providing information and/or linking them with public and private organizations providing business development services. The EMPRES is a municipal effort to support and accompany local economic units and expand opportunities for investment, business, and employment at the national level.

In organizational terms, the EMPRES is a staffed unit within the municipality. Depending on the size and complexity of the municipal administrative structure, an EMPRES function can be performed by a person who meets the profile described in this manual or a structured management or middle management unit.

The functional and operational design of the EMPRES is based on the premise that any effort to improve the business climate at the local level must be accompanied simultaneously by a process to strengthen municipal management in order to support and accompany the local productive sector in developing their economic activities. This process depends on, to a large extent, the effectiveness and sustainability of regional economic initiatives to encourage the establishment and operation of new production, business opportunities, and employment at the local level that in turn trigger the generation of increased revenue of the municipality and its citizens.

This manual describes the technical and operational aspects of the five stages in the process of creation and implementation of the EMPRES: (1) awareness and training, (2) formalization and institutionalization, (3) recruitment and induction, (4) implementation, and (5) monitoring and evaluation support for the tools used for EMPRES operational functions.

The manual has been designed with a practical approach so that it can be applied in a flexible and appropriate way to each reality and feature of any municipality, region, or country.

I. WHY ESTABLISH A MUNICIPAL UNIT FOR ENTERPRISE DEVELOPMENT (EMPRES)?

Promotion of enterprise development requires a joint effort of the public and private sectors, where the role of local government is predominantly as a facilitator of new capabilities and services to support the expansion of opportunities to generate investment, business, and employment at the local level, and also serves as an information provider and creator of links between business support “one-stop” windows (particularly for people who are self-employed, micro and small businesses).

An EMPRES is essential to provide support and new opportunities. The EMPRES receives, manages, and provides reliable and effective information to support local economic units to identify opportunities for improvement or business promotion. It collects and shares economic information of the town and contacts and facilitates links between businesses and providers of business development services.

The EMPRES supports the municipality to harmonize and link the actions that the different operating units carry out in support of local business and the workforce. The municipalities with job banks, business service points, or other instruments for business development should consider the EMPRES an effective support for organizing and linking supply and demand of the services they offer. One of the overarching goals of the EMPRES is to be informed with the operation of the different units and existing municipal programs that assist the local private sector, complement efforts, and help spread the services and actions to support the productive sector of the municipality.

In order to be in full operation, the EMPRES must have complete the following eight milestones:

1. Been created by municipal agreement
2. Hired full-time staff by following the criteria set out in the ideal candidate profile.
3. Accommodated by the municipality with a physical space for furniture, computer equipment, communication and internet access, and transportation
4. Created a matrix of territorial capital
5. Managed and formalized cooperation agreements between the municipality and business development services
6. Developed a matrix of supply and demand for business services in the municipality
7. Linked, tabulated, monitored, and reported on work of service providers with local private sector
8. Assumed the technical secretariat of the MCC taking responsibility for implementing strategies and economic development projects devised by the Committee.

II. STEPS FOR THE CREATION AND IMPLEMENTATION OF THE EMPRE

The creation of the EMPRE is seen as a gradual process of preparation and decision-making to provide it with the necessary conditions (e.g., staff, space, and financial resources) in order to meet the defined profile and ensure its institutionalization and sustainability to support local economic development.

The creation and implementation of the EMPRE takes place in the five phases detailed in *Figure 1*.

Figure 1: Creation phases of the EMPRE



The five phases are meant to be carried out gradually. The pace of development and implementation will largely depend on the municipal support available and the good operation and support provided by the Municipal Competitiveness Committee (MCC).

A. Phase 1: Awareness and Training

The Phase 1 objective is to generate awareness of the functions and actions of the EMPRE and its specific requirements and promote a new paradigm of local economic development that aims to encourage increased investment, businesses, and employment at the local level. This phase directly involves local authorities, the City Council, municipal units that serve the private sector, and private sector members that comprise the MCC. The person promoting this phase should be the municipal authority along with the MCC coordinator.

The following actions are particularly important in Phase 1:

- Meetings with municipal authorities and the MCC
- Hearings with the City Council to present the objectives of the EMPRE and the basic steps and requirements for the creation of the EMPRE
- Conference or awareness sessions with different municipal units.

