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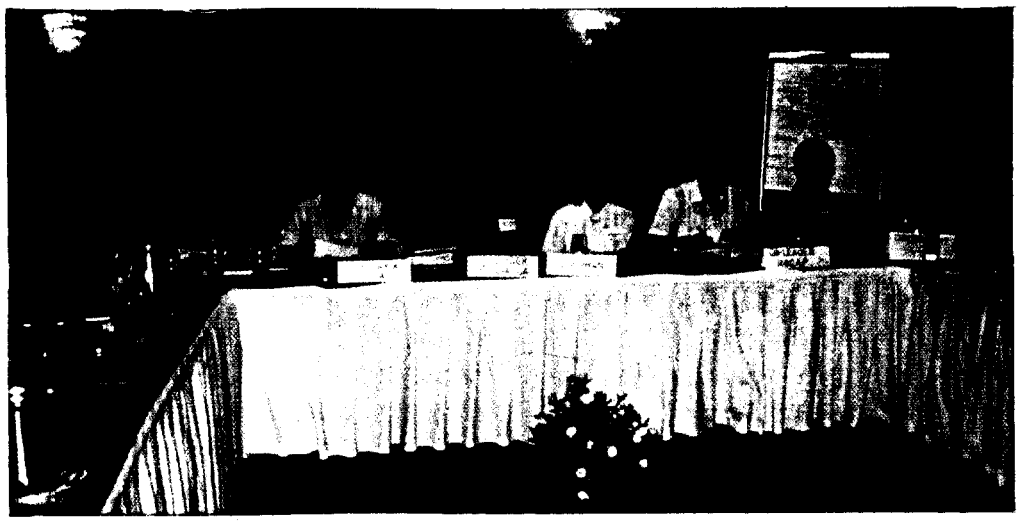
Regional Information Clearinghouse

Special Report

The Central American Informatics Group (GCI)



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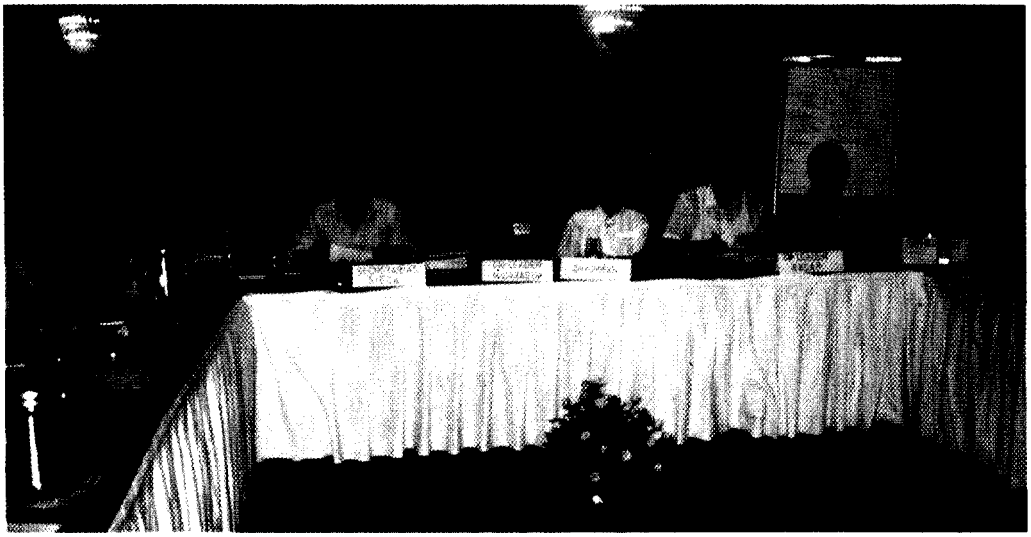


Plenary Session of the Second Meeting of the Central American Informatics Group, Belize City, November 4-5, 1993. From left to right: Gustavo Ruiz, USAID; Hersson Rodríguez, SIECA; Gerardo Zepeda, SIECA; María Zúniga, Government of Nicaragua; Nigeli Sosa, Central Bank of Belize; Carlos Gutiérrez, USAID; Siegfried and Dorrit Marks, SIGMAR.

Introduction

This Special Report of the Regional Information Clearinghouse (RIC) focuses on the Central American Informatics Group (GCI, its acronym in Spanish). The Group is carrying out three studies related to trade and investment information in Central America, including the following: 1) an assessment of user needs relating to trade and investment information; 2) an inventory of information sources on trade and investment in the region; and 3) design of a regional, integrated information system.

