

PD-ANN-428

ISN-32051
526005102/10

REPORT U-448

AID 1040-28 (10-70)

PROJECT APPRAISAL REPORT (PAR)

PAGE 1

1. PROJECT NO. 526-11-950-051.2	2. PAR FOR PERIOD: 9/4/70 TO 2/1/72	3. COUNTRY PARAGUAY	4. PAR SERIAL NO. 72-3
5. PROJECT TITLE EXPORT PROMOTION			

6. PROJECT DURATION: Began FY <u>69</u> Ends FY <u>72</u>	7. DATE LATEST PROP 8/20/70	8. DATE LATEST PIP 3/30/70	9. DATE PRIOR PAR 9/4/70
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10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ <u>164,000</u>	b. Current FY Estimated Budget: \$ <u>4,000</u>	c. Estimated Budget to completion After Current FY: \$ <u>0</u>
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11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)	
a. NAME <u>Georgia Institute of Technology</u>	b. CONTRACT, PASA OR VOL. AG. NO. <u>Contract AID/526-259</u>

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
X			Investigate the economic and political feasibility of having CEPEX contract out product studies instead of making studies in-house.	March 1972
X			Determination of what should be AID's Strategy for the reduction of export duties - an overall percent reduction or a reduction on specific products.	March 1972
X			Written determination why our current project with CEPEX should not be continued.	March 1972
X			Determination of what assistance is now needed by CEPEX.	March 1972
X		X	Agreement reached with CEPEX as to any possible future assistance* from USAID and CEPEX's acceptance of the AID Regional Export Advisor stationed in B.A. Argentina as a part-time Advisor. *beyond FY 72	March 1972
X		X	Completion report as called for under Paragraph 0 in the ProAg Standard Provisions Annex.	April 1972

D. REPLANNING REQUIRES	<input type="checkbox"/> PROP <input type="checkbox"/> PIP <input type="checkbox"/> PRO AG <input type="checkbox"/> PIO/T <input type="checkbox"/> PIO/C <input type="checkbox"/> PIO/P						E. DATE OF MISSION REVIEW <u>February 4, 1972</u>
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PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE <u>James B. Riley</u>	MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE <u>John B. Olson</u>
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II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)					
	UNSATISFACTORY		SATISFACTORY			OUT. STANDING		LOW		MEDIUM		HIGH	
	1	2	3	4	5	6	7	1	2	3	4	5	
1. Georgia Institute of Technology					X+								X
2.													
3.													

Comment on key factors determining rating

The technician has done a highly satisfactory job in his work with CEPEX. He has done as complete a job as can be done by only one person working at his level. The advisor also worked with the National Export Promotion Council in helping the GOP implement CEPEX's recommendations.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating

The training that was done was mostly through other agencies, therefore, there is no rating. In addition to the formal training the advisor provided on-the-job training. The staff of CEPEX is now considered well trained.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating

The Director of the Center did not consult with the contract technician in purchasing commodities from P.L. 480 funds.

6. COOPERATING COUNTRY	a. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. OTHER				X+								X

Comment on key factors determining rating: The work plan established for CEPEX has been carried out with the exception of the number of product and marketing studies a year. From experience, three studies will be done a year (eight have been done so far, a study on vegetable oils while considered only one included a number of different types of oils) and the marketing studies are too expensive. The emphasis is on product studies since production, and not marketing, is the bottleneck to increased exports. CEPEX is well considered among local businessmen and they are increasing, using CEPEX for export information and contacts. CEPEX has been instrumental in reducing export duties (the last decree would have reduced revenues from export duties by 17%) and eliminating duties on any new export products. The only negative factor is the management of commodities; the new Director states that he is interested in tightening up administrative procedures. It is felt that CEPEX can operate with little outside assistance, thus, a viable institution has been created.

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5
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(See Next Page for Comments on Other Donors)

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II. 7. Continued: Comment on key factors determining rating of Other Donors

Donors: UNCTAD, CEPAL, FAO, ALALC, CIFE, ITC, BID, OEA/CICOM.
The assistance of these agencies has been very helpful in providing training to the staff of CEPEX. BID will fund \$128,000 in marketing studies for Paraguayan products in Latin America.