This first phase starts by examining two critical elements: (1) the political will of the City Council to give continuity to the Municipal Competitiveness Plan as a strategic function of local government that revives the economy and guides municipality growth and local economy governance and (2) conditions of the environment and business climate in the municipality to encourage the generation of more employment opportunities and income locally.

Based on the Municipal Competitiveness Plan, the three basic steps for preparing and presenting the proposal to the City Council are

1. Defining the technical profile of the official EMPRE and its location within the organization of the municipality
2. Setting up the implementation plan of the EMPRE in the municipality
3. Presenting the EMPRE to the City Council and explaining what it is in order to obtain the approval of the City Council for its creation and technical and budgetary proposal.

B. Phase 2: Formalization and Institutionalization

The second phase starts with the definitions and commitments of the City Council and the municipal authorities with regards to the creation of the EMPRE. This includes a set of internal and external actions to formalize it. One of the most important actions is to support the integration of the EMPRE and its personnel with other individuals and units of the municipality. The EMPRE is a strategic, complementary, and beneficial function for municipal involvement as a whole. It performs a specific function that contributes to enhancing local economic development.

1. Initial considerations

To fulfill the objectives and functions of the EMPRE, a full-time employee shall be appointed or hired. This person must meet all the technical requirements to perform in the position.

To promote the partnership between two or more municipalities regionally and make the effort to create an EMPRE collegially in regions where there are smaller municipalities, and thereby achieve economies of scale, it is recommended that the organizational design of the EMPRE be formalized through the following documents:

- Presentation and approval of the Municipal Agreement establishing the EMPRE

- Determination and approval of the operating budget for creation and operation of the EMPRE
- Establishment of the EMPRE roadmap with the general and specific objectives, basic functions, and profile of the position
- Creation of communication mechanisms and institutional coordination

2. Municipal agreement

In order to facilitate the creation of the official mechanism of the EMPRE, a Municipal Agreement is shown in **Figure 2**, which can be used as an example of implementing this process.

Figure 2: Draft of the municipal agreement for creation of the EMPRE

<p>Agreement No. _____ of Act No. _____ corresponding to the Regular Meeting of the Municipal Council of _____, this ____ day of 20____.</p> <p>The Municipal Council of _____</p> <p>WHEREAS:</p> <p>I. That the municipality has been endowed, by constitutional mandate, economic, technical, and administrative autonomy to manage their areas of competence within the framework of relations of mutual collaboration with other public institutions; empowering local government to take steps to promote industrial, commercial, agricultural, artisanal development, and service; provide job training; stimulate job creation and boost economic and productive activities, all depending on the local common good.</p> <p>II. That all persons without discrimination on grounds of gender, age, or other status, are entitled to develop a dignified existence to the extent that they can access decent work, to exercise their economic freedom, enjoy the right to private property in social function and the right of access to information.</p> <p>III. That the State is responsible for promoting sustainable economic and social development in the context of an economic order that meets the principles of social justice and defense of consumers.</p> <p>IV. The municipality as the primary administrative political unit within the state organization, through its Council as the entity in charge of the stewardship and management of the local common good, recognizes the need to improve the business climate; expand opportunities for investment, business and local employment; and ensure the coordination of State institutions related to local economic development.</p> <p>THEREFORE:</p> <p>The Municipal Council on behalf of the population of _____, in accordance with Article 204 ordinal 3 of the Constitution of the Republic, and Article 4 paragraph 9 of the Municipal Code, in compliance with its powers and in order to promote economic development of the municipality in exercise of its authority approves the creation of the MUNICIPAL UNIT FOR BUSINESS DEVELOPMENT within the organizational structure of the municipality of _____.</p>

3. Budget

In order to have a reference, the basic structure of a budget for the implementation and operation of an EMPRE is presented in **Figure 3**. The numbers presented are for illustrative purposes only. Each municipality must assess its own budget based on their facilities, conditions, and available

resources. It should be specified that this budget can be smaller, given that several items (e.g., furniture and equipment) may already be available in the municipality (and therefore the budget estimates would be lower).