Regional Information Clearinghouse staff attended the Second Meeting of the Group in Belize City on November 4th and 5th, 1993. The conference was dynamic, and the high turnout demonstrated that there is much interest in the region regarding trade and investment information. Forty-five participants attended the meeting, including representatives from the Ministries of Economy of Central America, Institutes of Statistics, Central Banks, and other agencies. Several regional organizations and agencies also attended, such as the Central American Bank for Economic Integration

(CABEI); the Inter-American Institute for Agricultural Cooperation (IICA); the Central American Institute for Public Administration (ICAP); the Federation of Private Sector Entities of Central America and Panama (FEDEPRICAP); the Council on Central American Agriculture; the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA); and the Regional Office for Central American Programs of the U.S. Agency for International Development (USAID/ROCAP, now USAID/Guatemala-Central American Programs or USAID/G-CAP). A representative of the Institute for Latin American Integration (INTAL) of the Inter-American Development Bank (IDB) also attended, as well as an official of the Japanese Embassy in Guatemala.

The activities of the Central American Informatics Group are carried out under the auspices of the Partnership for Democracy and Development (PDD) in Central America. Under the PDD, the Central American countries have joined with most of the countries of the Organization for Economic Cooperation and Development (OECD), together with the Group of Three (Mexico, Venezuela, and Colombia), to support democratization and development in Central America. At the Second Plenary Session of the Partnership for Democracy and Development, held in Ottawa, Canada in 1992, Central American nations presented their priorities for technical cooperation. In the area of development, their highest priority was the improvement of regional information systems for trade and investment, followed by the expansion of access to trade and investment information for countries outside the region. The Central American Economic Cabinets supported the results of the PDD's Ottawa Plenary, and a regional seminar was held in August of 1992 to discuss ways to improve regional trade and investment information systems.

This report describes the outcome of the regional seminar and the formation of the Central American Informatics Group. RIC staff interviewed Mr. Hersson Rodríguez, Chief of the Systems and Information Unit of SIECA, regarding the history of the Central American Informatics Group and its current activities. SIECA serves as the Technical Secretariat of the GCI. RIC staff also spoke with representatives of the governments of Nicaragua and the United States, which serve as co-leaders for the implementation of this activity under the PDD. Published here are the results of the interviews.

For further information on the GCI, please contact María Isabel Zúniga at the Corporation of the Free Trade Zone in Nicaragua, or Hersson Rodríguez at SIECA in Guatemala.

Interview with Mr. Hersson Rodríguez Sierra

Chief, Systems and Information Division, Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA)

RIC: What is the Central American Informatics Group (GCI)?

Mr. Rodríguez: To respond to the question, I would first like to tell you how the GCI was formed. Under the Partnership for Democracy and Development (PDD), a series of activities has been underway to strengthen the countries of Central America. Among these activities was the establishment of priority work areas at the meeting in Ottawa, Canada at the beginning

of 1992. At this meeting, the number one priority in the area of development was "the strengthening of statistics and information in support of trade and investment." In addition, two lead countries were identified for each priority area; the United States and Nicaragua became the co-leaders for priority number one.

To comply with the responsibilities set forth under the PDD, Nicaragua and the United States, under the leadership of ROCAP (the Regional Office for Central American Programs of the U.S. Agency for International Development), held a "Seminar on the Improvement of Information Systems to Support Trade and Investment in Central America," on August 24 and 25, 1992, in San José, Costa Rica. Most of the participants at the meeting were representatives of the institutions which are part of the G-10 Group (SIECA, BCIE, SCMCA, CORECA, ICAITI, ICAP, CADESCA, CEPAL, FECAICA, AND FEDEPRICAP—see Table 1 in the adjoining column for the complete names). The purpose of the meeting was to exchange experiences and suggestions for improving information systems in support of trade and investment in the region.

One month later, on September 30 and October 1, 1992, another meeting was held at SIECA headquarters to discuss information needs in more detail, and to explore proposals for the improvement of information systems in support of trade and investment. At this time, the audience had been expanded to include the institutions of the G-10, representatives of the Economic Cabinets of Central America, and representatives of cooperating organizations and agencies, such as ROCAP, UNDP (United Nations Development Program), the IDB (Inter-American Development Bank), and IICA (the Inter-American Institute for Agricultural Cooperation). In order to generate useful ideas for debate, SIECA presented an overview of the information services which it had contracted with the financial support of ROCAP, and representatives of the information services presented a brief overview of their systems. Concrete results from this meeting included: a) identification of the principal needs of the users which were represented there; and b) definition of the main problems relating to trade and investment information in the region.