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMULATIVE PRIOR FY	CURRENT FY		FY 73	FY ____	
			TO DATE	TO END			
Product Development Studies	PLANNED	6	3	6	6		6
	ACTUAL PERFORMANCE	6	2				
	REPLANNED			3	3		3
Trade Mission Assisted	PLANNED	2	1	1	1		1
	ACTUAL PERFORMANCE	2	1				
	REPLANNED						
CEPEX budget funded from National Budget	PLANNED	40%	100%	100%	100%		100%
	ACTUAL PERFORMANCE	43%	80%				
	REPLANNED			80%	100%		100%
Copies of Information Bulletin Distributed	PLANNED	6,000	3,500	6,000	6,000		6,000
	ACTUAL PERFORMANCE	9,000	5,250				
	REPLANNED			9,000	9,000		9,000
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1. CEPEX's Recommendations on Reduction of Export Duties accepted by GOP		To date 9 decrees have been signed reducing export charges. The decrees are a direct result of CEPEX's work.					
2.		COMMENT:					
3.		COMMENT:					

3

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

Establishment of a permanent Export Promotion Center with both private and public sector participation which will act as a clearing house for export opportunities, stimulate the private sector to increase exports, and advise the government on policies and measures required to encourage the expansion of exports.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>1. An Export Promotion Center (CEPEX) that is institutionalized and has a fully trained staff.</p> <p>2. A National Export Promotion Council representing the public and private sectors which serves as an advisory body to the government on export policies.</p>	<p>1. CEPEX is a very viable institution. Its budget is 80% funded from the regular budget and should be fully funded in CY 73. The Paraguayan staff has been trained by various international agencies and the advisory and now can carry out the operations of the Center with very little technical assistance.</p> <p>2. The Council is operating and serves as a reinforcement for CEPEX's recommendations.</p>

V. PROGRAMMING GOAL

A. Statement of Programming Goal

To create a favorable export climate that will stimulate the private sector to export more.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

If CEPEX can fulfill its three functions as stated in the project purpose, then there will be important incentives for the private sector to export more. The private sector would have more to export and to more markets, as well as receive more for its products. Under these conditions there would be an overall increase in exports.

**PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK**

(INSTRUCTION: THIS IS AN OPTIONAL FORM WHICH CAN BE USED AS AN AID TO ORGANIZING DATA FOR THE PAR REPORT. IT NEED NOT BE RETAINED OR SUBMITTED.)

Life of Project:
From FY 1969 to FY 1972
Total U.S. Funding \$168,000
Date Prepared: JDD, 1972

Project Title & Number: EXPORT PROMOTION 526-11-950-051.2

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS																		
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>To create a favorable export climate that will stimulate the private sector to export more.</p>	<p>Measures of Goal Achievement:</p> <p>A five percent annual increase of exports by 1972-73.</p>	<p>Export statistics.</p>	<p>Assumptions for achieving goal targets:</p> <p>External export conditions remain favorable.</p>																		
<p>Project Purpose:</p> <p>Establishment of a permanent Export Promotion Center with both public and private sector participation which will act as a clearing house for export opportunities, stimulate the private sector to increase exports, and advise the government on policies and measures required to encourage the expansion of exports.</p>	<p>Conditions that will indicate purpose has been achieved: End of project status</p> <ol style="list-style-type: none"> National Export Promotion Council representing the public and private sectors which serves as advisory body to the gov't on export policy. An export Center with a fully trained Paraguayan staff. 	<ol style="list-style-type: none"> Review of Center's records. Review of Council's records. 	<p>Assumptions for achieving purpose:</p> <ol style="list-style-type: none"> The Government can be encouraged through the private and public sectors to change its policies. GOP can make available funds to support the Center. 																		
<p>Outputs:</p> <ol style="list-style-type: none"> Fully funded by GOP budget. Product Research Studies. Marketing Research Studies. Distribution of Information Bulletin. Exporters Directory. Export Tax Study. Trade Missions assisted. 	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> During CY 1972 Six a year Three a year 6,000 copies a year Publish in FY 71 Finished by FY 1971 One a year 	<p>Complete review of Center's records.</p>	<p>Assumptions for achieving outputs:</p> <p>A trained and competent staff.</p>																		
<p>Inputs:</p> <p>USAID: \$168,000 (Implementation terminating in FY 72)</p> <p>GOP PL-480: \$104,000</p> <p>National Budget: \$49,000</p>	<p>Implementation Target (Type and Quantity):</p> <table border="1"> <thead> <tr> <th></th> <th>Prior Years</th> <th>FY-72</th> </tr> </thead> <tbody> <tr> <td>Contract</td> <td>\$144,000</td> <td>\$0</td> </tr> <tr> <td>Commodities</td> <td>10,000</td> <td>0</td> </tr> <tr> <td>Participants</td> <td>9,000</td> <td>4,000</td> </tr> <tr> <td>Other</td> <td>1,000</td> <td>0</td> </tr> <tr> <td></td> <td><u>\$164,000</u></td> <td><u>\$4,000</u></td> </tr> </tbody> </table>		Prior Years	FY-72	Contract	\$144,000	\$0	Commodities	10,000	0	Participants	9,000	4,000	Other	1,000	0		<u>\$164,000</u>	<u>\$4,000</u>		<p>Assumptions for providing inputs:</p> <p>International agencies continue to provide training to CEPEX personnel.</p>
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