Figure 3: Format of a budget for the implementation and operation of the EMPRE

Gasoline	1	\$200.00	\$200.00	\$2,400.00
Landline and cellular phone	1	\$70.00	\$70.00	\$840.00
Electricity	1	\$150.00	\$150.00	\$1,800.00
Subtotal			\$570.00	\$6,840.00
Miscellaneous				
Business support	1	\$450.00	\$450.00	\$5,400.00
Subtotal			\$450.00	\$5,400.00
Furniture and equipment				
Executive chairs	1	\$100.00		\$100.00
Ergonomic chairs for secretaries	1	\$60.00		\$60.00
Tables for conference rooms	1	\$500.00		\$500.00
Boardroom chairs	6	\$75.00		\$450.00
Projector	1	\$800.00		\$800.00
Executive desks	1	\$300.00		\$300.00
Desks	1	\$150.00		\$150.00
Computers	2	\$800.00		\$1,600.00
Subtotal				\$3,960.00
TOTAL				\$39,825.60

4. Basic Guide of the EMPRE

a. Goals

General purpose

Support local businessmen and entrepreneurs; promote opportunities for the workforce of the municipality; and contribute to the expansion of business opportunities, investments, and employment in the territory.

Specific objectives

Provide information and/or support to producers, entrepreneurs, and local economic units in the management of technical and financial assistance from public and private organizations/providers of business development services.

In addition, help strengthen opportunities for dialogue between the public, academic, and private sectors, and the operation of the MCC to improve the local business climate.

b. Features

The creation and implementation of the EMPRE is a gradual process that conforms to the conditions and capabilities of each municipality. The functions of the EMPRE fall into two categories: (1) basic functions needed to start providing services and (2) additional functions through which the role of the EMPRE is consolidated.

Basics functions

- Develop and implement an annual work plan in consultation with the other units of the municipality and the MCC
- Identify, know, translate into a document, and disseminate the various activities and services that the municipality provides to the local productive sector for the mayor's staff.
- Establish and progressively facilitate effective communication and coordination within the municipality (e.g., one-stop windows, employment opportunities, and business service point), to complement efforts and improve municipal attention to the local productive sector
- Establish and progressively facilitate effective communication and coordination with nongovernmental organizations providing business services and/or executing productive programs and projects in the municipality
- Attend and report to the local productive sector on the facilities and services the municipality provides to local economic units based on the Municipal Competitiveness Plan
- Handle the administration and archiving of meetings and actions taken by the MCC
- Support and promote the dissemination and exhibition of products and local economic initiatives in an in-person or virtual way locally, nationally, and internationally

Additional functions

- Collect, organize, and provide specialized information to providers of business development services (supply) on the technical and financial requirements of local businesses (demand)
- Liaise and facilitate the implementation of methodologies for corporate service at the Center for Development of Micro and Small Businesses/ *Centro de Desarrollo de Micro y Pequeña Empresa* and the Productive Development Fund/*Fondo de Desarrollo Productivo*.

- Guide and facilitate access to information related to prioritized activities in the Municipal Competitiveness Plan to local private sectors
- Manage training on business management and associative efforts to local businesses
- Facilitate the communication by providing technical services to local businesses through specific programs (e.g., training, technical assistance, promotion, and linking) in partnership with business service agents
- Identify and support the managing of the technical cooperation with the academic circle and/or external donors to identify and promote initiatives and projects that enhance and enable the production chain in relation to local, national, and international markets
- Analyze and support the operation of providers of business development services in the municipality, facilitating their links to improve the productive capacity of local businesses and employment opportunities in the territory.

c. Position Profile

The EMPRE should be a full-time unit of the municipality and contracted by municipal decree. The minimum professional requirements to be hired as staff member are

- Undergraduate or senior student of university or technical student in economics, business administration, industrial engineering or related field, preferably with a course on local development or diploma in formulation and evaluation of projects
- Ability to work in teams to promote gender mainstreaming approach and social interaction.
- Capability to create documents and reports
- Previous work experience in the public sector for at least one year, preferably at the municipal level or budget/planning
- Possess at least one year of work experience in the productive sector, preferably in finance, sales, or production
- Interest or vocation to move up professionally in local economic development
- Intermediate knowledge of English and basic computer skills