To follow up on these initial efforts, SIECA and ROCAP convened another meeting in

Regional Institutions of the G-10 Group which Participate in the GCI

SIECA - Permanent Secretariat of the General Treaty on Central American Economic Integration

CABEI - Central American Bank of Economic Integration

SCMCA - Executive Secretariat of the Central American Monetary Council

CORECA - Regional Council of Agricultural Cooperation of Central America, Mexico, and the Dominican Republic

ICAITI - Central American Institute of Research and Industrial Technology

ICAP - Central American Institute of Public Administration

FECAICA - Federation of Chambers of Industry of Central America and Panama

FEDEPRICAP - Federation of Private Enterprises of Central America and Panama

The Central American Informatics Group

December 1992 in Managua, Nicaragua. The purpose of the meeting, which brought together participants from the institutions and organizations present at the previous meeting (of September 30 and October 1), was to develop concrete activities designed to establish a Regional Information System for Trade and Investment. The debates allowed for increased interaction among the participating institutions and generated discussion about the information needed to promote trade of goods and services and investment, which are important factors for the economic and social development of the region. In addition, it is also important to note that at this meeting the working group, comprised of the institutions and organizations described previously, adopted the name of "Central American Informatics Group" and reaffirmed its commitment to continue in its joint efforts to establish a regional information system. Also, at this meeting, SIECA was designated as the Technical Secretariat of the Group.

In short, this first formal meeting of the GCI resulted in the development of scopes of work for two studies, and a document outlining the design of the regional system. To obtain financial support, these were to be presented to the PDD countries interested in supporting these initiatives. These documents include:

Scopes of Work

a) Identification of Potential Users and their Information Needs in Trade and Investment.

b) Identification of the Sources of Information in Trade and Investment in Central America.

Outlines

c) Components for the Design of a Regional Information System for Trade and Investment in Central America.

Mr. Hersson Rodríguez Sierra, SIECA

With this agenda, one obtains a cross between the supply and the demand; in other words, what is the supply of information and what do the final or potential users of information demand, since the purpose is to adequately satisfy information needs. The important thing is not just to design a system and say that here is a solution, but to meet the requirements and needs of the final user.

RIC: What was the purpose of the Second Meeting of the Central American Informatics Group in Belize?

Mr. Rodríguez: The purpose of the meeting in Belize in November 1993 was basically to evaluate

the start of the activities and to evaluate the general outline of the first study with the consultants. In this sense, the Central American Informatics Group has been very careful to make sure that the studies comply with their mandate, and it has sought to provide direction in the preparation of the studies. Another objective was to expand on the third document, which in the meeting in Managua was developed as a general outline of a regional system. In the Second Meeting in Belize, this document was brought to the level of a project scope of work, with clear terms of reference and a tentative budget. In other words, it became a clearly defined project.

RIC: What role does SIECA play in the Central American Informatics Group?

Mr. Rodríguez: SIECA is the Technical Secretariat of the Central American Informatics Group, and at the same time is one of the participating institutions within the Group. Basically, its function is to coordinate activities, convene meetings, and provide technical and logistical assistance to the GCI.

RIC: How does participation in the Group work? How can an entity or institution participate in the Group, and how can they find out about its activities?

Mr. Rodríguez: The institutions that comprise the Central American Informatics Group are invited to scheduled meetings, and among the participants are institutions that originally attended the meeting at SIECA in October 1992. In regard to the participation of any entity or institution in the GCI, SIECA is willing to coordinate efforts with any institution to improve information systems in trade and investment, which is precisely what the GCI is working towards. It is important to clearly define what you want in order to obtain concrete results. To sum up, the GCI is not trying to reinvent the wheel, but to take advantage of efforts which have already been made, including efforts to benefit the region by improving coordination among institutions.

"SIECA is the Technical Secretariat of the Central American Informatics Group, and at the same time is one of the participating institutions in the Group."

RIC: In your opinion, has interest in the Central American Informatics Group increased recently?

Mr. Rodríguez: I would like to respond by pointing out some of the characteristics of the GCI. The GCI is a group which is constant and homogeneous, due to the fact that the Group has been able to maintain a majority of its representatives in each of the meetings. The

participants or representatives of the institutions can continue to maintain a representation, thus allowing for continuity and the benefit of not losing what has been achieved. The participants are persons who are already familiar with the subject matter and can progress in the work at hand. In terms of interest, I can say that there has been a lot of interest, since people attend with their own financial resources from each of the institutions, and normally a high percentage of invitees attend. This demonstrates a high level of interest on the part of the participating institutions and organizations. In addition to attendance, it is important to note that people come to the meeting, participate, and work hard in their given tasks. The format of the meeting is to divide up in groups dedicated to specific activities, and then to reunite and submit the results to the plenary in order to achieve consensus.