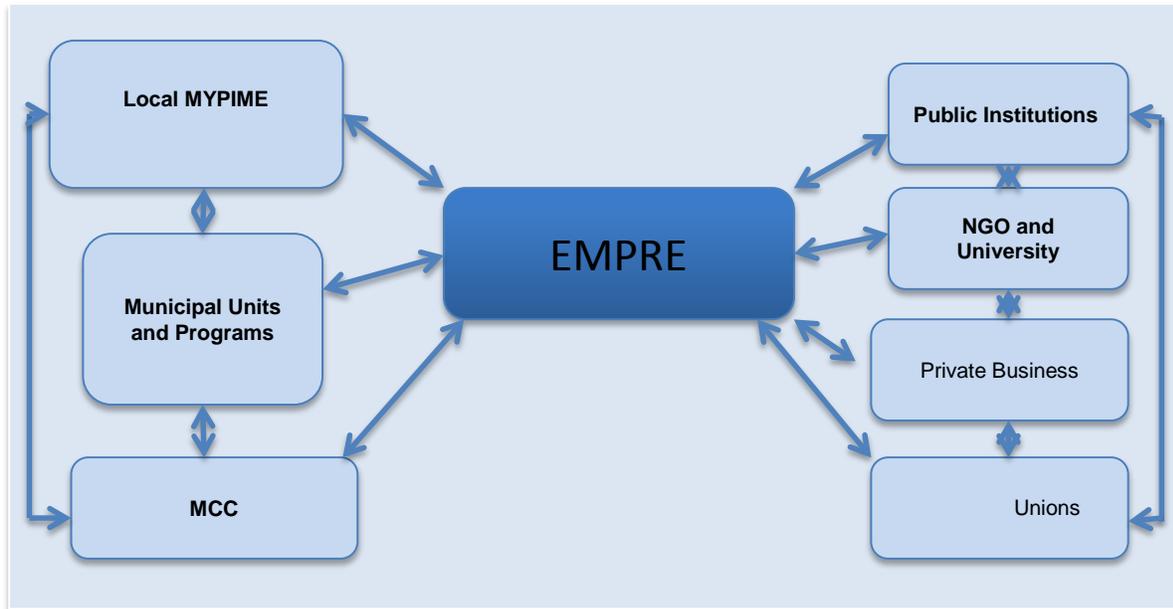
5. Communication Mechanisms and Institutional Coordination

It is clear that companies are increasingly interconnected and have access to information through various communication channels. The commodities offered by the era of communications stimulates and encourages these companies to use different strategies to access various programs, projects, or services.

The pattern of interaction in which the technical support provided by the EMPRE is in line with is shown in *Figure 4*. The figure shows that despite the EMPRE holding a dominant relationship

with the municipal government as a financing entity, it interacts as a vessel of communication between local and external actors.

Figure 4: Pattern of technical assistance service interaction of the EMPRE



Given the roles of the EMPRE (e.g., link, articulate, and connect) and to clarify its duties, the mechanisms of communication and coordination that should be strengthened within and outside the municipality to improve the business climate at the local level are described below.

A. Within the Municipality

It is important that the municipality coordinates within its organization and with other municipal units or related municipal entities in regards to the work of the EMPRE. This is essential to facilitate the communication and integration of local efforts, and thereby enhance the municipal management aimed to the expansion of business and employment opportunities at the local level.

Moreover, internal coordination at the municipal level will help improve the use of scarce resources, provide better support to local economic units, and contribute better tracking of prioritized initiatives and projects in the Municipal Competitiveness Plan.

Initially the following activities take place within the municipality:

- The person in charge of the EMPRE participates in planning meetings and/or technical coordination that the municipality regularly performs
- Incorporate the EMPRE's work plan in the annual operating plan of the municipality
- The EMPRE and the MCC coordinator conduct monthly meetings with municipal authorities

- Understand the EMPRE within the municipality, especially with the units that relate to the local productive sector
- Identify and coordinate complementary actions with municipal units and local initiatives related to economic projects

B. Outside the Municipality

To improve the business climate at the local level, it is essential for the municipality to improve communication and coordination with local private actors. The main ally of the municipality for this task should be the MCC. The municipality, through businesses, should strengthen the communication and coordination with the local productive sector, public and private operations, and business service organizations.

Initially the following activities outside the municipality are carried out

- Identify key public and private actors related to business development services with a presence in the city (from the information provided in the diagnosis of the Municipal Competitiveness Plan)
- Develop a visitor program for providers of business services that are directly related to local initiatives and economic units in the Municipal Competitiveness Plan and prioritized by the MCC
- Write the introductory EMPRE letter, which must be signed by the municipal authorities
- Present the EMPRE before organizations, programs, and projects identified in the Municipal Competitiveness Plan as potential partners for local economic development
- Facilitate and monitor partnerships between local governments, organizations, and business support programs according to the agreement of the MCC. An example of an agreement between the municipality and the business development service provider is shown in *Figure 5*.
- Participate in events, trainings, and information sessions in different organizations, programs, and business development projects operating within the municipality or microregion

Figure 5: Format of an inter-institutional memorandum of understanding to promote municipal competitiveness

We, on the one hand, _____, trader of this address, with single identity document number _____, on behalf of the Municipality of _____, in his/her capacity of mayor, which hereinafter will be referred to as "the municipality"; and on the other hand, _____, lawyer, of this address, with single identity document number _____ who acts on behalf of the institution _____, who hereinafter will be referred to as "the partner institution" called; sign this Understanding which shall be governed by the following terms:

FIRST. OBJECT OF UNDERSTANDING. Through this instrument "the partner institution" and "the municipality", under the Municipal Agreement No. ----- dated -----, that in order to promote economic development of the municipality has created the MUNICIPAL UNIT FOR BUSINESS DEVELOPMENT (known as EMPRE), agree to integrate efforts to expand opportunities for investment, business, and employment at the local level.

SECOND. OBLIGATIONS OF THE PARTIES. The main obligations of each of the subscribers of this memorandum are listed next. On the one hand, "the municipality" offers its EMPRE to promote, manage, and monitor this agreement. A monthly meeting will be held for planning and monitoring the work. In addition, an electronic link will be established for both parties to share information and streamline the implementation of the work plan. For its part, "the partner institution" will facilitate and arrange the necessary actions for the EMPRE to communicate directly with the bodies or windows related to business services, obtaining information available, and receive cooperation for the realization of the activities that the parties agree upon. Both sides agree to promote and apply a gender perspective in all activities covered by the work plan and in support to the business development in the municipality.

THIRD. TERM. The term of this Memorandum is twelve months, which shall begin on the date on which this document is signed and will automatically renew for another year without the need to sign an addendum. From the second year onwards, it will be required to review it and sign an amendment thereto.

FOURTH. INPUTS AND EXPENSES. Both parties agree to provide physical, technical, and logistical resources to the extent of their availability, provided they are eligible activities and timely agreed between the parties.

FIFTH. ETHICS AND RELEASE OF ACTIVITIES. Both parties agree to carry out activities in favor of local economic development through the EMPRE, with the highest standards of competence and ethics. Each party may freely use the information related to the activities and objectives agreed between the parties and with the aim of disseminating and projecting what has been done positively in favor of local and economic units.

SIXTH. MODIFICATION, EXTENSION, AND RENEWAL. Upon mutual agreement, this agreement may be amended, extended, or renewed at its term and scope, issued on application in writing by either party. In such cases, the parties will sign the corresponding Agreement Amendment and/or extension, which form an integral part of this document. The agreement may also be terminated by mutual agreement between the parties or at the request of one of them, provided they justify and communicate its decision (in writing) fifteen days prior to the termination date to the other party. Any dispute arising out of this agreement shall be resolved in good faith and directly between the parties.

In witness whereof, and read by both parties this Memorandum of Understanding is signed on two equally authentic copies, in the city of _____, the _____ day of the month of _____ of two thousand and _____.

Signature	Signature
Name	Name

C. Phase 3: Hiring

1. Hiring

Entails the appointment or hiring of a full-time technician responsible for the EMPRE and, later on, of the process of induction of both the municipality and the MCC, which reportedly coordinates and promotes actions and local economic initiatives under the Municipal Competitiveness Plan.

This process must be conducted no later than thirty (30) days, from the date of the agreement's adoption, which establishes the Municipal EMPRE. The reassignment of an employee of the municipality should be considered in the process so as to prepare or induct the technician who will assume the above functions of the EMPRE Manager.

The main initial actions are:

- Coordinate with the Human Resources Unit of the municipality to send the EMPRE technician profile information
- Review the technical profile of the EMPRE technician job description.
- Approve the job description created by the municipality to justify the creation of the position
- Conduct a selection (interview) process for the EMPRE technician
- Recruitment of the EMPRE technician by the mayor.

2. Location and Equipment

For the full performance of its functions, the municipality will provide the manager of the EMPRE with a physical space within their facility to set-up an office, furniture, materials, computer equipment, telephone, and internet access.