RIC: What are the main activities that the Group is presently carrying out and plans to carry out in the future?

Mr. Rodríguez: The main activities that are being carried out are the two studies which are underway: an evaluation of user needs in trade and investment information; and an inventory of information sources relating to trade and investment in the region. The first study has already been concluded and the second will begin shortly. We hope to be able to finish the second study soon and begin the third study. This last study involves a cross between the supply and the demand, based on a comparison of the first two studies, which results in a base for the analysis and design of the regional system.

RIC: How long do the studies take to complete?

Mr. Rodríguez: The first two studies take four to five months each to complete. The third study is estimated to take a minimum of six months due to the amount of work that is required.

RIC: When is the next meeting of the Central American Informatics Group?

Mr. Rodríguez: Hopefully, the next meeting of the Group will be during the last week of June 1994, in San José, Costa Rica. The purpose of this meeting will be to evaluate the results of the first study and define the mechanisms to develop the second and third studies and the implementation of the system. [**Note**: This meeting was held as scheduled, and resulted in suggestions and decisions which have permitted the conclusion of the first study, and the launching of the second and third studies.]

RIC: One of the objectives of the Central American Informatics Group is to create an integrated regional information system on trade and investment. How is such a system going to function?

Mr. Rodríguez: The functioning of this system will be defined in the third study which involves the most effective analysis and design of relations among the different components of the system. At this point, it is a bit premature to predict how the relations and flow of information will be established, but what we want is to use existing resources to their fullest for the purpose of minimizing cost, time, and labor, as well as problems in technology change. In other words, we hope to utilize the existing resources in Central America to

the fullest extent possible. One of the difficult tests of the third study will be to develop an analysis and design so that the regional system takes into account what has already been accomplished.

RIC: Will this information be shared?

Mr. Rodríguez: Yes, that is the main purpose. It is hoped that the information from the regional system will be available to the organizations and institutions involved in the GCI, the users of information relating to trade and investment in the region, as well as foreign investors and other persons interested in this information. The main objective of the GCI is to establish a regional system which will fill the existing gap in the region in trade and investment information. It is clear that a lot of trade and investment information exists in Central America, but many people do not know where to find it when they need it, or they know where to find it, but it is not accessible to the users.

RIC: We understand that SICA (System for Central American Integration) is also planning to develop a regional information system. Is there any coordination between these systems or are they totally different?

Mr. Rodríguez: SICA should be viewed as a Central American integration system whereby all the parts or elements that comprise it function in a coordinated way. The institutions that comprise the Central American Informatics Group are coordinated, and what the Group seeks to accomplish is to establish more efficient links or mechanisms for coordination at the regional level. The GCI is not attempting to develop an all-encompassing regional information system, because it would result in an unmanageable task if the system dealt with such issues as the laws of integration, environment, and issues which pertain to other organizations and institutions. It is important to point out that the GCI is involved in the area of trade and investment, and in this way it hopes to coordinate (as a specific objective) within the activities necessary to implement an integrated regional information system.

RIC: What are the primary problems relating to information systems in trade and investment in Central America?

Mr. Rodríguez: The main problems are that many systems and much information exist, but in a very isolated way, and in the majority of cases, one does not know where to find the information. Another problem is that many times the information exists, but is it not accessible to everyone. Quality of information is another problem, since many times it is not the best due to a lack of quality control in the generation of the information. Another problem is that is not timely and it is out of date. Because information relating to trade and investment is always changing, information should be timely. Of course, one cannot discount historical information that can be useful to measure tendencies or make estimates.

For example, many people are interested in knowing the current legislation, as of today, regarding insecticides that should be used for the cultivation of radishes, so that this product can be accepted in the U.S. market. Some also need to know fluctuating information such as the international price, as of yesterday (or

today, if possible), of coffee, bananas, mangoes, or any other principal product in a determined international port. Finally, another problem is the frequency of the information. Many times a document is published or very good information is prepared, but it is not current and the information is no longer useful. What we also want to achieve with the development of this regional system is to establish mechanisms for constantly updating the information.

RIC: What role does the private sector play both as part of the group and as a beneficiary?