D. Phase 4: Implementation

Once the manager of the EMPRE is hired they must carry out a series of steps (i.e., a work plan) to get the EMPRE into full operation. This work plan will be completed gradually, but in order, and in coordination with other units of the municipality and the MCC (see *Appendix 1*).

1. Step 1: File the available economic information of the municipality

Collect and create a file about the available economic information on the municipality; its surroundings; and units, programs, and support services it provides. This is summarized in the Matrix of Capital Territory (see *Appendix 2*).

Step 1 includes the following activities:

- Develop of a list or directory of local economic units
- Characterize the units, programs, and services to support local economic development available in the municipality, detailing the population groups to which they are directed, if any
- Describe existing institutions and one-stop windows that support (technically and/or financially) the local economic units
- Identify universities, technical institutes, and training programs that could provide technical assistance to the municipality and local economic units

Prior to the start of field activities, the manager of the EMPRE should be familiar with the units, programs, and projects to support local economic development in the municipality. They should then coordinate with these units the activities to be performed. One must remember that the EMPRE is a conduit for information and a facilitator of the processes of productive development of their communities.

2. Step 2: Analysis of the territorial capital

Analyze the territorial capital from the diagnosis contained in the Municipal Competitiveness Plan, as well as the map of local actors involved in municipal competitiveness and/or local economic development. On this basis, the EMPRE develops the operating plan which goes through an approval process by the Municipal Council and the MCC.

Once the operating plan and map of local actors involved in local economic development is established, an exercise to prioritize productive activities that lists their contribution to income generation, employment, and potential to contribute to prosperity of the municipality.

Prior to visiting the institutions that support economic development and local competitiveness, this group of prioritized local actors will undergo a quick survey to identify the main problems or obstacles and stimulate their productive activity. *Appendix 3* demonstrates an instrument that has been designed for this activity.

The productive activities that mostly involve prioritized population groups, such as women and youths require individual attention. In this case, the goal is to make a connection with the programs and support services provided by the municipality for these groups.

3. Step 3: Identify existing public policy

Identify existing public policy framework, specifying the national strategies and programs directly related to the current and potential areas of local economic development.

4. Step 4: Exchange with other communities

Promote visits and exchanges with other communities that have created and institutionalized municipal units related to local economic activities.

5. Step 5: Information material and inter-institutional links

Develop information materials and progressively make the appropriate inter-institutional links. Step 5 helps the EMPRE to begin linking and articulating the demands of local economic units with the offers of business services available in the territory.

Below is a basic list of municipal management tools for the EMPRE to properly perform its functions and achieve the goals set by the city.

- Plan the structure and territorial development at the municipal or regional level
- Develop a local development plan
- Create a municipal competitiveness plan
- Draft a municipal annual operating plan
- Construct a municipal system of integrated management of solid waste
- Prepare a legal and economic technical file, which serves as a preparation of national and municipal laws and regulations concerning the promotion and regulation of economic activities
- Plan a strategy for simplifying transactions and procedures for companies
- Create a directory of educational institutions, research centers, and business service windows operating or serving the municipality
- Develop a corporate directory
- Establish the existing municipal socioeconomic statistics and department census

It is important to emphasize that the EMPRE is a technical support unit of the municipality that promotes business development. Therefore, its communication with the MCC is key. The MCC, as a space for dialogue and consultation between local government and productive sectors of the municipality, analyzes, identifies, and promotes economic initiatives for the municipality and manages the technical and financial support for local businesses.

The EMPRE supports the MCC, in a coordinated way, on the following tasks:

- Handles the archive and memory of the Technical Secretariat of the MCC
- Monitors the implementation of the Municipal Competitiveness Plan
- Harmonizes the municipal management programs with other institutions and business services
- Promotes consistent and systematic participation in the MCC of local business sectors, especially micro, small, and medium entrepreneurs
- Follows up on the efforts of the MCC to achieve technical and financial support for economic projects and related and prioritized activities in the Municipal Competitiveness Plan

E. Phase 5: Monitoring

This phase is important in the creation and implementation process because it allows the municipality and the MCC to verify the progress and results of the EMPRE compared against the work plan. This phase includes follow-up to ensure that the unit operates in accordance with the objectives and complies with the definition, organization, and implementation of the work plan using the schedule of activities and monitoring of the EMPRE work plan (see *Appendix 4*).

Moreover, it is the way in which decision-makers can evaluate and take necessary corrective measures so that the EMPRE achieves its objectives and goals set in a given period of time. This phase also feeds the Municipal Council and the MCC on issues related to the strengthening of relations, negotiations, and coordination with providers of business development services.

Other items to consider for the institutionalization of the EMPRE are

- It is desirable that during the first year in which the EMPRE is created, the Municipal Council and the municipal authorities express their support to the EMPRE in front of the MCC and the providers of business development services.
- Establish direct, agile, and reliable communication channels with local economic units, giving positive response to the private sector to communicate and meet with the EMPRE.
- Organize communication and coordination with public and private institutions to carry out actions that generate local employment.
- Consider the Local Development Plan and the Municipal Competitiveness Plan, and coordinate with existing mechanisms in the municipality as Job banks and business service points.
- Document the whole process of creation and implementation of the EMPRE, highlighting obstacles and ways they were overcome. Include achievements and best practices.

APPENDIXES

Appendix 1 Phase and time of implementation activities of the EMPRE

Phase	Duration	Planned macro activities	Results
Phase 1: Plan	4 months	1. Preparation the necessary conditions for the operation of the EMPRE and the collection of municipal information	EMPRE proposal submitted and approved by the Municipal Council
		2. Information availability and coordination of actions with other mechanisms and/or municipal units with local economic units	
		3. Creation of the territorial capital analysis to update the map of actors based on the diagnostic Municipal Competitiveness Plan	Person in charge of the EMPRE designated or hired
		4. Presentation and dissemination of business services within the municipality to women's associations, local suppliers, trade unions, and economic units	
		5. Identification of main public and private actors for the local economy with support of the MCC; visit to the EMPRE offices	Minimum physical and functional conditions for the EMPRE established
		6. Establishment of communication and access availability to the local economic units to the EMPRE unit	
		7. Identification of possible work areas with contacted institutions based on the demands expressed by the local private actors	Annual work plan of the EMPRE approved
		8. Management presents before public and private institutions willing to cooperate with the municipality and the MCC to widen the opportunities of investment, business, and local employment. This starts with efforts to bridge gaps between the group and grab the attention of local economic units.	
Phase 2: Execute	7 months	9. Registration and commencement of institutional agreements with public and private organizations to support initiatives or local economic units	Implementation of agreements between the municipality and public and private institutions to support local economies
		10. Identification and cooperation with universities, educational centers, and academic circles to strengthen local technical and managerial capabilities	
		11. Coordination of activities with national programs and external cooperation projects that could support the initiatives and/or local economic units in a technical and/or financial way	Local economic units with support of the EMPRE
		12. In coordination with the Municipal Competitiveness Committee, manage the participation of local entrepreneurs at fairs, events, workshops, and activities that improve their business and investment opportunities	
		13. Identification of good practices and successful projects and economic initiatives from other municipalities that would interest the local economic units	Exchange of knowledge with other municipalities carried out with the support of the MCC
		14. Cooperation with activities promoted by the MCC related to the EMPRE work plan	
Phase 3: Monitor and Provide Feedback	1 month	15. Preparation and presentation of reports to the Municipal Council and the MCC about the development, obstacles, and proposals of the EMPRE	Report about the first year of work of the EMPRE, created, discussed, and approved
		16. Revision and feedback of the MCC about the first year of operations of the EMPRE	
		17. Presentation before the Municipal Council about the first year of the EMPRE	New annual work plan of the EMPRE, created, discussed, and approved
		18. Implementation, discussion, and approval of a new annual work plan	

Appendix 2. Analysis of Municipal Territorial Capital

The identification of the "territorial capital" is a key element in promoting local economic development because it allows visualization and identification (in a quick and simple way) of the strengths or assets of the municipality, which is also useful for the development or updating of the map of local actors.

The territory must be understood as a social matrix of relationships among actors and their physical environment, resources, culture, and history, as well as their organizations, businesses and institutions.

In this sense, the territory is a key asset of development and, as such, the "territorial capital" integrates human, natural, social and institutional, and economic and financial capital.

Human capital refers to the set of entrepreneurs and local workers who have a certain level of knowledge, skills, and abilities to manage, direct, or carry out their work in different socioeconomic and entrepreneurship activities in the territory.