Mr. Rodríguez: The private sector is one of the main beneficiaries from the work of the group. It is necessary to take the private sector into account, because, in the end it is this sector that would face the problems related to not being able to introduce their products to a certain country, ignorance of new regulations or export procedures, or not knowing how to increase investment in a country. For these reasons, special emphasis has been

Summary of the Characteristics and Activities of the Central American Informatics Group

Co-leaders: The Government of Nicaragua (represented by the Ministry of Economy and Development) and the Government of the United States (represented by USAID/G-CAP)

Membership: Institutions participating in the G-10 (**see page 3**), representatives of the Economic Cabinets of Central America, Statistical Institutions, Central Banks, Customs Offices, and representatives of cooperating organizations and agencies.

Meetings:
January 1992, Ottawa, Canada - The number one priority in the area of development under the PDD was defined as "the strengthening of statistics and information in support of trade and investment."

August 1992, San José, Costa Rica - Seminar on the improvement of information systems to support trade and investment in Central America.

September '92, Guatemala, Guatemala - Information needs and proposals for the improvement of the information system.

December '92, Managua, Nicaragua - First formal meeting of the "Central American Informatics Group." Development of scopes of work for two projects and a document outlining the design of the regional system.

November '93, Belize City, Belize - Evaluation of previous activities and the general outline of the first study with the consultants. Development of a project scope of work for the third study.

June '94, San José, Costa Rica - Review results of the first study and establish strategies for the development of two further studies.

Studies: 1) Identification of Potential Users and their Information Needs (finished); 2) Identification of Information Sources (in progress); 3) Design of an Integrated Regional Information System (in progess).

given to private sector participation while keeping in mind the public sector requirements in the region.

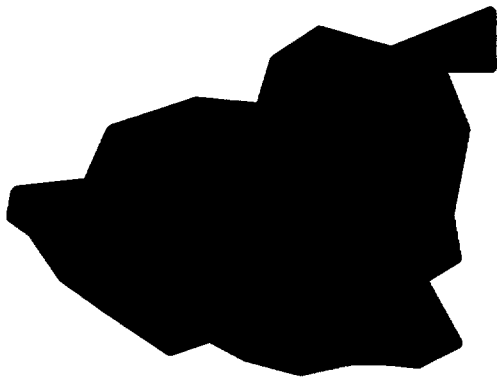
RIC: FUSADES (Salvadoran Foundation for Economic and Social Development), FIDE (Honduran Foundation for Investment and Export Development), and other organizations are deeply involved in the field of information on trade and investment. Is the Group considering taking advantage of systems which are already available? Will there be coordination between the GCI activities and other organizations' activities?

Mr. Rodríguez: Yes, the group is considering taking advantage of systems which already exist, in order to avoid duplication of effort, but it will also establish the necessary mechanisms to have a sufficient flow of information.

The GCI is not attempting to replace the role which other institutions and organizations are playing in each country. On the contrary, the GCI will learn from their experiences. For this reason, a suggestion has been included in the scopes of work of the first two studies to visit these institutions in order to see how they operate and to take advantage of their experience since they have contacts directly with the users. In this way, it may be possible to incorporate this information into the regional system and establish mechanisms of coordination which are most appropriate in the design and development of the group's activities.

Interview with María Isabel Zúniga Arana

Coordinator - Nicaragua, Work Group II
Partnership for Democracy and Development (PDD)



RIC: Why does Nicaragua consider it important to support the activities of the Central American Informatics Group?

Ms. Zúniga: First, because Nicaragua is playing the role of co-leader in the project, which implies that Nicaragua is responsible for the complete and successful implementation of the project. For Central America, it is essential to create an information infrastructure that is well organized, systematic, coherent and appropriate to the information needs of government and the private sector, as well as national and foreign investors who demand accurate and consistent data. On the other hand, as the region moves toward economic integration, commercial agreements with third countries, etc., we require an information system in order to make wise decisions that benefit the region. Therefore, the Central American countries see this project as a priority and are giving their support at all levels.

The Central American Informatics Group

RIC: In your opinion, how are the activities of the Central American Informatics Groups progressing?

Ms. Zúniga: The activities are being developed according to the expectations of the countries participating; in other words, activities are being developed appropriately. Each phase of the project is carried out well which is very important to achieving the project objectives. Actually, the consultants chosen for the first study have done their work based precisely on the scope of work. They visited the countries of the region to evaluate the demand for information on trade and investment services on the part of governments, the private sector, and investors.