Natural capital includes the local environment, landscape, sources of raw materials, water and energy, and environmental goods and services that the environment provides and whose sustainable use should try to prevent its spoilage. Natural capital can be used as a territorial differentiator element in the initiatives promoting territorial economic development and local employment.

Social capital is the set of rules and values that govern interactions among people, including institutions that regulate and govern society. Moreover, institutions are more than organizations, since they also include the agreements and social and cultural norms (formal and informal) and established networks between different actors in the functioning of a community.

Economic and financial capital includes different types of companies or organizing units of production and finance, the means of production, technology, and local production system.

Appendix 3. Matrix for a quick survey of obstacles to stimulate prioritized productive activities

MUNICIPALITY:			
ECONOMIC SECTOR:	Tourism, farming, fishing, crafting, trade		
TOTAL OF PARTICIPANTS FOR THE SURVEY			
TOTAL MALE			
TOTAL FEMALE			
TOTAL YOUTH			
QUESTIONS	ACTORS		
1. What are the main obstacles to promoting your economic activity?			
2. What specific support do you need to promote your economic activity (e.g., technical requirements, training, other)?			
3. What institutions could they help you promote your economic activity and how?			

Appendix 4. Schedule of activities and monitoring of the EMPRE work plan

Phase	Planned macro activities	Results	Month														
			1	2	3	4	5	6	7	8	9	10	11	12			
Phase 1: Plan	Preparation the necessary conditions for the operation of the EMPRE and the collection of municipal information	EMPRE proposal submitted and approved by the Municipal Council	■														
	2. Information availability and coordination of actions with other mechanisms and/or municipal units with local economic units	Person in charge of the EMPRE designated or hired	■														
	3. Creation of the territorial capital analysis to update the map of actors based on the diagnostic Municipal Competitiveness Plan	Minimum physical and functional conditions for the EMPRE established		■	■												
	4. Presentation and dissemination of business services within the municipality to women's associations, local suppliers, trade unions, and economic units	Annual EMPRE work plan approved		■	■	■											
	5. Identification of main public and private actors for the local economy with support of the MCC; visit to the EMPRE offices	Basic information of the municipality related to the local economic development collected and filed		■													
	6. Establishment of communication and access availability to the local economic units to the EMPRE unit	Identification and creation of socio-institutional network of support and joint work between the MCC and the EMPRE,		■	■												
	7. Identification of possible work areas with contacted institutions based on the demands expressed by the local private actors	starting with the subscription of three memoranda of understanding			■	■											

Phase	Planned macro activities	Results	Month											
			1	2	3	4	5	6	7	8	9	10	11	12
	8. Management presents before public and private institutions willing to cooperate with the municipality and the MCC to widen the opportunities of investment, business, and local employment. This starts with efforts to bridge gaps between the group and grab the attention of local economic units.”	MCC supports and establishes that EMPRE assumes the position of secretary or assistant												
Phase 2: Execute	9. Registration and commencement of institutional agreements with public and private organizations to support initiatives or local economic units	Application and follow up of the municipality actions with public and private institutions to support local economic units subscribed												
	10. Identification and cooperation with universities, educational centers, and academic circles to strengthen local technical and managerial capabilities													
	Coordination of activities with national programs and external cooperation projects that could support the initiatives and/or local economic units in a technical and/or financial way													
	In coordination with the Municipal Competitiveness Committee, manage the participation of local entrepreneurs at fairs, events, workshops, and activities that improve their business and investment opportunities		Local economic units with support of the EMPRE											
	13. Identification of good practices and successful projects and economic initiatives from other municipalities that would interest the local economic units		Exchange of knowledge with other municipalities carried out with the support of the MCC											
	14. Cooperation with activities promoted by the MCC related to the EMPRE work plan													

Phase	Planned macro activities	Results	Month											
			1	2	3	4	5	6	7	8	9	10	11	12
Phase 3: Follow up and Feedback	15. Preparation and presentation of reports to the Municipal Council and the MCC about the development, obstacles, and proposals of the EMPRE	Report about the first year of work of the EMPRE created, discussed, and approved New annual work plan of the EMPRE created, discussed, and approved.												
	16. Revision and feedback of the MCC about the first year of operations of the EMPRE													
	17. Presentation before the Municipal Council about the first year of the EMPRE													
	18. Implementation, discussion, and approval of a new annual work plan													