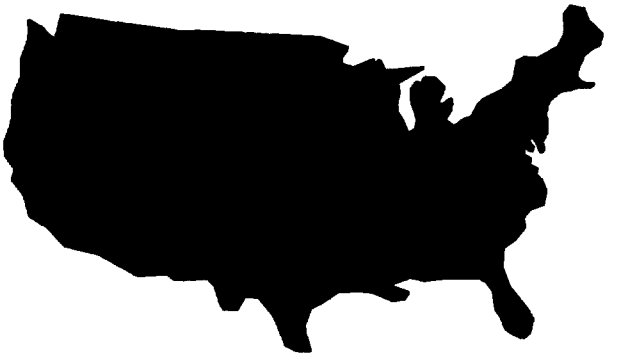
We are ready to begin the second study which entails the identification of sources of information on trade and investment. The third study will be to design a regional network which will be an integral part of the regional system. A meeting has been scheduled for June of this year to report the findings of the first study and to discuss the action plan for the second one.

In conclusion, the project is being carried out successfully thanks to the support received from the United States through ROCAP and for the importance which it has been given by the countries of Central America. I have no doubt that with this support, we can develop a good information system that will serve as a fundamental support for the economy of the region.

María Isabel Zúniga works in the Public Relations Office for the Corporation of Free Trade Zones in Managua, Nicaragua.

Interview with Mr. Carlos E. Gutiérrez Luna

Coordinator, Trade and Investment Information Systems Project, Partnership for Democracy and Development (PDD), USAID/G-CAP



RIC: Why does the United States consider it important to support the activities of the Central American Informatics Group?

Mr. Gutiérrez: Within the process of the opening up of the Central American economy, and regional economic integration, both as first steps toward a broad and dynamic insertion into the global economy, without a doubt, the first step in undertaking any activity is to gain information. Sadly, the information on trade and investment, both within and outside the region, is greatly deficient. Therefore, Central Americans have made this their number one priority in the development of the Partnership for Democracy and Development. It is logical to assume that if we do not have information, there is no way to promote economic development and, thus, no way to promote social develop-

ment and the consolidation of the democracy, which is supported by the PDD.

The role of the United States is very significant because almost all the financial resources that are being used to conduct this project have been passed on by the Congress of the United States to USAID in Washington, D.C. and from there to USAID/G-CAP for implementation.

RIC: In your opinion, how are the activities of the Central American Informatics Groups progressing?

Mr. Gutiérrez: The Central American Informatics Group basically began with the G-10 Group, the ten private and public institutions most important to the process of integration in Central America which are involved in the production and dissemination of information on trade and investment. Here we are talking about, at the national level, central banks, statistics offices and institutions, export promotion centers (which are mainly private), and associations of exporters; and at a regional level, the most important regional institutions such as SIECA, FEDEPRICAP, the Central American Bank for Economic and Integration, etc. In this sense, I believe it was very important to carry out this project in order to establish a regional system of commercial information, and furthermore, it was important that the institutions involved have, on their own, made the decision to create a permanent institution, and have asked SIECA to be its Technical Secretariat.

The last meeting held in Belize was also very exciting because national sections of the Central American Informatics Group were created and the coordinators for each country were designated. The purpose of this action was to facilitate the work of the consultants, who are carrying out the base studies for the establishment of the system. In the future, country coordinators will be able to establish their own agendas and they will have assistance through horizontal cooperation. In other words, development of programs will be much easier, perhaps with lower costs, and will potentially have an impact on the seven countries of the region.

Of great importance is that not only was the Group created as a support tool for the establishment of a regional information system but it has been institutionalized. The Group could also support the government and the private sector and could became the technical consultative arm of the Central American G-10 Group and the Economic Cabinets, which at this time are the highest decision-making authorities on economic integration.

Mr. Gutiérrez Luna works in the Office of Trade and Regional Integration of the Guatemala-Central American Programs Mission of the U.S. Agency for International Development of the (USAID/G-CAP).

Regional Information Clearinghouse
USAID/G-CAP
1ª Calle 7-66, Zona 9
Edificio Plaza Uno, 9° Nivel
Guatemala, Guatemala

Tel. (502) (2) 32 03 22
Fax (502) (2) 32 04 32
E-mail: Huracan - cirgt@huracan.cr
Nicarao - cirgt@nicarao.apc.org
Internet - sdorsey@usaid.gov

Steven D. Dorsey, Information Resources Manager
Kathleen M. Horkan, Information Analyst
Silvia Rivera, Assistant Information Analyst